

ANALYSIS

Consent Agenda – Various Agencies Requests for Approval to Apply for Federal Grants

The following state agencies seek approval or retroactive approval to submit grant applications to various federal agencies. Retroactive approval is necessary for grant applications with deadlines that fell before the submittal dates for the September 2023 meeting of the Joint Interim Committee on Ways and Means and for which prior legislative approval had not been obtained. All agencies submitted advance notification to legislative leadership of their intent to apply for the grants as required by the Department of Administrative Services and Legislative Fiscal Office.

Item 18: Employment Department – UI Modernization

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Labor in the amount of \$9,250,000 to support the Employment Department’s unemployment insurance modernization project.

Analysis: The Employment Department is currently updating its unemployment insurance benefits information technology systems and continues monitoring unemployment insurance claimant activity to respond and improve services to Oregonians in the daily administration and maintenance of the existing system. If awarded funds from the federal grant opportunity, the Employment Department will support improvements to customer experience, including digital and non-digital content creation; cloud migration, disaster recovery and updating of the agency’s intranet system; and login functionality. The agency provided notification of its intent to apply for the grant on July 11, 2023 and the federal application was due August 8, 2023. The agency does not anticipate the need for additional positions and no state match is required.

Item 19: Oregon Business Development Department – Regional Planning and Local Technical Assistance

Analyst: Matt Stayner

Request: Approve the submission of a federal grant application to the U.S. Department of Commerce, Economic Development Administration, in the amount of \$300,000 to provide technical assistance to create and implement regional economic development strategies in rural Oregon, communities of color, and Oregon’s nine federally recognized tribes.

Analysis: This federal funding opportunity from the U.S. Department of Commerce, Economic Development Administration (EDA), will assist in building capacity to create and implement regional economic development plans. The Oregon Business Development Department (OBDD) intends to use the funding to provide contracted technical assistance to intergovernmental cohorts in the development

of regional economic development strategies. The available funding is acknowledged to be insufficient to provide awards all interested parties; however, the agency is working with target groups to establish a prioritization methodology. The federal grant application does not have a specific deadline and EDA is accepting applications on a rolling basis. The baseline required state match begins at 50% of the total project cost but may be reduced to as little as 20% depending on the unemployment rate and per-capita income rate of the regions supported, as compared to the national average. In-kind support, which the department intends to leverage, is eligible to meet the match requirement. The intended grant performance period is 12 to 18 months following the awarding of funds, but individual awards may have up to three years to complete their scope of work.

Item 42: Department of Transportation – I-5 Kuebler to Delaney Widening

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$22,560,000 to support Phase 2 of the Interstate 5 Kuebler to Delaney Road Widening Project.

Analysis: A successful grant application would enable the northbound lanes of Interstate 5 between Kuebler Boulevard and Delaney Road to be widened from two lanes to three, easing congestion and improving safety. The grant requires matching funds of 40% of the total project cost, which is \$37,600,000. ODOT can satisfy the match requirement by using \$15,040,000 from the agency's Infrastructure Investment and Jobs Act funding that has been set aside by the Oregon Transportation Commission for use as match for competitive grants. The agency provided notice of its intent to apply for the grant on August 3, 2023 and the federal application was due August 21, 2023.

Item 44: Department of Transportation – OR 126 Veneta Safety Improvements

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$29,000,000 for safety improvements in Veneta on OR 126.

Analysis: The Oregon Department of Transportation (ODOT) is applying for a \$29 million federal grant to support safety improvements on OR 126 in the city of Veneta. The project consists of construction of two roundabouts, road widening, and railroad and pedestrian crossing improvements, for the purpose of improving safety, added mobility, and congestion management. A 20% state match is required, which will be funded with Infrastructure Investment and Jobs Act funds set aside by the Oregon Transportation Commission for use as matching funds for competitive grants. The agency provided notice of its intent to apply for the grant on August 3, 2023 and the federal application was due August 21, 2023.

Item 45: Department of Transportation – Arizona Slide Complex

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$69,300,000 for natural hazard mitigation and resiliency fortification on Highway 101 at the Arizona Slide Complex in Curry County.

Analysis: Proactive mitigation of the Arizona Slide Complex area will help maintain a major transportation corridor and potentially prevent a 200-mile detour that occurred with a previous landslide-related closure. The area consists of a slope prone to landslides that could benefit from a more robust drainage system. A 10% state match for the grant is required, which ODOT will satisfy from its existing construction program. The agency provided notice of its intent to apply for the grant on August 3, 2023 and the federal application was due August 18, 2023.

Item 46: Department of Transportation – US 101 Beverly Beach Coastal Erosion Planning

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$5,000,000 for planning and pre-design work related to beachfront erosion mitigation on US 101 near Newport.

Analysis: The purpose of the federal Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation program is to plan for and strengthen surface transportation to be more resilient to natural hazards through formula and competitive discretionary grants. The proposed project site for the current grant opportunity is a two mile section of sloping highway with a rapidly eroding base on US 101 near Newport. A planning grant will enable the Oregon Department of Transportation (ODOT) to identify a permanent solution to erosion hazards and begin pre-design work for beachfront protective structures under a recently granted exception to allowable construction materials and methods. If awarded, the grant will support an alternative analysis and conceptual design; this pre-work will help the state be more competitive for construction-related grants for this project. ODOT submitted a notification of its intent to apply for the grant on August 3, 2023 and the federal application was due August 18. The grant does not require a state match.

Item 47: Department of Transportation – US 101 Butte Creek Culvert Replacement

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$5,200,000 to build a replacement for a failing culvert in Neskowin.

Analysis: The Oregon Department of Transportation (ODOT) has identified the Butte Creek Culvert Replacement Project in Neskowin as the candidate for the federal Promoting Resilient Operations for Transformative, Effect and Cost-Saving Transportation federal grant opportunity. This project will enable unrestricted fish passage and ensure safety of the traveling public along US 101. A 20% match of \$1.3 million is required and will be supplied by ODOT's statewide culvert program, comprised of funds from various revenue sources set aside for culvert projects. The agency submitted a notification of its intent to apply for the grant on August 3, 2023 and the federal application was due August 18, 2023.

Item 48: Department of Transportation – Columbia River Highway State Trail

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$44,040,200 to complete the final segment of the Historic Columbia River Highway State Trail.

Analysis: The Nationally Significant Federal and Tribal Lands Program grant would allow for construction of a 12-foot wide, Americans with Disabilities Act-compliant asphalt multi-use path that will serve as an alternative emergency route in the event of a closure of Interstate 84, between the Mitchell Point Tunnel and Ruthton Trailhead. This is the third grant application from the Oregon Department of Transportation (ODOT) for this project. To increase the competitiveness of its current application, ODOT is proposing matching funds of 15% of total project costs, which is higher than the 10% minimum matching requirement. The 15% match totals \$7.8 million and is available from the Infrastructure Investment and Jobs Act funds set aside by the Oregon Transportation Commission for use as matching funds for competitive grants. The total project cost is \$51.8 million, and the grant application was due on September 6, 2023.

Item 49: Department of Transportation – Siskiyou Wildlife Crossing

Analyst: Michelle Deister

Request: Approve, retroactively, the submission of a federal grant application to the Federal Highway Administration in the amount of \$16,208,800 to construct a wildlife crossing across Interstate 5 in the Cascade Siskiyou Monument.

Analysis: The Oregon Department of Transportation (ODOT) applied for but did not receive an America the Beautiful Challenge grant in 2022 to fund the design phase of a project to construct a wildlife crossing across the Interstate 5 in the Cascade Siskiyou Monument. If the agency receives an award under the current opportunity, the Federal Highway Administration grant would fund construction of the wildlife crossing in an existing migratory path to improve wildlife movement and increase safety for motorists and wildlife. The site was identified through a feasibility study and is supported by a coalition of interested stakeholders. The grant requires a 20% match of \$4,052,200, which will be met with \$3,837,200 in existing General Fund for wildlife crossings and \$215,000 from private donors. ODOT submitted a notice of intent to apply for the grant on July 14, 2023 and the federal application was due August 1, 2023.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the requests to apply for federal grants, en bloc, with the understanding that if the funds are awarded the agencies will return to the Legislative Assembly for approval of any necessary Federal Funds or Federal Funds as Other Funds expenditure limitation and position authority.



Oregon

Tina Kotek, Governor

Employment Department

875 Union St NE

Salem, OR 97311

(503)947-1394

www.Employment.Oregon.gov

August 21, 2023



Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

RE: Oregon Employment Department Retroactive Letter for \$9.250 million of Modernization Funding from the United States Department of Labor

Dear Co-Chairpersons,

Nature of the Request

The Oregon Employment Department (OED) is requesting retroactive approval to apply for a federal grant in the aggregate amount of \$9,250,000 from the Employment and Training Administration of the US Department of Labor (US DOL) for modernization of the OED's Unemployment Insurance (UI) systems(s). The Department previously submitted a 10-day letter to LFO and CFO on July 28th and submitted the application for funding to DOL on August 8, 2023. This funding opportunity will be awarded to states in the order that applications are received, and as long as funding remains available.

Prior to this process, a 10-day letter was submitted on July 11, 2023 for \$12,250,000 in funding also for modernization of OED's UI system. On July 14, 2023, US DOL rescinded this opportunity while providing the opportunity discussed in this letter.

Agency Action

OED is seeking retroactive approval to participate in the grant opportunity offered by the US Department of Labor, which was received on July 14, 2023, and had a grant application deadline of August 18, 2023. This grant will not require any state matching obligation.

OED will use these funds for portions of its existing UI modernization project, in addition to projects to improve the department's UI systems, which may include:

- Measurably improving the customer experience (CX), including digital and non-digital content creation as well as customer service feedback;
- Cloud migration, including disaster recovery as well as updating the department's intranet system for employees to access critical information; and



Oregon

- Modular and Application Programming Interface (API)-driven approaches, including securing the claimant login process as well as single sign-on functionality.

Work on this grant opportunity will begin no sooner than September 1, 2023. Funds must be spent by September 30, 2028. The Department is not requesting any limitation at this point.

Action Requested

Retroactively approve the submission of the federal grant application by the Oregon Employment Department to the US Department of Labor, in the amount of up to \$9,250,000, to modernize its systems.

Legislation Affected

None

Please contact us if you have any questions on our application.

Sincerely,

David Gerstenfeld, Director
Oregon Employment Department

cc: Amanda Beitel, Legislative Fiscal Officer
Kate Nass, Chief Financial Officer
Tamara Brickman, Department of Administrative Services
Michelle Deister, Legislative Fiscal Office
CFO.LegRequests@das.oregon.gov
LFO.LegRequests@oregonlegislature.gov



August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
H-178 900 Court Street NE
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Oregon Business Development Department (Department) respectfully requests authority to apply to the United States Department of Commerce, Economic Development Administration's (US EDA) regional planning and local technical assistance programming in the amount of \$300,000, including a match requirement.

Agency Action

As the state's economic development agency, the Department is an eligible applicant for these federal funds. The Department and the US EDA have a shared history of partnership and successful collaboration over multiple grant awards. If the Department is awarded funding again, these funds will carry out the federal programming's goals of supporting economic development, fostering job creation, and attracting private investment in economically distressed areas.

The specific intent for these funds is to establish a series of intergovernmental cohorts, which create and implement regional economic development strategies designed to build capacity and guide the economic prosperity and resiliency of rural Oregon, communities of color (through Chambers of Commerce), and Oregon's nine (9) Federally Recognized Tribes. The Department has heard from many communities about the need for planning assistance, due to a lack of capacity or skill to accomplish this work at the local level. This is a new project, wherein the Department will gain knowledge about whether this model is beneficial to our partners. With strategic plans in hand that reflect respective economic development needs, the involved communities will be better positioned to apply for [competitive] funding resources to implement action items and initiatives.

Because the Department anticipates this to be a popular project, a process will be established for selection, as grant funding will not be enough to serve all. Care will be given to support equity and anti-racism efforts, ensuring diverse participants and geographical balance across rural, communities of color and Tribal communities. The development of selection criteria will be built into the grant's scope of work, informed through the Department's inclusive communications, and implemented with stakeholder involvement. Multiple communication methods will be deployed (e.g., printed materials, recorded webinars, information sharing through trusted partners, etc.) so the message reaches all communities.

Planning and technical assistance applications are accepted by the US EDA on a continuing basis and processed as received, regardless of federal fiscal years. With the state's approval, the Department intends to apply by the end of September/early October 2023, complete with a letter of support from the Governor. This timing will ensure the state's application secures a place in the US EDA's review pipeline, as the federal agency administers project requests against available funding. The Department anticipates notice of success, quickly followed by a date of award, to occur in February/March 2024; hiring of a consultant and implementation of the scope of work will begin thereafter.

As part of its application review process, the US EDA considers a cash and/or in-kind match an essential part of any project. The Department's team of Regional Development Officers will track their time as they work on this project (in kind match), carrying out the development of the cohorts will be in partnership with a hired consultant.

The agency does not anticipate the work under this award to take away from existing workloads, require additional staffing, nor require ongoing work. In addition, future projects like this could be sought as this application will not preclude the Department from being eligible to apply for future federal funds should this project be deemed a success.

Action Requested

The Oregon Business Development Department respectfully requests authority to apply to the United States Department of Commerce, Economic Development Administration's regional planning and local technical assistance programming in the amount of \$300,000.

Legislation Affected

The request to apply for this grant does not affect current legislation.

Sincerely,

A handwritten signature in black ink that reads "Chris Cummings". The signature is fluid and cursive, with a long, sweeping tail that loops back under the name.

Chris Cummings
Deputy Director



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) Delivery and Operations Division requests retroactive permission to apply for \$22.56 million in federal surface transportation funding under the United States Department of Transportation (USDOT) Infrastructure for Rebuilding America (INFRA) grant program for the I-5 Kuebler Boulevard to Delaney Road Widening. With the passage of the Infrastructure Investment and Jobs Act (IIJA), USDOT is providing \$8 billion over five years to the INFRA program, with \$3.1 billion available this year.

AGENCY ACTION

The INFRA grant program provides federal financial assistance to a large variety of highway, bridge, and multimodal projects to improve and expand surface transportation infrastructure. It is a competitive federal discretionary grant program specifically designed to alleviate congestion and promote freight mobility. Grants are awarded on a competitive basis to states, tribes, and local governments. A range of project types are eligible for INFRA funding, including both project development and construction activities. Competitive projects will meet the program goals of supporting economic vitality, addressing climate change, advancing racial equity, leveraging federal funding, innovation, safety, and accountability. The Notice of Funding Opportunity was issued by USDOT on June 22, 2023, and applications were due August 21, 2023. The award date has not been announced but is expected in late 2023.

ODOT has identified Phase 2 of the Kuebler to Delaney Project as an excellent candidate for this program. Phase 1 is set for construction in early 2024 and will expand I-5 southbound from two to three lanes through this area. If this grant is awarded, Phase 2 will do the same for I-5 northbound and will benefit people using all modes of transportation by providing a safer, more connected, and less congested transportation corridor through Salem. The project makes a significant investment that will improve freight mobility and relieve congestion on the I-5 corridor through Salem.

The Kuebler to Delaney Project was selected as a priority for this grant program because it is a priority for ODOT, the City of Salem, and Marion County, and because it aligns with ODOT's Strategic Action Plan's goal of a modern transportation system, and the 2031 Regional Transportation Systems Plan.

August 21, 2023

Page 2

Grant Request:	\$ 22,560,000
Matching Funds:	<u>\$ 15,040,000</u>
Total Phase 2 Project Cost:	\$ 37,600,000

The INFRA grant program limits grant funding to 60 percent of the project cost. Matching funds of \$15.04 million will come from the IJJA flexible funds set aside by the Oregon Transportation Commission to use as match on federal competitive grants. If awarded, the INFRA funding would be added to the existing Phase 1 (southbound) project, allowing ODOT to fully fund Phase 2 and implement improvements on both southbound and northbound I-5. If awarded, no additional staffing will be needed. If ODOT is not awarded this federal grant, federal funding will be pursued through other grant applications. Absent additional federal funding, Phase 2 is unlikely to move forward until at least the 2027-2030 STIP.

ACTION REQUESTED

ODOT requests retroactive approval to apply for \$22.56 million in federal surface transportation funding under the USDOT INFRA 2023 discretionary grant program. ODOT may need to return to request additional Other Funds expenditure limitation if the grant is awarded.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) Delivery & Operations Division requests retroactive permission to apply for \$29 million in federal surface transportation funding under the United States Department of Transportation's (USDOT) Multimodal Project Discretionary Grant Opportunity, specifically the Rural Surface Transportation Grant program (Rural) for the OR126: Safety Improvements Project. Through the Infrastructure Investment and Jobs Act (IIJA), USDOT is providing \$2 billion to the Rural grant program over five years.

AGENCY ACTION

The Rural grant program provides federal financial assistance to a variety of highway, bridge, and multimodal projects in the nation to improve surface transportation infrastructure in rural areas. Funding opportunities are awarded on a competitive basis to projects that have a significant regional impact and will improve safety, economic strength, equity, climate and sustainability. The Notice of Funding Opportunity was issued by USDOT on June 26, 2023, and applications were due August 21, 2023. The award date has not been announced but is expected in late 2023 or early 2024.

ODOT has identified the OR126: Safety Improvements Project in the City of Veneta as an excellent candidate for the Rural program. This project will invest in safety by significantly reducing serious and fatal injuries, relieving congestion, facilitate freight movement, provide multimodal connectivity opportunities, and increasing access to affordable housing and jobs for Oregonians. The project also makes significant advances toward completing a more complex highway improvement project on OR126 to further safety and mobility between Veneta and Eugene and points beyond.

The OR126 Project was selected as a priority for this grant program because it is a priority for ODOT and the City of Veneta. Included in the project plan are the construction of two roundabouts and a widening of the roadway between the roundabouts from two to four lanes. The railroad crossing at Huston will be upgraded and integrated signing between the railroad and the roundabout will be added, in addition to bicycle/pedestrian crossings of the railroad tracks. Additionally, all pedestrian crossings in the project area will be upgraded for ADA compliance. The project is a natural fit for the Rural program.

August 21, 2023

Page 2

Grant Request:	\$ 29,000,000
Matching Funds:	<u>\$ 8,000,000</u>
Total Project Cost:	\$ 37,000,000

The Rural grant program limits grant funding to 80 percent of the project cost. ODOT's portion of matching funds for the project will come from the \$40 million in IIJA flexible funds set aside by the Oregon Transportation Commission for use as match on federal discretionary grants. If ODOT is not awarded this federal grant, federal funding may be pursued through other grant applications and conventional project funding sources. However, absent the grant award it is unlikely major safety problems on the highway will be addressed in the near future.

ACTION REQUESTED

ODOT requests retroactive permission to apply to the USDOT Rural grant program for \$29 million in IIJA funds for the OR126: Safety Improvements Project in Veneta, Oregon. ODOT may need to return to request additional Other Funds expenditure limitation of the grant is awarded.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT), Delivery and Operations Division, requests retroactive permission to apply for \$69.3 million from the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Discretionary Grant Program through the U.S. Department of Transportation (USDOT) for the Arizona Slide Complex on US-101. Through the Infrastructure Investment and Jobs Act (IIJA), USDOT is providing \$848 million to the PROTECT grant program during the 2023 cycle.

AGENCY ACTION

The purpose of the PROTECT Formula and Discretionary Grant programs is to plan for and strengthen surface transportation to be more resilient to natural hazards, including climate change, sea level rise, flooding, extreme weather events, and other natural disasters through formula and competitive discretionary grants. The Notice of Funding Opportunity was issued by USDOT on April 21, 2023, and applications were due August 18, 2023. The award date has not been announced but is expected in late 2023 or early 2024.

ODOT has identified the mitigation of the Arizona Slide Complex on US-101 as an excellent candidate for this program, as more extensive mitigation is needed beyond emergency landslide response. The recent rapid movement of Arizona Inn Landslide (part of the Arizona Slide Complex) on January 9, 2023, where significant land movement disrupted regional travel for nearly a week, highlighted this need. The most efficient detour route around US-101 at the Arizona Inn Landslide Complex that can accommodate the volume and variety of traffic is approximately 200 miles out of the way and requires almost four and a half hours of travel for a drive that would normally take two hours. There are no other viable alternatives in this remote area of the Oregon Coast that can safely accommodate commercial vehicles and passenger traffic.

As the main transportation corridor on the Oregon coast, it is imperative that US-101 be kept open to the traveling public. The most feasible and cost-effective means to achieve this is to expand a robust drainage system by installing horizontal drains, surface drainage, and a deep patch roadway section for the entire landslide area. Based on data and the performance of the slope, horizontal

August 3, 2023

Page 2

drains have been an effective mitigation for this large, active landslide on the south coast for nearly three decades. This proposed mitigation should provide another three decades of service.

If an eligible entity has adopted a Resilience Improvement Plan and the project is identified in that plan, the PROTECT grant program reduces the non-Federal share of project costs by ten percentage points. ODOT qualifies for the reduced match share.

Grant Request:	\$ 69,300,000
Matching Funds:	<u>\$ 7,700,000</u>
Total Project Cost:	\$ 77,000,000

The required 10 percent match will come from existing allocated funds in ODOT's construction program. Projects selected by USDOT will be funded with either Federal FY 2022 or FY 2023 funds. All awards of fiscal year 2022 funding are available for obligation through September 30, 2025. All awards of fiscal year 2023 funding are available for obligation through September 30, 2026. Funding expenditure deadlines for fiscal years 2022 and 2023 will be documented in the grant agreement depending on the fund source.

More proactive mitigation of this slide area is unlikely to move forward in absence of a federal grant, resulting in ODOT continuing to be reactive as slides occur and major traffic detours when that happens. If awarded, ODOT may need to return for additional expenditure limitation; no additional positions will be needed.

ACTION REQUESTED

ODOT requests retroactive approval to submit a grant application to USDOT for \$77 million in PROTECT grant funds to mitigate the Arizona Slide Complex on US-101 in Curry County. ODOT may need to return to request additional Other Funds expenditure limitation if the grant is awarded.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) Delivery & Operations Division requests retroactive permission to apply for a \$5 million planning grant from the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Discretionary Grant Program through the U.S. Department of Transportation (USDOT) for the US-101 Beverly Beach Coastal Erosion Planning and Pre-design project. Through the Infrastructure Investment and Jobs Act (IIJA), USDOT is providing \$848 million to the PROTECT grant program during the 2023 cycle.

AGENCY ACTION

The purpose of the PROTECT Formula and Discretionary Grant programs is to plan for and strengthen surface transportation to be more resilient to natural hazards, including climate change, sea level rise, flooding, extreme weather events, and other natural disasters through formula and competitive discretionary grants. The program includes four categories of funding, three of which require a 20 percent non-federal match, with no match is required for planning grants. The Notice of Funding Opportunity was issued by USDOT on April 21, 2023, and applications were due August 18, 2023. The award date has not been announced but is expected in late 2023 or early 2024.

ODOT has identified an excellent candidate for this planning grant opportunity. The Oregon Coast Highway (US-101) Beverly Beach Coastal Erosion project is an approximate two-mile highway segment that is rapidly deteriorating due to consistent beachfront erosion against aging infrastructure. Built in the 1920s and 1930s, US-101 is invaluable to national, state, and regional interests as it contains scenic, economic, emergency, and national defense attributes. US-101 is part of the National Highway System and Strategic Highway Network; is designated a Lifeline Route and Oregon Scenic Byway per the Oregon Highway Plan; and is designated a National Scenic Byway.

Until recently, ODOT has been restricted in the types of erosion mitigation along Highway 101 due to policy restrictions listed in Statewide Planning Goal 18, which prohibited construction of large permanent beachfront protective structures, including but not limited to retaining walls, rip rap, or other hard infrastructure.

In September 2022, a multi-year/multi-agency effort concluded and lifted this restriction, thereby allowing ODOT to apply for an exception to construct beachfront protective structures along the

highway. The exception must illustrate different alternatives considered, provide a conceptual preferred design, and meet associated land use criteria.

This US-101 segment is in urgent need to identify a solution, develop designs, and construct a permanent fix to the sloping area of highway. Years of constant wave friction, and the more recent increase in king tides, have eroded the base of the highway, causing crumbling pavement and exposed guardrail posts. The PROTECT Planning Grant will enable ODOT to pursue the detailed planning analysis, identify a permanent solution, and begin pre-design to meet the conditions of the exception.

ODOT selected this project as critical to moving forward high priority infrastructure needs along this coastal lifeline route and is confident a grant of \$5 million will allow for an alternatives analysis, conceptual design, and more refined design work as needed. This will set the project up for success in future grant opportunities for further design and construction funding.

Grant Request:	\$ 5,000,000
Matching Funds:	\$ <u>0</u>
Total Project Cost:	\$ 5,000,000

There is no match requirement for the PROTECT planning grant. Selected projects will be funded with either FY 2022 or FY 2023 funds. All awards of fiscal year 2022 funding are available for obligation through September 30, 2025. All awards of fiscal year 2023 funding are available for obligation through September 30, 2026. Funding expenditure deadlines for fiscal years 2022 and 2023 will be documented in the grant agreement depending on the fund source.

If this grant is awarded, the project will be added to the Statewide Transportation Improvement Program and begin analysis and conceptual design as early as funding allows. ODOT is committed to delivering this planning project in an urgent fashion and positioning the project well for other future grant opportunities. This project has support from the Cascade West Area Commission on Transportation and local jurisdictional partners. If ODOT is not awarded this grant, ODOT will not have enough funding to move forward with additional site analysis or partial design, potentially putting land use approvals at risk. This would further delay ODOT's ability to identify a permanent solution and eventual construction of site improvements.

ACTION REQUESTED

ODOT requests retroactive approval to submit a grant application to FHWA for \$5 million in PROTECT planning grant funds for the US-101 Beverly Beach Coastal Erosion Planning and Pre-design project.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) Delivery & Operations Division requests retroactive permission to apply for \$5.2 million in Promoting Resilient Operations for Transformative, Effect and Cost-saving Transportation (PROTECT) funding from the U.S. Department of Transportation (USDOT) for the US-101 Butte Creek Culvert Replacement Project in Neskowin, Oregon. Through the Infrastructure Investment and Jobs Act (IIJA), USDOT is providing \$848 million to the PROTECT grant program during the 2023 cycle.

AGENCY ACTION

The PROTECT Discretionary Grant Program seeks to fund projects that address the climate crisis by enhancing the resilience of the surface transportation system, including highways, public transportation, ports, and intercity passenger rail. The PROTECT program provides funding to ensure surface transportation resilience to natural hazards such as climate change, sea level rise, flooding, extreme weather events, and other natural disasters. The Notice of Funding Opportunity was issued by USDOT on April 21, 2023, and applications were due August 18, 2023. The award date has not been announced but is expected in late 2023 or early 2024.

ODOT has identified the US-101: Butte Creek Culvert Replacement Project as an excellent candidate for the PROTECT program. The project will design a replacement stream crossing structure, such as a bridge or precast box culvert, to allow unrestricted migration of all life stages of Native Migratory Fish by utilizing the stream simulation design criteria. The culvert, which was rated to be in "critical condition" during an inspection in August 2020, has been exhibiting signs of vertical settlement and other issues that increase the risk of culvert failure that could cause damage to the roadway over time, including the possibility of a complete washout of the highway and surrounding embankment. This highway is designated as an ODOT priority route; failure of these culverts would not only impact mobility but also present a serious safety risk to the traveling public.

Grant Request:	\$ 5,200,000
Matching Funds:	<u>\$ 1,300,000</u>
Total Project Cost:	\$ 6,500,000

August 3, 2023

Page 2

The PROTECT grant program limits grant funding to 80 percent of the project cost. ODOT's portion of matching funds for the project will come from the statewide culvert program. Projects selected by USDOT will be funded with either Federal FY 2022 or FY 2023 funds. All awards of fiscal year 2022 funding are available for obligation through September 30, 2025. All awards of fiscal year 2023 funding are available for obligation through September 30, 2026. Funding expenditure deadlines for fiscal years 2022 and 2023 will be documented in the grant agreement depending on the fund source.

If this grant is not awarded, ODOT would apply again on future PROTECT grant opportunities as well as look at prioritizing projects to fund the match. If this project is not constructed, the area's residents are at higher risk of community isolation during climate disasters, resulting from sea level rise.

ACTION REQUESTED

ODOT requests retroactive approval to submit a grant application to USDOT for \$5.2 million in PROTECT grant funds for the US-101: Butte Creek Culvert Replacement Project in Neskowin, Oregon.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Kate Brown, Governor

Department of Transportation

Office of the Director

355 Capitol St NE

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT), Delivery and Operations Division requests retroactive approval to apply for a Nationally Significant Federal and Tribal Lands Program (NSFTLP) grant from the Federal Highway Administration (FHWA) for \$44,040,200. This project, if awarded, will continue development of an off-Interstate connection between Gorge communities and an emergency route alternative if I-84 is closed. The FHWA has allocated \$88.29 million for this year's grant cycle; eligible projects include requests for construction, reconstruction, and rehabilitation of nationally significant projects within, adjacent to, or accessing Federal and tribal lands.

AGENCY ACTION

The NSFTLP provides an opportunity to address significant challenges across the nation for transportation facilities that serve Federal and tribal lands. This year's Notice of Funding Opportunity was published on July 25, 2023, and the application was due on September 6, 2023. The award date has not been announced but is anticipated spring 2024. ODOT has identified an excellent candidate for this grant: completion of the final gap in the trail between the Mitchell Point Tunnel and the Ruthton Trailhead.

The [Historic Columbia River Highway](#) spans 73 miles between Troutdale and The Dalles, with some segments shared with vehicles, and some serving exclusively as a bicycle and pedestrian trail. The National Scenic Area federal legislation passed by the U.S. Congress and signed into law by President Reagan requires the Oregon Department of Transportation to restore and reconnect the Historic Columbia River Highway as a state trail. The State Trail is also included in the National Scenic Area Management Plan. If awarded, this grant will help bridge the final gap in the Trail between the Mitchell Point Tunnel (under construction today) and the Ruthton Trailhead in Hood River, with a 12-foot wide, ADA-compliant, asphalt multi-use path. Construction of this segment will include walls, a viaduct, railings, and a new I-84 undercrossing from the south side of the freeway to the north into Hood River, exclusively for bike/ped use (see attached map).

This project provides an off-Interstate connection between Gorge communities and provides an emergency route alternative if I-84 is closed. Additionally, this state trail will continue to attract tourism, creating economic opportunities for its communities and the state.

In an area with limited transportation options, those who are unwilling or unable to travel on I-84 will now have an off-Interstate option to travel through the Gorge on Oregon's side of the Columbia River. Cyclists and other recreational users will benefit from a separated facility to experience the views and beauty of the Gorge, while the traveling public will benefit from the safety of the rock fall mitigation completed by this project and the physical separation from cyclists on the I-84 shoulder. ODOT works in close partnership with Oregon Parks and Recreation Department (OPRD) for maintenance and operation of the State Trail and associated trailheads; pursuant to formal agreement, ODOT is responsible for structures and large emergency maintenance events ORPD is unable to address.

Grant Request: \$44,040,200
Matching Funds: \$ 7,771,800
Total Project Cost: \$51,812,000

Matching funds will come from IIJA flexible funds, approved by the Oregon Transportation Commission to use as match for IIJA grants. During the debrief with FHWA after the last grant application was not awarded, FHWA indicated the project would be more competitive if the match exceeded the required 10 percent. In an effort to present the most competitive project possible and be awarded this grant, matching funds of \$7.8 million are being offered, which equal 15 percent of the project cost.

ACTION REQUESTED

ODOT requests retroactive approval to submit a grant application to the Federal Highway Administration for \$44,040,200 in Nationally Significant Federal and Tribal Lands Program funds. ODOT may need to return to seek additional Other Funds expenditure limitation if the grant is awarded.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT), Region 3, requests retroactive permission to apply for a Wildlife Crossings Pilot Program grant established under the Infrastructure Investment and Jobs Act (IIJA) for \$16,208,800 from the Federal Highway Administration (FHWA).

AGENCY ACTION

On April 4, 2023, FHWA opened applications for the Wildlife Crossings Pilot Program (WCPP) Discretionary Grant Program. It will provide \$350 million in grant funding over five years to eligible applicants, including cities, local governments, state governments, and Tribes. FHWA has combined FY 2022 and FY 2023 funds into a single Notice of Funding Opportunity, with up to \$111,850,000 available in this cycle. Applications were due on August 1, 2023, and the award date has yet to be determined.

ODOT has identified the construction of a wildlife crossing across Interstate 5 (I-5) in the Cascade Siskiyou Monument as an excellent candidate for this program. This wildlife crossing is on I-5 near milepost 1.6 in the Cascade-Siskiyou National Monument, with federal Bureau of Land Management property flanking both sides. A wildlife crossing in this area is supported by the [Southern Oregon Wildlife Crossing Coalition](#) (SOWCC), which funded a feasibility study to determine the best places to construct safe passages for wildlife. The SOWCC is a broad-based partnership of state and federal agencies, land trusts, hunting conservation organizations, environmental organizations, Southern Oregon University, and other local partners. The Coalition advocates for improved wildlife movement and increased safety for motorists in the Siskiyou Summit region of I-5 between Ashland and the California border.

The WCPP grant limits funding to 80 percent of the project cost, requiring non-federal match of \$4,052,200. The state's contribution consists of \$3.8 million from the \$7 million allocated to wildlife corridors by the 2022 Oregon Legislature with the passage of House Bill 5202. An additional \$215,000 in matching funds have been contributed by multiple private donors, ranging from the Oregon Wildlife Foundation and other nonprofits to individual donors.

Grant Funding Summary		
Federal Funds Request	\$16,208,800	FHWA Wildlife Crossings Pilot Program
State Matching Funds	\$3,837,200	HB 5202 (2021) dedicated \$7 million to wildlife crossings
Private Contributions	\$75,000	Oregon Wildlife Foundation
	\$50,000	Shirley Long and David Lewis
	\$25,000	Head and Heart Foundation
	\$25,000	Olseth Foundation
	\$25,000	Elizabeth G. Maughan Charitable Foundation
	\$5,000	Selberg Institute
	\$5,000	Bob Given
	\$5,000	Jud Parson
Total Grant Match	\$4,052,200	
Total Project Costs	\$20,261,000	

FHWA will determine the grant year from which the funds are disbursed to each awardee, which will in turn determine the obligation and expenditure deadlines. All awards of fiscal year 2022 funding are available for obligation through September 30, 2025. All awards of fiscal year 2023 funding are available for obligation through September 30, 2026. Once obligated, funds remain available until expended and annual progress reports must be submitted to FHWA.

The project is unlikely to move forward without receipt of this grant. If awarded, ODOT may need to return for additional expenditure limitation; no additional positions will be needed.

ACTION REQUESTED

ODOT requests retroactive approval to submit a grant application to FHWA for \$16,208,800 in IJA funds to construct a wildlife corridor near the Cascade Siskiyou Monument on I-5 in Southern Oregon.

LEGISLATION AFFECTED

None.

Sincerely,

Kristopher W. Strickler
 Director