

ANALYSIS

Department of Transportation Transit Vehicles and Facilities

Analyst: Michelle Deister

Request: Approve the submission of a federal grant application to the Federal Transit Administration in the amount of \$7,487,150 for bus and bus facilities on behalf of local transit providers.

Analysis: The Department of Transportation (ODOT) applies to the Federal Transit Administration on behalf of local governments and local transit providers wishing to access federal funds to replace, rehabilitate and purchase buses, related equipment, and to construct bus-related facilities. ODOT is applying on behalf of 5 entities, and the entity on whose behalf ODOT applies is responsible for any matching fund requirements, which are 10-20% of the total project cost. If each entity's request is successful, the collective total matching funds required of the localities would be \$921,611. A summary of each locality's project is below:

Local Transit Agency	Project Description	Funds Requested	Match Amount
City of Lebanon (Linx Transit)	Site improvements for fleet electrification	\$624,650	\$69,406
Coos County Area Transportation District	5 replacement vehicles	\$892,500	\$157,500
Hood River County Transportation District	Transit facility modification and improvement	\$900,000	\$100,000
Curry County Public Transportation District	3 replacement vehicles	\$480,000	\$84,705
Morrow County	Transit facility construction	\$4,590,000	\$510,000
Total		\$7,487,150	\$921,611

The grant application is due April 13, 2023.

Legislative Fiscal Office Recommendation: The Legislative Fiscal Office recommends approval.

Oregon Department of Transportation Lisper

Request: Authorization to apply for a \$7,487,150 grant to assist in financing the Bus and Bus Facilities Program on behalf of local transit providers from the Federal Transit Administration.

Recommendation: Approve the request.

Discussion: The Oregon Department of Transportation (ODOT) is requesting authorization to apply for a federal grant from the Federal Transit Administration for the Bus and Bus Facilities Program, which includes both a formula-based allocation and a competitive grant process. ODOT applies for this grant on behalf of local transit providers. If the grant is fully awarded, the \$921,611 in matching funds would be provided by the local transit providers. The grant notification was posted on January 27, 2023, with an application due date of April 13, 2023. If awarded, the funds need to be obligated by September 30, 2026. The award date for this grant has not been determined.

If awarded, the plan includes the following projects:

Local Transit Provider	Transit Improvement Items
City of Lebanon	Site improvement for fleet electrification
Coos County Area Transit	Five replacement transit vehicles
Hood River County Transportation District	Transit facility modification and improvements
Curry County Public Transportation District	Three replacement transit vehicles
Morrow County	Transit facility construction



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

March 8, 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-Chairpersons:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) Public Transportation Division requests permission to apply for the Grants for Bus and Bus Facilities Program for \$7,487,150 from the Federal Transit Administration (FTA) on behalf of local transit providers.

BACKGROUND

The Grants for Bus and Bus Facilities Program makes federal resources available to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities. Funding is provided through formula allocation and competitive grants. The national notice of funding opportunity for the federal fiscal year 2023 competitive program was announced on January 27, 2023 for the amount of \$469,445,424 under the Grants for Buses and Bus Facilities Competitive Program. States are eligible to apply on behalf of public transit providers including rural and small urban transit districts, cities, counties, and non-profit transit providers. Local match required for applications is 10 percent to 20 percent depending on project eligibility. The grant application is due April 13, 2023. It is not known when awards will be announced, but it will likely occur this summer.

ODOT solicited potential applications from transit providers on whose behalf we may apply and received a number of proposals. Based on this solicitation, ODOT intends to apply for \$8,408,761 for purchase of eight replacement buses, construction of one transit facility, site improvements for fleet electrification at one facility and transit facility modification and improvement at one facility for the following rural transit providers:

- City of Lebanon (site improvements for fleet electrification)
- Coos County Area Transit (five replacement vehicles)
- Hood River County Transportation District (transit facility modification and improvement)
- Curry County Public Transportation District (three replacement vehicles)
- Morrow County (transit facility construction)

The replacement of older buses would decrease the proportion of the statewide transit fleet that exceeds the federal standard for useful life, an ODOT Key Performance Measure. Decreasing the proportion of the statewide transit fleet that exceeds federal useful life standards will also aid in meeting FTA Transit Asset Management goals for Oregon. Additionally, projects in this grant application would help to further ODOT's Strategic Action Plan outcomes of improving access to active and public transportation, electrifying Oregon's public transportation system, and achieving sufficient funding for public transportation.

March 8, 2023

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AGENCY ACTION

ODOT is preparing an application for \$8,408,761 in FTA Section 5339(b) Grants for Bus and Bus Facilities Program funds and local matching funds.

Grant Request:	\$ 7,487,150
Matching Funds:	\$ <u>921,611</u>
Total Project Cost:	\$ 8,408,761

Local agencies, on whose behalf ODOT is applying, will provide matching funds. Grant administration will be supported by existing ODOT staff and resources. Funds must be obligated by September 30, 2026, and there is no expenditure deadline.

ACTION REQUESTED

ODOT requests approval to submit a grant application to the FTA for \$8,408,761 in Grants for Bus and Bus Facilities Program incentive funds and matching funds.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director