

ANALYSIS

Department of Transportation Rail Corridor Identification and Development

Analyst: Michelle Deister

Request: Approve the joint submission with the State of Washington to the Federal Railroad Administration for a Corridor Identification and Development grant in the amount of \$500,000 to initiate a corridor service development plan.

Analysis: The Department of Transportation (ODOT) and Washington Department of Transportation (WSDOT) jointly operate the Amtrak Cascades passenger rail service. Both agencies are seeking to update the service development plan that was approved by the Federal Railroad Administration in 2021. The grant opportunity is being funded through the Infrastructure Investment and Jobs Act. WSDOT would be the lead applicant, but a joint application demonstrates cooperation and coordination of project priorities throughout the entire proposed corridor. A new development plan can set Amtrak Cascades up to potentially expand service to additional locations in the future, and to leverage federal funding for improvements, such as rail sidings, that will boost on-time performance and potentially add to trip frequency, which can in turn incent an increase in ridership. The application deadline for the grant is March 27th, and no matching funds are required.

The next phase of this project for which grant funding will be available will require a 10% non-federal match, should Oregon apply. Phase 3 would fund a portion of capital improvements included in the plans, and require a 20% non-federal match. Future phases can be applied for independently, once overarching systemic priorities are jointly identified.

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

Oregon Department of Transportation

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Request: Authorization to jointly apply with the state of Washington for a \$500,000 Infrastructure Investment Jobs Act grant sponsored by the Federal Railroad Administration, Corridor Identification and Development program to allow both states to identify service development plans for the Amtrak Cascade service line in Oregon and Washington.

Recommendation: Approve the request.

Discussion: The Federal Railroad Administration (FRA), Corridor Identification and Development (CID) program solicitation was identified by both the Oregon Department of Transportation (ODOT) and Washington State Department of Transportation (WSDOT) as an opportunity to address rail service improvements for the Amtrak Cascades corridor. This \$500,000 grant is the first of a three-step grant process. This first step does not require a state match. If this grant funding is awarded, step two of the process requires a 10 percent state match and step three requires a 20 percent state match. Currently, the timing of the future processes is unknown. This grant application period opened on January 23, 2023 with an application due date of March 27, 2023. The award date is unknown at this time.

ODOT agrees that WSDOT should take the lead in this joint application process, since most of the rail line and services reside in Washington. If awarded, both states would work together to submit what is identified as a pre-planning need for why the Amtrak Cascades corridor meets the overall requirements of the grant. Major areas of concern revolve around improvements to align state goals that would promote intercity passenger rail service as an alternative for motor vehicle travel, which will reduce roadway congestion and cut greenhouse gas emissions. Other areas that coincide with state goals, include on-time performance and adding capacity to existing services, which in turn will allow for addressing efficiencies without sacrificing safety and additional rider services.



Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

February 23, 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 serve as a co-applicant with the Washington State Department of Transportation (WSDOT) with WSDOT as lead applicant. This request is in response to the Federal Railroad Administration's (FRA) Corridor Identification and Development (CID) Program Notice of Funding Opportunity (NOFO) for the Amtrak Cascades service, and will enroll the Amtrak Cascades corridor in Step 1 of the CID program and receive \$500,000 for eligible Step 1 activities.

AGENCY ACTION

CID is a new program under the Infrastructure Investment and Jobs Act (IIJA) developed by the FRA to accelerate federal investment in state-supported passenger rail services. ODOT and WSDOT jointly sponsor the Amtrak Cascades, a regional intercity rail passenger service connecting Vancouver, B.C., Seattle, Portland, and Eugene with intermediate cities. The purpose of this grant application is to enroll the existing Amtrak Cascades corridor in Step 1 of the CID program and receive \$500,000 for eligible Step 1 activities, which are corridor development initiation and scope, schedule, and cost estimate for preparing a corridor service development plan.

ODOT agrees that WSDOT is currently best positioned to be the lead applicant as the majority of the train miles are within the State of Washington. No matching funds are required for Step 1. Steps 2 and 3 will require match amounts of 10 percent and 20 percent, respectively. The timing for these subsequent steps is not yet known, but as part of the Infrastructure Investment and Jobs Act (IIJA) funding package it is anticipated they will occur within the next few years. The Notice of Funding Opportunity was released on January 23, 2023, and the deadline for submittal of this application is March 27, 2023. It is not known when awards will be announced, but they are anticipated to occur in the early summer. Funds are obligated when an agreement is signed with FRA, and there is no expenditure deadline.

Receipt of this grant is crucial to the Amtrak Cascades service and both states. If this grant is awarded, the states can develop and refine the service development plan for the corridor. This work allows for specific project planning, design, and construction funding to be fast-tracked. Acceptance into the program will benefit expansion of the frequency of Amtrak Cascades trains

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and improvement of on-time performance in both states. Projects will be accelerated to add capacity necessary for the rail system to handle more train traffic efficiently and safely. These improvements align with the state's goal of promoting intercity passenger rail service as an alternative for motor vehicle travel to reduce roadway congestion and cut greenhouse gas emissions.

Grant Request: \$500,000

No matching funds are required for Step 1 of this program. If awarded, this grant will allow the Amtrak Cascades into the CID program, which in turn will allow the Amtrak Cascades to apply for additional non-competitive funding to improve service. If this grant is not awarded, Amtrak Cascades will not be eligible for additional federal funding under the CID program.

ACTION REQUESTED

ODOT requests permission to be co-applicant with WSDOT for the FRA Corridor Identification and Development Program.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director