



CRITICAL OREGON AIRPORT RELIEF (COAR)

OREGON DEPARTMENT OF AVIATION BOARD PRESENTATION

October 7, 2021

- COAR Program Overview
- Aviation Review Committee
- COAR Grants to Date
- Legislative Changes and Rule Making

Critical Oregon Airport Relief

COAR Grant Program



Columbia Gorge Regional Airport
2019 – North Apron Reconstruction



Creswell Airport (Hobby Field)
2020 – Emergency Stand-by Generator

COAR Program Overview

ASAP and House Bill 2075 (2015) Background

- Aviation System Action Program Fund (ASAP)
- Increase of 2 cents per gallon tax on jet fuel and 2 cents per gallon aviation gas goes into the ASAP fund
- ASAP funds three programs: COAR, ROAR and SOAR
- Began January 2016 and scheduled to sunset January 1, 2022



COAR Program Overview, Cont.

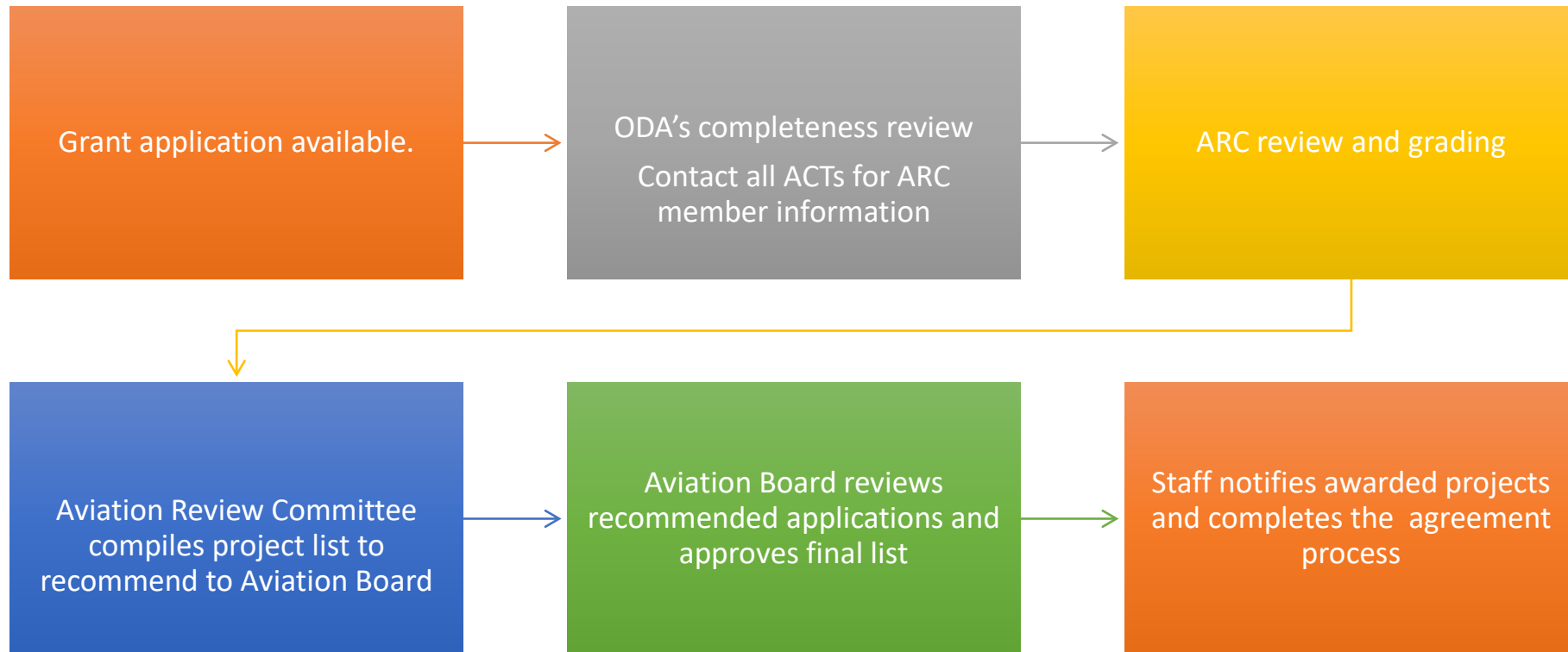
House Bill 2434 (2021)

- Fuel Tax Increase Sunset lifted, increase made permanent
- ROAR program closed (9/27/21)
 - One open ROAR grant – SACC still in progress
- Fuel tax now split between COAR and SOAR



COAR Program Overview, Cont.

COAR Cycle Process



Aviation Review Committee Update

- What is the Aviation Review Committee (ARC)?
 - Established by the State Aviation Board
 - Comprised of one member from each Area Commission on Transportation (ACT)
 - Reviews COAR applications to determine ranking for distribution of grant funds

- What does the ARC do?
 - Criteria for consideration by the ARC per ORS 319.020 Sec. 7(3)

Reduces transportation costs or improves access to jobs in Oregon	Is ready for construction or implementation
Results in economic benefit to the state	Has a useful life expectancy that offers maximum benefit to Oregon
Connects elements of Oregon's aviation system in a way that will measurably improve utilization and efficiency of the system	How much of costs of project can be borne by the applicant from sources other than ODA or Connect Oregon

- ARC will determine whether application Meets the Standard, Somewhat Meets the Standard, or Does Not Meet the Standard of the above criteria

Aviation Review Committee Update, Cont.

- Ranking the Applications
 - The ARC will review the scores and make recommendations to break ties in each priority.
 - These review considerations were created by the ARC during the 2016-17 COAR grant cycle.
 - The ARC may take into account:
 - The application scores
 - Percent of grant match by the applicant (higher the better)
 - Numbers of recommended grants to be considered already for a single applicant
 - Grants applications dealing with safety projects

Aviation Review Committee Update, Cont.

- Changes for the 2021-22 COAR grant cycle
 - Old process – each individual ARC member receives a number of applications to review and grade
 - New process – ARC members divided into cohorts of two or three to review applications together and grade
 - Once ARC members are appointed by their ACTs, Program Coordinators will put together application packets to distribute to cohorts, help set up meetings and assist with communication. Program Coordinators may help facilitate meetings.
 - New process will allow for more comprehensive review, multiple sets of eyes on the application to better catch errors or questions on the application, discussion will help clear up any confusion and allow for more accurate grading/ranking.



COAR Grant Status by Cycle

- COAR 2016-2017

- 31 grants funded for a total of \$1,683,072
- 31 grants closed as of 6/30/2021

- COAR 2017-2018

- 24 grants funded for a total of \$1,693,212
- 3 active grants
- 21 grants closed

- COAR 2018-2019

- 23 grants funded for a total of \$1,782,472
- 14 active grants
- 9 grants closed





COAR Grant Status by Cycle, cont.

- **COAR 2019-2020**

- Originally awarded 24 grants for a total of \$1,959,433
- 20 grantees received 100% funding from FAA through the CARES Act
- 4 grants funded for a total of \$600,000
- 2 active grants
- 1 grant in pre-agreement
- 1 grant closed

- **COAR 2020-2021**

- Board awarded \$2.5 million to 43 approved applications, to be funded in order approved by board
- 19 grantees received 100% funding from FAA through the CRRSA Act, 2 grants withdrawn by grantee
- 12 active grants
- 9 grants in set-up or pre-agreement
- 1 grant closed

- **COAR 2021-2022**

- Application period closed 9/24/2021
- 38 applications submitted by deadline





COAR Grant Status by Cycle, cont.

- Outstanding Obligations for Cycles 1-5

Outstanding Grant Obligations for Cycles 1-5		
Grant Cycle	Grants Open	Open Obligations
2017	0 \$	-
2018	3 \$	79,105
2019	14 \$	377,601
2020	4 \$	447,879
2021	22 \$	2,400,000
Total: \$3,304,585		

- Carry over from 2020-2021 cycle: \$655,769
- Fuel Tax Revenue (Jan-Aug 2021): \$1,129,174
- Total Funding Availability for 2021-2022 Cycle (estimate): \$2,000,000



COAR Cycle 2021-2022 Timeline





Legislative Update and Rule Making

HB2434 went into effect on September 25, 2021.

Rule making is needed to update OAR 738-124 to match HB2434 requirements. The entire section of rules will be reviewed to ensure consistency.

There are three specific requirements for rules in the legislation:

Sec.7. (2) (b)The department may adopt rules that:

- (A) Set higher minimum contribution commitment requirements (current minimum is 5%); or
- (B) Establish maximum grant amounts.

Sec. 7 (5) (a) (D) (ii) The Oregon Department of Aviation may adopt a definition of “rural Oregon ” for purposes of this subparagraph (“To assist commercial air service to rural Oregon.”) [there is a current definition so that could be recommended to leave in place]

Sec 7. (5) (b) The State Aviation Board may establish by rule priorities for the distributions made pursuant to this subsection. [refers to the purposes that qualify for COAR grants]



Rulemaking Process

- Rulemaking Advisory Committee selected and approved by State Aviation Board
- Draft rules written by ODA staff and DOJ attorney
- Rulemaking Advisory Committee reviews, revises and receives public input
- Public comment period
- Department of Justice review and approval of final rules
- State Aviation Board approval

The new rules will apply to all grant applications received on or after September 25, 2021

AND

All fuel tax funds collected on or after January 1, 2022

These new rules need to be in place by June 2022 to allow for preparation for the grant application cycle to open in September 2022.

QUESTIONS?