

Oregon Transportation Commission

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DATE: February 8, 2022

TO: Oregon Transportation Commission

Sintle W. Sten

FROM: Kristopher W. Strickler

Director

SUBJECT: Agenda Item B – Discussion of Infrastructure Investment and Jobs Act (IIJA)

Dedicated Program Funds

Requested Action:

Provide input on ODOT's proposed plans for investment of IIJA dedicated funds in a number of programs.

Background:

The Infrastructure Investment and Jobs Act (IIJA) will provide Oregon approximately \$1.2 billion in additional federal formula funding for transportation programs over the course of the next five years.

Much of that funding will go into existing programs, where ODOT will work within existing program structures, processes and policies to select projects to fund. These programs include:

- Congestion Mitigation and Air Quality Improvement Program (CMAQ), where a slight increase in funding will go to eligible local governments with air quality challenges;
- All Road Transportation Safety/Highway Safety Improvement Program, where the increased funding will flow to state and local roads through a data-driven process designed to have the maximum impact on reducing fatalities and serious injuries for all users;
- Transportation Alternatives, where additional bicycle and pedestrian focused funding will go out through ODOT's Community Paths program, and also be suballocated to the state's large metropolitan planning organizations (MPOs) through a formula in federal statute;
- Surface Transportation Block Grant, which will go out through the federal statutory formula suballocation to large MPOs and also through the ODOT fund-sharing agreement with cities and counties;
- Public transportation, where funding will go directly from the Federal Transit Administration to urban area transit providers and additional funding for rural areas will go out through ODOT's existing public transportation programs; and
- MPO Planning, where funding will go out to all MPOs through an existing formula.

The IIJA also creates four new programs under which ODOT is developing plans for effectively investing new funding.

- **Bridges:** IIJA provides Oregon \$268 million in special funding for repair and replacement of state and local bridges.
- Electric vehicle charging: IIJA provides Oregon \$52 million in special funding for public electric vehicle charging station deployment across federally-designated alternative fuel corridors as part of a larger effort to build a nationwide charging network, and also creates a discretionary grant program for corridor and for community charging.
- **PROTECT:** IIJA provides Oregon \$94 million for a new formula program designed to enhance the resilience of the transportation system to better anticipate, prepare for, and adapt to changing conditions, weather events, and natural disasters.
- Carbon Reduction Program: IIJA provides Oregon \$82 million for a new formula program designed to reduce carbon emissions from transportation.

The attached summaries provide additional details of these programs, including background information on requirements laid out in the IIJA, proposals for how ODOT would invest these resources, and other issues that are under consideration. Commission input will be used to finalize the agency's proposals and begin the project selection process once funding allocation is complete in March.

Competitive Grants

Beyond the federal formula funding, the IIJA will also provide ODOT the opportunity to apply for a share of \$100 billion in nationwide competitive funding under a number of programs. In order to maximize Oregon's chance to secure additional funding, ODOT is developing a competitive grant strategy that includes a number of elements.

- **Identifying Priority Project Opportunities:** Within each discretionary grant program, ODOT will identify projects that address agency priorities while aligning well with the statutory criteria and US DOT emphases.
- **Project Development:** ODOT will develop plans to make priority projects ready for federal discretionary grant funding. ODOT will need to get projects to an appropriate state of development through planning, scoping, environmental review, and preliminary engineering so we can apply for funding at the appropriate time.
- **Match:** ODOT will also seek to pre-position matching funds. ODOT has proposed that the Commission use IIJA to federalize some state programs to make available \$40 million in State Highway Fund resources for a pot of match that priority projects with a demonstrated need can access. Individual programs may set aside some program funding for match.
- **Resourcing:** ODOT will look to secure the staff and consultant resources needed to put forward high-quality grant applications in a timely manner.

Attachments:

- Attachment 1 Bridge Repair and Replacement
- Attachment 2 National Electric Vehicle Formula Program
- Attachment 3 PROTECT Program
- Attachment 4 Carbon Reduction Program