

Analysis  
**Oregon Department of Transportation**  
INFRA Grant

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**Analyst:** Michelle Deister

**Request:** Approve a submission by the Oregon Department of Transportation of a Federal Grant Application to the U.S. Department of Transportation for the Infrastructure for Rebuilding America (INFRA) 2021 discretionary grant program, in the amount of \$25,000,000.

**Analysis:** The Oregon Department of Transportation proposes submission of a grant application to leverage existing funding for the Aurora-Donald I-5 interchange project. The grant requires a minimum 20% state match (\$14.4 million) of total project costs, which are estimated to total \$72,023,000. The grant application is due March 19, 2021.

ODOT's chances of success in securing a grant will be based on a range of criteria, but some of the most important include identified match and project readiness. Matching funds would come from the Discretionary Program instituted by HB 2017, which includes \$25 million for this project. Other Sources of funding include \$9.3 million from HB 2017's Safety Program, and \$1,075,197 from ODOT Region 2 State Transportation Improvement Project funds. An additional \$11.6 million in federal funds related to ODOT Region 2 would also be applied.

Should funding be awarded, all improvements could be completed in a single project phase, by 2025, rather than broken into two phases; at present there is no source of identified funding for a "phase 2" for this project, which would have to be identified and programmed sometime after fiscal year 2024. The project would realign and lengthen on/off ramps; replace two freeway bridges with one wider, longer bridge to accommodate a wider roadway underneath the interstate; improve ingress and egress from local businesses; replace stop signs with signal controls; and construct sound walls. ODOT asserts that the project will: enhance economic vitality by eliminating a bottleneck and supporting the movement of freight; address climate change and safety issues by reduce idling while waiting to enter I-5 from the interchange, and by widening, diverging and signaling the area; and advance equity by enhancing access to a major thoroughfare.

An announcement of an award could occur from the U.S. Department of Transportation in July or August, 2021. No additional expenditure limitation is required for the 2019-21 biennium, and should the grant application be successful, ODOT can seek needed expenditure limitation in 2022 or at a subsequent meeting of the Emergency Board.

**Legislative Fiscal Office Recommendation:** The Legislative Fiscal Office recommends approval of the request, with the understanding that if funds are awarded, ODOT may return to the Legislative Assembly or Emergency Board for approval of any necessary additional Federal Funds or Federal Funds as Other Funds expenditure limitation and position authority.

## Oregon Department of Transportation Wittekind

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**Request:** The Oregon Department of Transportation requests authorization to apply for a \$25,000,000 federal grant from the United States Department of Transportation's (US DOT) Infrastructure for Rebuilding America (INFRA) 2021 discretionary grant program.

**Recommendation:** Approve the request.

**Discussion:** The Oregon Department of Transportation (ODOT) requests authorization to apply for an INFRA grant in the amount of \$25,000,000. The INFRA program is a competitive federal discretionary grant program designed to alleviate congestion and promote freight mobility.

The INFRA funding is available to a range of project types including development and construction activities. ODOT identified the improvement of the Aurora-Donald interchange on I-5 at Exit 278, as a competitive project for this funding opportunity.

ODOT was notified of this grant opportunity on February 17, 2021. The application deadline is March 19, 2021. If awarded, the \$25,000,000 in INFRA funding would leverage existing funds dedicated to this project and enable ODOT to complete the project in a single phase rather than two phases.



# Oregon

Kate Brown, Governor

Department of Transportation

Office of the Director

355 Capitol St NE

Salem, OR 97301

March 5, 2021

The Honorable Senator Betsy Johnson, Co-Chair  
The Honorable Senator Elizabeth Steiner-Hayward, Co-Chair  
The Honorable Representative Dan Rayfield, 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) requests permission to apply for grant funding for a project totaling \$25,000,000 in federal surface transportation funding under the United States Department of Transportation's (US DOT) Infrastructure for Rebuilding America (INFRA) 2021 discretionary grant program.

## **BACKGROUND**

The INFRA grant program is a competitive federal discretionary grant program specifically designed to alleviate congestion and promote freight mobility. In total, \$5.5 billion in INFRA funding has been made available by the FAST Act over the course of federal fiscal years 2016-2021, averaging \$900 million each year. Grants are awarded on a competitive basis to states, tribes, and local governments. The bulk of the program is designed to fund freight-related projects over \$100 million in total cost. Each year, ten percent of INFRA funds are reserved for projects smaller than \$100 million, and 25 percent of funds are reserved for projects in rural areas. Roughly eleven percent of funds over the life of the program are reserved for multimodal freight projects.

A range of project types are eligible for INFRA funding, including both project development and construction activities. Competitive projects will meet with program goals of supporting economic vitality, addressing climate change, advancing racial equity, leveraging federal funding, use of innovation, safety, and accountability. Applications are due March 19, 2021. The Notice of Funding Opportunity was issued by US DOT on February 17, 2021.

## **AGENCY ACTION**

ODOT proposes to apply for funding for one small project under the INFRA grant program. This project is:

March 5, 2021

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**Interstate 5: Aurora-Donald Diverging Diamond Interchange**

ODOT has identified the improvement of the Aurora-Donald interchange located on I-5 at Exit 278 as a project likely competitive for this federal funding opportunity. ODOT has begun preparing a grant application for this project in the INFRA small project category.

The Interstate 5: Aurora-Donald Diverging Diamond Interchange project is a critical improvement that will enhance freight mobility and improve traffic flow and safety at this interchange. The Legislature directed \$25 million from HB 2017 (2017 Transportation Funding Package) to complete phase one. The award of \$25 million in INFRA grant funding will leverage existing funds dedicated to this project and enable ODOT to complete the project in a single phase instead of two.

Total project cost:	\$72,023,000
INFRA Request:	\$25,000,000
Other Federal:	\$11,674,800
State match:	\$35,348,200

**ACTION REQUESTED**

ODOT requests permission to apply for \$25,000,000 in federal surface transportation funding under the US DOT INFRA 2021 discretionary grant program.

**LEGISLATION AFFECTED**

None.

Sincerely,



Kristopher W. Strickler  
Director