

ANALYSIS

Department of Aviation Oakridge Airport Improvements

Analyst: Ben Ruef

Request: Approve the submission of a federal grant application to the U.S. Economic Development Administration, Public Works and Economic Adjustment Assistance grant program, in the amount of \$5,000,000 to improve the Oakridge Airport.

Analysis: The Oakridge Airport is a non-towered general aviation airport managed by the Department of Aviation (ODAV) west of the city in Lane County. The Oregon Aviation Plan (OAP), updated in 2018, designates the airport as a Category V - Remote Access/Emergency Services Airport supporting single-engine general aviation aircraft, special-use aviation activities, access to remote areas, or provide emergency service access. During wildfire season it serves as a base for federal and state agencies to detect and suppress wildfires in the region.

The OAP identifies two actions needed for the airport to continue operating at designated capacity. These actions include widening the airstrip by 13 feet and pavement rehabilitation. The airport is not eligible for Federal Funds typically allocated by the Federal Aviation Administration to airports for maintenance and repair since it does not meet the criteria for the Nation Plan of Integrated Airports. If conditions deteriorate further, ODAV will be forced to close the airport.

ODAV identified the Oakridge Airport as an ideal candidate for this grant funding. The project primarily focuses on rehabilitating the airport apron and runway and maintaining the airport's operational integrity. However, it excludes the runway widening improvements identified in the OAP. Additionally, the grant funds will be allocated towards implementing new technology infrastructure aimed at enhancing wildfire management capabilities. These technological enhancements encompass sensor equipment and software designed to facilitate the utilization of long-distance drones. The incorporation of long-distance drones holds promising potential in augmenting wildfire detection, enabling night operations, and facilitating regional cargo transportation.

ODAV provided notice of intent to apply January 30, 2024, and the grant application is due on February 29, 2024. The total estimated project cost is \$6.25 million, grant proceeds would provide \$5 million and ODAV will provide the required 20% match of \$1.25 million through State Owned Airport Reserve funds and in-kind contributions from collaborating private sector entities. If funding is awarded, ODAV will not need additional staff and will request an increase in expenditure limitation, as needed.

Legislative Fiscal Office Recommendation: The Legislative Fiscal Office recommends approval of the request.

Request: Authorization to apply for a grant of \$5,000,000 to reconstruct the Oakridge State Airport runway, apron, and rehabilitate the airport's electrical systems from the U.S. Economic Development Administration.

Recommendation: Approve the request.

Discussion: The Oregon Department of Aviation (ODAV) is requesting to apply for an Economic Development Administration (EDA), Public Works and Economic Adjustment Assistance (PWEDA) grant. The grant program is designed to assist communities and regions with developing and implementing long-term economic development efforts through a variety of construction and non-construction projects. The program looks for investments to help distressed communities build, design, or engineer critical infrastructure of facilities that will help implement regional development strategies and promote regional success, as well as resiliency.

ODAV has identified the Oakridge Airport Reconstruction Renewal project to meet the PWEDA grant requirements. The airport's deterioration is due to the initial construction of its runway, the usage of the runway, as well as the harsh climate conditions within its geographical region. The Oakridge airport is located off Oregon Route 58 in the southeastern portion of Lane County, Oregon. If conditions deteriorate further, ODAV will be forced to close the airport.

The Oakridge airport serves as a critical base for helicopter wildfire operations (used 82 days for operations in 2022 and 41 days in 2023). The Federal Aviation Administration does not fund this airport due to not meeting the requirements of a National Plan of Integrated Airports. If closed, entities that fight wildfires such as the U.S. Forest Service, Bureau of Land Management, and the Oregon Department of Forestry will lose an important firebase.

The total estimated project cost is \$6,250,000, grant proceeds would provide \$5,000,000 and ODAV's would provide a match of \$1,250,000 from the State Owned Airport Reserve (SOAR) funds, as well as eligible in-kind services from collaborating private sector entities. ODAV hired ATA Aviation, an aviation consulting company, to assist with drafting the PWEDA grant proposal. Several external stakeholders such as the City of Oakridge, Oregon Department of State Police, Oregon State Fire Marshal, and NASA have assisted with providing background information to assist with the grant application.

The federal grant notification was posted on March 15, 2023. ODAV only recently became aware of this grant opportunity and is expecting to submit a grant application by February 29, 2024. This grant has \$121.5 million of available federal funding and does not have a specific submission deadline date. Grant awards are announced upon application approval. If awarded, ODAV will return to the legislature to request additional Federal Funds expenditure limitation.



Oregon

Tina Kotek, Governor



January 30, 2024

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Oregon Department of Aviation (ODAV) requests permission to apply for a \$5 million construction grant from the 2023 Fiscal Year EDA Public Works and Economic Adjustment Assistance (PWEDA) grant through the U.S. Economic Development Administration (U.S. EDA) for the Oakridge Airport Reconstruction and Renewal project.

Agency Action

The U.S. EDA was appropriated \$121.5 million for the Public Works and Economic Adjustment Assistance grant program. The purpose of the PWEDA Grants Program is to assist communities and regions in devising and implementing long-term economic development efforts through a variety of non-construction and construction projects. The program is looking for catalytic investments to help distressed communities build, design, or engineer critical infrastructure and facilities that will help implement regional development strategies and advance bottom-up economic development goals to promote regional prosperity as well as resiliency. For projects of special need, EDA will fund up to 80% of the project. The Notice of Funding Opportunity was issued by U.S. EDA on March 15, 2023, and applications are accepted on a rolling basis. Notification of grant awards are also made on a rolling basis.

ODAV has identified an excellent candidate for this construction grant. The Oakridge Airport Reconstruction Renewal project airport's runway and apron are rapidly deteriorating because of the construction of the runway, the usage of the runway, as well as the harsh climate conditions of the area. If conditions deteriorate further, ODAV will be forced to close the airport. The Oakridge airport serves as a critical base for helicopter wildfire operations (used 82 days for operations in 2022 and 41 days in 2023). The Federal Aviation Administration will not put money into the airport as it is not part of nor eligible to be on the National Plan of Integrated Airports. ODAV does not have funds to fully pay for the rehabilitation of the runway and apron. Once closed, entities that fight wildfires such as the U.S. Forest Service, Bureau of Land Management, and the Oregon Department of Forestry will lose an important firebase.

The PWEDA grant will allow ODAV to rehabilitate the airport runway and apron, as well as install new sensing technologies. These improvements will allow land managers and aviation firefighting assets to continue to use this vital airport for operations, as well as allow new types of aviation operations and increase the resiliency of the region against wildfires. These new sensors enable long distance drone operations supported by NASA that will help protect communities and enhance rural transportation accessibility in the Cascade Range by:

- Enabling earlier detection of wildfires.
- Enabling wildfire drone operations at night when traditional aviation does not operate.
- Helping deconflict traditional aviation from drones so they do not collide.
- Enabling advanced cargo aviation operations between Eugene, Oakridge, and Crescent Lake.

ODAV and its board has selected this project as its top priority for infrastructure needs and is confident a grant of \$5 million will allow for rehabilitation of both the runway and apron, as well as upgrade the technology of the airport to allow for advanced aviation operations. The total project cost of \$6.25 million includes \$3.24 million for the rehabilitation of the runway and apron as well as \$3.01 million for system design, sensor equipment, and software services.

Grant request: \$5 million
Cost share: \$1.25 million
Total project cost: \$6.25 million

There is a 20 percent match requirement for the U.S. EDA construction grant. The match will be provided by the ODAV State Owned Airports Reserve (SOAR) fund as well as in-kind from collaborating private sector entities.

Key dates and Deadlines:

- Submission by February 29, 2024.
- Construction projects are expected to range from 12 to 48 months and are expected to be completed within 5 years from award date.
- U.S. EDA has not yet given a date for a potential award.

To support these efforts ODAV has hired ATA Aviation, a consulting company, to help write the FY 2023 EDA Public Works and Economic Adjustment Assistance grant program application. ODAV has been working with external stakeholders such as the City of Oakridge, Oregon State Police, Office of the State Fire Marshal, NASA, as well as others to develop the grant application materials.

Action Requested

The Oregon Department of Aviation requests that the Interim Joint Committee on Ways and Means approve our request to apply for the \$5 million U.S Economic Development Administration, FY 2023 EDA Public Works and Economic Adjustment Assistance grant. If the grant is awarded ODAV will return to the legislature in the future to request additional federal expenditure limitation.

Legislation Affected

None

If you have any questions, feel free to call me at 503-378-2340.

Thank you,



Kenji Sugahara
Director
Oregon Department of Aviation