



Memo Date: March 11, 2008
Meeting Date: March 19, 2008

TO: Roads Advisory Committee

FROM: Celia Barry, LCPW Transportation Planning

RE: Oregon Department of Transportation (ODOT) ConnectOregon II

The Roads Advisory Committee has an opportunity to provide comment to the Board of Commissioners on projects within Lane County applying for ConnectOregon II funding.

ConnectOregon Program Overview

<http://www.oregon.gov/ODOT/COMM/CO/COII.shtml>

This is the second year of ODOT's ConnectOregon funding program. See the ConnectOregon FAQ, Attachment A. The program is a lottery bond-based initiative to invest in air, rail, marine, and transit infrastructure. As last year, the legislature provided \$100 million for grants (with a minimum 20% cash match) or loans. Either public or private entities may apply. Projects involving roads are only eligible if the ConnectOregon funds will not be used for improvements eligible for highway revenue funding.

Each of the five ODOT Regions will receive a minimum of \$10 million. Lane County is one of four areas in Region 2. Last year, Lane County alone received \$9.4 million for two projects, the Eugene Air Cargo Facilities (\$4.1 million), and LTD Pioneer Parkway Bus Rapid Transit (EmX) improvements (\$5.4 million).

Application Review Steps

ODOT will review applications for "completeness and reasonableness". Those passing this threshold will be delivered to four modal committees (air, rail, marine, and transit) who will rank them, after which Regional Committees will recommend their priorities. Regional Committees are ODOT Advisory Committees on Transportation (ACTs), Lane County, and a Portland Metro area special purpose committee, including Columbia and Hood River Counties, temporarily established for ConnectOregon II.

The ODOT Director will convene a final review committee made up of representatives from the two previous review levels to develop a unified list of projects that will be proposed for adoption by the OTC. It is anticipated that OTC will hold a public hearing in May 2008 to consider this list, and that OTC will select recipients in June 2008.

Eligibility Requirements

In selecting transportation projects, the Oregon Transportation Commission will consider the following:

- a. Whether a proposed transportation project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor;
- b. Whether a proposed transportation project results in an economic benefit to this state;
- c. Whether a proposed transportation project is a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system;
- d. How much of the cost of a proposed transportation project can be borne by the applicant for the grant or loan from any source other than the Multimodal Transportation Fund; and
- e. Whether a proposed transportation project is ready for construction. Construction should be started by June 30, 2009.

Comments Requested

Lane County, and other representative Advisory Commissions statewide are asked to participate in the program at two steps:

First, at their October 31, 2007 work session by Order 07-10-31-9, the Board took action to provide letters of support to accompany Lane County area applications for ConnectOregon II funding for the following proposals:

- Creswell Hobby Field Airport Fire Suppression System - \$743,440
- Port of Siuslaw Maple Street Landing & Transient Dock - \$378,000
- Veneta-Lane Transit District Transit Center - \$656,000
- City of Eugene Depot Transit Access Improvements - \$408,000

The Union Pacific Railroad is also applying for funding of \$384,477 to install a yard crossover in Eugene, for but did not ask for a letter of support. (The railroad obtained a letter of support from the state or other jurisdiction.)

Attachment 2 is project information sheets. The entire applications exceed 100 pages each, and have been posted on the county website at <http://www.lanecounty.org/TransPlanning/ConnectOregon.htm>

Staff can provide disks or hard copies on request.

Second, on April 9, 2008 the Board will take testimony from applicants before being asked to adopt a priority list for Lane County recipients of ConnectOregon II funding. The list must be developed by ranking projects against the five eligibility requirements listed above. Modal Committees will have completed their rating process by that time.

ODOT Area 5 staff developed a "straw proposal" ranking and justifications for the five applications. It is in Attachment 3.

Attachment 4 shows Lane County staff rankings and justifications, which are slightly more lenient than the ODOT straw proposal. The total project requests from Lane County (Area 5) is \$2,469,917, or about 25% of the minimum \$10 million that is to come to the Region.

On April 9, 2008, the Board will be asked to act on the tier rankings and also to rank all projects in one priority list, irrespective of Tier rankings.

Attachments

1. ConnectOregon FAQ,
2. Lane County Conect Oregon II Applications - Project Description Page
3. ODOT Tier Rankings and Justification
4. Lane County Tier Rankings and Justification.

**Oregon Department of Transportation****ConnectOregon FAQ**

ConnectOregon II – 08/28/07 Update**1. General Information****a. What is ConnectOregon?**

ConnectOregon is a lottery bond-based, initiative to invest in air, rail, marine, and transit infrastructure to ensure Oregon's transportation system is strong, diverse, and efficient.

b. Who ultimately benefits from ConnectOregon projects?

All Oregonians will reap the benefits from enhancing Oregon's transportation infrastructure. Residents and businesses, as well as the environment, will benefit by having a more efficient, productive transportation system that improves Oregon's business environment, ultimately leading to more jobs and a more sound economy.

c. Will ConnectOregon benefit only urban areas?

No. Projects in all parts of the state will be considered for funding. The *ConnectOregon II* legislation (House Bill 2278, 2007 Regular Session) requires that at least 10 percent of the funds be allocated in each of the five regions (regions are geographic groupings of counties; see www.oregon.gov/COMM/CO/Map.shtml).

2. Communications and Outreach**a. Who are some of the key stakeholders in ConnectOregon?**

Key stakeholders include the businesses that will benefit from the projects made possible by the investments, representatives and advisory groups from the eligible transportation modes, freight shippers and carriers, municipalities, and the environmental community.

b. What communication channels will be used?

A *ConnectOregon* Web page (www.oregon.gov/COMM/CO/index.shtml) that contains background and current information is available through the ODOT Web site. Five informational meetings will be held during the application period throughout the state for all interested parties, (one meeting in each geographic region identified in the *ConnectOregon* legislation). These meetings will provide information regarding the application and application process. ODOT is also maintaining a list of individuals and groups who want to receive regular e-mail updates; information about how to get on the mailing list is on the *ConnectOregon* Web site.

c. How can applicants and other interested parties keep current on progress or changes in this program?

To receive email updates regarding the *ConnectOregon II* process please sign up for the electronic mailing at <http://lists.mart.osl.state.or.us/mailman/listinfo/connectoregon-news>. The *ConnectOregon* Web site will contain updates as well as other important information. Interested parties may also contact ODOT by email at connectoregon@odot.state.or.us and ask to be added to the electronic mailing list for *ConnectOregon*. Everyone on the email list will receive notification if new frequently asked questions are added after the opening of the application period.

3. Project Eligibility**a. What considerations will be used to evaluate projects for *ConnectOregon* funds?**

In selecting transportation projects, the Oregon Transportation Commission will consider the following:

- Whether a proposed transportation project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor;
- Whether a proposed transportation project results in an economic benefit to this state;
- Whether a proposed transportation project is a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system;
- How much of the cost of a proposed transportation project can be borne by the applicant for the grant or loan from any source other than the Multimodal Transportation Fund; and
- Whether a proposed transportation project is ready for construction.

b. Are projects that can be funded by fuel and motor vehicle tax revenues eligible for *ConnectOregon* funding?

No. Projects eligible for funding from revenues described in section 3a, Article IX of the Oregon Constitution, i.e., the Highway Trust Fund, are not eligible for *ConnectOregon* funding. If a highway or public road element is essential to the complete functioning of the proposed project, applicants are encouraged to work with their ODOT region, city or county to identify the necessary funding sources.

c. Can a publicly owned road be part of a *ConnectOregon* project?

Yes, but no *ConnectOregon* funds can be used for improvements that are otherwise eligible to be funded by highway fund revenues.

d. Is a project eligible if it contains an element eligible for state highway funds?

Yes. However, only project elements not eligible for state highway funds are eligible for *ConnectOregon* funding: therefore, the application should be for the other project elements. The *ConnectOregon* program encourages submission of projects that include a component connecting one mode to another.

e. The bill says "Transportation Projects" are eligible for funding. Does that include all the modes and types of projects and facilities defined in the ORS?

No. Only rail, marine, aviation, and transit projects are eligible.

f. Is dredging an eligible activity, if needed to deepen an existing port to serve larger ships?

Most dredging is considered a maintenance activity. Bonds are the source of *ConnectOregon* funds. It is generally not considered good practice to fund operations or maintenance activities with bond proceeds. The reviewing committees will consider this during project selection. To present a strong application, the applicant should demonstrate that the dredging would achieve a new depth as opposed to restoring previously reached depths.

g. Are capital equipment purchases eligible projects?

Yes.

h. Will applications be considered for a combined government and private project?

Yes. For private entities, a lien will be granted and a deed of trust (for real property) or a security agreement (for personal property) will be executed to effect such a lien.

i. May a private entity or public agency submit multiple project applications?

Yes.

j. Can applicants submit projects that are not yet fully funded?

Documentation of how the entire project will be funded must be submitted with the application. During the project selection process, ODOT anticipates the review committees will consider whether a project is ready to begin work.

4. Application Process

a. What process will be used to submit a project for *ConnectOregon II* funding?

All project applications will be submitted to ODOT. It is expected that the application period for *ConnectOregon II* will open in early September 2007 and close in late November. Interested parties should watch the ODOT Web site and add their names to the *ConnectOregon* electronic mailing list, <http://listsmart.osl.state.or.us/mailman/listinfo/connectoregon-news>.

b. Will ODOT and the Aviation Board or the Oregon Economic and Community Development Department perform an initial assessment on project applications?

Yes. ODOT and the other agencies will initially screen all projects for completeness and reasonableness.

c. Will ODOT assist applicants in the project submission process?

ODOT will not provide assistance to applicants since ODOT is administering the project selection process.

d. Should applicants obtain letters of support for their project?

Yes. Letters of support from community and business supporters as well as affected local governments or Area Commissions on Transportation will be helpful to the OTC as they make their decisions. They should be addressed to the project applicant. Letters of support and letters of intent to use the project are specifically requested in the project application.

e. Are design costs eligible for project funding?

Yes.

f. How can applicants or other interested parties follow up on a project's application status after it has been submitted?

Basic information on all projects under consideration will be posted on the *ConnectOregon* Web site.

5. Project Selection

a. What process will be used to select a project for *ConnectOregon II* funding?

The OTC will solicit project recommendations from the Oregon Aviation Board; the Freight, Public Transit and Rail Advisory Committees; the Marine Project and Planning Advisory Committee; as well as the Area Commissions on Transportation. A public hearing is planned for May 2008 where any member of the public or interested party may provide comment on *ConnectOregon* projects to the OTC before the commission makes its project selection decisions.

b. Who are the members of these designated advisory groups?

Membership lists for the designated advisory groups are maintained by several state agencies; please check the following Web sites for the membership lists for the respective advisory group:

Aviation Board, Oregon Department of Aviation <http://www.oregon.gov/Aviation/board.shtml>

Oregon Freight Advisory Committee, ODOT Freight Mobility Section
http://www.oregon.gov/ODOT/TD/FREIGHT/OFAC_Membership_List.shtml

Rail Advisory Committee ODOT Rail Division

<http://www.oregon.gov/ODOT/RAIL/RailAdvisoryCommittee.shtml>

Public Transit Advisory Committee, ODOT Public Transit Division

http://www.oregon.gov/ODOT/PT/ABOUT/PTAC/next_meeting.shtml

Marine Project and Planning Advisory Committee, Oregon Economic and Community Development Department <http://econ.oregon.gov/ECDD/boards.shtml>

Membership on some of these committees may change before the review process begins – check these sites during review for any additional information.

c. Must projects be initiated by the designated advisory groups?

No, submission of eligible projects is open to any entity whose project fits program considerations.

d. When will projects be selected?

ODOT anticipates that the OTC will approve a list of projects for funding in June 2008.

e. How will the 10 percent regional allocations be met if there are multiple project application periods?

There will be only one project selection period, during which, all \$100 million will be awarded including the 10 percent regional allocation requirement.

f. What if \$10 million worth of projects are not submitted for every region?

Given the need for transportation system improvements throughout the state, ODOT anticipates that each region will submit at least \$10 million in project requests. A delay in one of the regions will not affect progress in the others.

g. How much time will the advisory boards and committees have to evaluate applications?

ODOT expects to post information on all project applications that are found to be complete and eligible on the *ConnectOregon* Web site by early January 2008. The advisory organizations will have approximately six weeks to make project recommendations.

h. How will projects from different modes be fairly compared and evaluated?

The OTC will consider the projects that are in the best interest of the state's transportation system.

i. Are there any funds set aside for specific public entities?

No

j. How will marine projects be selected?

Marine projects will be given the same consideration and go through the same process as other projects. All applications will be received by ODOT. Prior to selecting marine projects, the OTC will solicit recommendations from the Economic and Community Development Department.

k. How will Area Commissions on Transportation be Involved In project review?

ConnectOregon legislation does not define a role for Area Commissions. However, since funds are allocated by region and advice is requested by mode in the legislation, OTC is inviting groups of Area Commissions to work with potential applicants within each *ConnectOregon* region to identify projects that will be good candidates for *ConnectOregon* funding. The administrative rule enables this broader consultation. The Area Commissions are expected to play an important role in working with project applicants and interested parties in their regions to help shape regional priorities. The Area Commissions will have about six weeks to conduct their review to make recommendations. Their review will follow the modal advisory committees review.

l. There is no ACT in the Portland metro area – how will input be provided from here?

A special purpose committee that will include the business community, JPACT members and representatives from Columbia and Hood River Counties is being created by the OTC for the purposes of *ConnectOregon* project review in this area. It will disband after making recommendations.

m. How will the project recommendations from groups of ACTs and the modal review boards and committees be brought before the OTC?

The ODOT Director will convene a committee composed of representatives from the modal committees and ACTs to bring all the recommendations from the various reviewers into a unified proposed list for adoption by the OTC. An OTC public hearing will be held in May 2008 to consider this "final review" committee list.

6. Project Funding Administration**a. Who will administer *ConnectOregon* funds?**

ODOT is responsible for administering *ConnectOregon* funds.

b. Will the entire \$100 million in project funding be available to applicants at once?

No, funding will be provided to project applicants on a reimbursement progress payment basis. Exact terms will be negotiated with each project applicant.

c. Who will determine if a project will be funded by a grant or loan?

Applicants should state their preference, but the OTC will ultimately decide.

d. Will project applications be accepted for a grant and loan combination?

Yes.

e. What if a project provides benefits to multiple regions?

This type of project has some competitive advantages, other things being equal. Applicants should specify the regions the project is in and what regions the project benefits, if different.

f. What is the matching funds requirement?

ConnectOregon legislation directs the OTC to consider how much of the project cost can be borne by the applicant. Grant recipients must provide at least 20 percent of project cost in matching funds.

g. Can federal funds be used as matching funds?

Yes.

h. Please clarify the rules and requirements for the 20 percent match required for grant applications.

- 1) An applicant does not have to demonstrate that they have 20 percent of the project costs in cash up front or in a bank account.
- 2) An applicant must pay for 20 percent of the project costs, which include elements necessary for implementation, e.g. land, excavation, permits, engineering, payroll, special equipment purchase or rental.
- 3) Project costs that were paid for by the applicant prior to the agreement effective date can be used as part of the match, but are not eligible for reimbursement.
- 4) "Value" of an item, e.g. land or special equipment, isn't part of the match. The applicant's out-of-pocket payment to purchase the land or buy/rent the special equipment can be part of the match and must be specified in the application. If an applicant previously purchased a parcel of land, it is his/her payment when the land was purchased that is part of the match, not how much it would cost today to purchase the land.
- 5) Project elements that are donated to the applicant, e.g. right-of-way, land, equipment (even if the donation was done to benefit the project) are not part of the match. Donations are considered an in-kind contribution, not "moneys."
- 6) If an applicant has a monetary outlay for something that is required for the transportation project, then that payment can count towards the 20 percent match.

i. Can estimated operational revenues for the built project be used as matching funds?

No, and the applicant will need to demonstrate that funds to operate the project or facility are available.

j. Will Federal NEPA requirements apply?

National Environmental Policy Act requirements will apply if it is required by the federal agency involved in the project.

k. Can ConnectOregon funds be used in combination with a variety of other funding sources to complete a project?

Yes. The funds can be used in combination with federal, state, local, and private sources to finance the project.

l. Will ODOT require a lien or other assurance of applicant/project viability?

A recorded lien will be required to protect the state's interest. This will be a component of the agreement executed between ODOT and the successful project applicant.

m. Is there a timeline in the ConnectOregon program that says when funds must be spent on awarded projects?

No. However, how soon a project can be constructed is one of the considerations the OTC will use to evaluate projects for funding. Once a project is selected, the agreement with ODOT will include specific dates, based on the application.

7. Loans

a. What are the loan terms, interest rate, and payback schedule on project loans?

Loan terms and conditions will be negotiated as part of the underwriting process.

b. Are loan project applications required to include matching funds?

No.

c. Are there other unique requirements for loan applications?

Yes. Loan applications must meet reasonable credit underwriting standards, including evaluation of project feasibility and risk, repayment capacity, collateral, and the applicant's fiscal performance and operational capacity to manage the project.

d. Will loans be reimbursed on the same basis as grants?

Loan agreements, including repayment schedules, will be treated on a case-by-case basis regarding disbursement and reimbursement of funds. This will be addressed in individual project contracts.

8. Project Management

a. Who will manage the physical construction of the selected projects?

The applicant is responsible for constructing its project, including obtaining all required permits and approvals.

b. How are unavoidable cost overruns to be handled?

Once a project has been selected, the applicant is responsible for completing the project as proposed for the funding provided. There is no provision for the applicant to receive additional funds if project costs are higher than estimated. The applicant will be responsible for making up any funding deficiency. If the project cannot be completed with the funds allotted, the OTC may cancel the project and award the funds to another project.

9. Multi-modal Study Fee

a. The bill says each recipient must pay a fee of two percent of the recipient's total project costs to ODOT. What is the definition of "total project costs?"

In the proposed administrative rules, "total project costs" is defined as the funds received from the Multimodal Transportation Fund program plus the required 20 percent matching funds, if applicable. For example, a recipient approved to receive \$100,000 in grant funds is required to provide a 20 percent match, \$25,000. The "total project costs" is \$125,000. The two percent fee is \$2,500. (For the match amount, a recipient needs to use the total dollar amount. $\$100,000 / 0.80 = \$125,000$ $\$125,000 \times 0.20 = \$25,000$.)

If a recipient approved to receive \$100,000 in loan funds does not have a required match to pay, the "total project costs" is \$100,000. The two percent fee is \$2,000.

b. How will the two percent fee be paid to ODOT?

The two percent fee is an eligible project cost for *ConnectOregon* funds. As such, the agreement between the recipient and ODOT will include a provision for the fee to be paid directly to ODOT from the recipient's *ConnectOregon* funds.

c. What will the two percent fee be used for?

The Oregon Legislature established the fee and directed the department to use the funds to conduct a statewide multimodal study of the transportation system. The study will include an assessment of the infrastructure; capacity demand and constraints; development of criteria for strategic investments and return on investment; and identification of potential funding sources and strategies.

ART B: Project Description

1. Project purpose and description

Project maps must be included with this application. Maximum map size: 11 by 17 inches.

SUMMARIZE THE PROJECT'S DESCRIPTION AND PURPOSE

Background: Creswell is located in Oregon's Willamette Valley, approximately 130 miles south of Portland and 12 miles south of Eugene. Creswell Municipal Airport/Hobby Field is a general aviation airport located on 98.7 acres, 1 mile northeast of downtown Creswell. The airport was privately developed and operated through a lease agreement with the City of Creswell before it became publicly owned in 2000. US Interstate 5 (I-5) is along the west edge of the airport. A major reconstruction project completed in the mid-1980's included construction of a new runway and parallel taxiway. The airport accommodates day and night operations in visual flight rules conditions with runway lighting and visual guidance indicators on one runway end. Day-to-day operation is managed by one full-time staff position (Airport Manager), under the direction of the City Manager. An appointed airport commission oversees the operation of the airport along with staff, and reports to the City Council.

There are a total of 23 buildings the airport for aircraft storage hangars and buisness. There are 9 T-hangars buildings with a total of 97 storage units; 12 conventional hangars to include the FBO maintenance hangar (office space, classrooms, pilot waiting area, restrooms), the Experimental Aircraft Association hangar, buildings for commercial business and aircraft storage; and one aircraft hangar located off airport property with taxiway access. There are 123 aircraft based at Hobby Field, with a current hangar space waiting list of 27.

The airport water supply is provided by an on-site well. In 2001, the State Fire Marshal ruled that the airport, due to continued expansion of services and facilities, did not comply with water flow requirements in order to provide adequate fire protection for structures located at the airport (attachment). An interim plan, that the Fire Marshall described as a 'band-aid', requires the placement of two water tanks at the airport. This is the current system of water for fire fighting. Pending construction of 3 hangars was allowed to move forward; however, a moratorium was placed on further airport development/construction until a permanent fire suppression system, outlined by the fire marshal, was in place. Further, the use of the interim plan would expire in 2006.

Also in 2001, the City of Creswell, by Council Resolution (attachment), directed staff to immediately develop a plan for a long-term solution that would bring the airport into safety compliance and support continued growth of services and facilities at the airport. To this end, an updated Airport Master Plan is nearing completion. Its primary objective is to identify current and future facility needs and the improvements necessary to maintain a safe and efficient airport that is economically, environmentally, and socially sustainable. The Plan examines previous recommendations and develops alternatives as appropriate to meet current and projected airport facility needs; outlines current and future activity and facility requirements; updates the airport layout plan, airspace plan, and land use plan for the airport and its surrounding areas; and provides a schedule of improvement priorities and estimates of development costs for a twenty-year planning period. In conjunction with the Master Plan, City staff has also sought and gained match funding to comply with fire suppression requirements now and into the future, specifically to support the design and construction of a water line that will extend the municipal water system to provide a fire suppression system meeting fire code requirements to the airport.

Due to budgetary constraints, Resolution No 2001-11's timeline could not be met; therefore, by mutual agreement with South Lane County Fire and Rescue and the City of Creswell, by Council Resolution No. 2006-01(attachment), agreed to a five year timeline extension for the installation of the extended public water service to the airport.

The completed project will be capable of providing a minimum of 1,500 GMP for a flow duration of two hours. The water line extension will originate with a connection to the existing municipal system in the vicinity of Hoagland Lane and Melton Road. Continued on Addenda, page 20.

Eugene

PART B: Project Description

1. Project purpose and description

Project maps must be included with this application. Maximum map size: 11 by 17 inches.

SUMMARIZE THE PROJECT'S DESCRIPTION AND PURPOSE

This project is the second phase in the implementation of the master plan to develop an integrated, multi-modal transportation facility with the historic Eugene Depot as the hub. The purchase of the core elements of the site and restoration of the Depot was completed in Phase 1 in 2005. This phase is focused on improvements to transit vehicle circulation and on rail and transit passenger loading and debarkation areas. Project elements include covered passenger waiting facilities, specialized paving for passenger and vehicle circulation, and lighting, security and communication infrastructure to enhance safety and ease of use. (See Other Supporting Materials - Eugene Depot Proposed Passenger Improvements Site diagram.)

The goal of this phase of the project is to improve passenger connectivity between rail and regional transit modes, and improve the safety of both passenger and transit movement within the current Depot site, so that the master plan goals can be accommodated in future projects. (See Other Supporting Materials - Master Plan Site Diagram.)

A series of photos of the project area highlight specific areas for enhancement and the benefits of safety and circulation improvements. (See Other Supporting Materials - Views of Project Site.)

Lane Transit/
Veneta

PART B: Project Description

1. Project purpose and description

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SUMMARIZE THE PROJECT'S DESCRIPTION AND PURPOSE

The purpose of the Veneta Transit Center project is to enable Lane Transit District (LTD) and the City of Veneta to work together to address the growing demand for improved transit service and facilities in Veneta. The proposed Park and Ride is expected to stimulate economic growth in the City of Veneta and ease congestion along Highway 126 in conjunction with LTD's existing plans to increase service frequency and improve routing. The requested \$820,000 would provide capital funds for two enhanced bus bays with shelters, sidewalks, a crosswalk, and lighting for 36 parking spaces in a Park and Ride lot at the intersection of Territorial Road (State Highway) and Luther Lane.

Veneta, incorporated in 1962, is located at the crossroads of Highway 126 and Territorial Highway. The area is bound to the north and east by the Fern Ridge Reservoir. The coastal range lies to the west and the agricultural land sprouting with wineries and organic farms lies to the south. Veneta and the surrounding Fern Ridge communities of Noti, Walton, Crow, and Elmira were once very active timber-dependent communities. Several large mills still operate in the outlying communities, but the last mill in Veneta closed its operation in the early 80's; and Veneta saw limited growth during the 70's, 80's, and 90's. Lifting of a building moratorium, along with the construction of an expanded wastewater facility, opened the gates for new development in 2003.

The community is economically linked to the Eugene-Springfield metro area with upwards of 70% of the area's workforce commuting daily out of Veneta. As shown by Table 1 (Historic Daily Traffic Volumes) of the attached excerpt of the Federal Highway Grant Application (Integrated Resource & Transportation Planning in the Fern Ridge Corridor), traffic along Highway 126 between the City of Veneta and the City of Eugene has grown increasingly worse over the past years and is becoming more and more congested. Strategically located, the proposed location for the Park and Ride will be convenient for City of Veneta residents and other potential transit users visiting, shopping, or working in the City of Veneta.

Currently, LTD's Route 93 Eugene-Veneta has an average of 30 people per trip, or (at six trips per weekday) weekday ridership of 180 passengers. According to LTD's latest survey data available (2004), the majority of Route 93 riders either own a car or live in households of two or more licensed drivers. Demographics of ridership indicate that 52 percent of riders have two or more vehicles, 24 percent have one vehicle, and 24 percent do not own a vehicle. Of the riders surveyed, 65 percent indicated that there are two or more licensed drivers per household. LTD recently completed a new survey (2007), and the data will be used to identify new routing, and to add three additional weekday trips and expanded service on Saturdays to better meet the rider needs for Route 93 Eugene-Veneta.

The anticipated reduction in congestion along Highway 126 would be one of the project's primary benefits to the overall transportation network for Lane County. Enhanced connections will enable more people to commute by bus instead of drive. Additionally, the community would benefit from affordable transportation and improved access to jobs and school. Given the high percentage of low-income residents, this project provides an important affordable transportation option.

The attached map of the proposed bus bays, shelters, pedestrian amenities, and Park and Ride facility illustrates how simple changes in land uses and access could have large impacts for the community. The proposed project would contribute to the City of Veneta's goal of creating a pedestrian-friendly revitalized downtown. This will enhance the livability of the community, increase accessibility by alternative modes, and contribute to the recruitment of new businesses.

PART B: Project Description

1. Project purpose and description

Project maps must be included with this application. Maximum map size: 11 by 17 inches.

SUMMARIZE THE PROJECT'S DESCRIPTION AND PURPOSE

The Maple Street Landing & Transient Dock project is a multiphase marine project which connects a federal navigation waterway to the national highway system. This project is designed to boost the local economy by upgrading a deteriorated public wharf and transient float system and restoring waterfront access in Old Town Florence (see attached Location Map). These facilities, owned by the Port of Siuslaw, are the only location on the Siuslaw River where seafood can be transferred from commercial fishing boats to delivery trucks. Additionally, the docks support charter and tour boat operations, emergency moorage for disabled vessels, and transient moorage for boating tourists. This project will restore marine transportation infrastructure critical to the safe and efficient movement of commercial fish products between the federal waterway and highway systems, as well as restoring infrastructure essential to recreational boating and fishing.

Overall, this project (see attached Proposed Site Plan and photos) will remove 84 decaying wood piles, 400sf of old wood pier, and 695' of dilapidated log floats. The old wood floats will be disassembled and transported by barge to an upland salvage site. The wood piling will be removed by pulling or cutting below the mudline. To restore this marine infrastructure we will install 28 environmentally safe steel piles to support 780sf of concrete floats. The piles will be driven by vibratory impact hammer. The concrete float system components will be constructed offsite and transported to the project site for final assembly. The old wood pier will be replaced with a new aluminum walkway and gangway. Phase 1 of the project replaces 495' of floating dock, rehabilitates the adjoining wharf with structural modifications necessary for the new hoist, and replaces an old weight-and-reach-restricted fixed boom hoist with a modern hydraulic knuckle boom hoist which has increased load capacity. Phase 2 of the project replaces 200' of wood transient tie-up floats with 270' of broadside concrete floats, installs a new vessel waste pumpout and dump station, makes ADA restroom upgrades, and constructs a 60' aluminum walkway and an 80' aluminum gangway to restore public access to the waterfront. The new float system will improve safety and ease of use, as well as provide compliance with ADA Accessibility Guidelines for marina operations. Electric shore power and domestic water services to the docks will also be upgraded to meet current safety standards and market demands.

The existing Maple Street landing and docks were constructed in 1966; these facilities are beyond their useful service life. Due to its condition, the old wood gangway was removed in 2005; the transient docks are now closed to the public and those moorage spaces are not rentable because of their deterioration. The purpose of this project is to improve the diversity and efficiency of Oregon's transportation system by replacing worn out infrastructure that is essential to the continuation of commercial fishing and recreational boating activities. Further, this project will improve connections between marine, highway and public transit modes of transportation by restoring access to the Siuslaw River and the adjoining Pacific Ocean. The restoration of the wharf, hoist and transient docks will allow commercial fishermen to transport their product from marine vessel to market. The installation of the walkway/gangway will enable boaters to link to city streets and the adjoining (0.2 miles distant) interstate Highway 101; public transportation; private motor vehicle transportation; and the nearby (1.3 miles) municipal airport. This project will improve the flow of commerce by enabling quick access for fishermen to deliver product to market and for boating tourists to reach the stores, restaurants and lodging in Florence. These increased sales will result in an economic benefit to the state of Oregon. Removing the old docks will also address a safety issue for boaters, fishermen and the public. In addition to benefits for commercial fishing, this project is expected to provide a destination port of call for recreational vessels (including out of state and international vessels) cruising the Oregon coast. With additional moorage space available the new docks will also enhance critical harbor of refuge services and accommodate government vessels for emergency response and disaster recovery operations.

PART B: Project Description

1. Project purpose and description

Project maps must be included with this application. Maximum map size: 11 by 17 inches.

SUMMARIZE THE PROJECT'S DESCRIPTION AND PURPOSE

This project consist of the installation of a crossover in UP's Eugene yard between track Nos. 305 and 311 allowing UP to utilize track no. 311 as a Receiving and Departure Track thereby increasing yard capacity.

This project will provide UP with access to additional yard capacity for receiving and departing trains that is currently being impacted by the rail realignment project being funded by ODOT as a part of the rail infrastructure improvement project needed to support the operation of the Cascadian passenger trains and Amtrak intercity service. This in-progress ODOT funded project will reduce the amount of main line track time required for all trains access/departing Eugene Yard, which will increase mainline capacity and fluidity, improve passenger train reliability and reduce grade crossing blockages.



Oregon

Theodore R. Kulongoski, Governor

A# 3

Oregon Department of Transportation

73000

Area 5 Planning Office
644 "A" Street
Springfield, OR 97477

Telephone 541.747.1354

File Code:

February 12, 2008

TO: Sonny Chickering

FROM: David Helton

SUBJECT: Notes on review of Connect Oregon II applications from Area 5

This memo contains notes from my review of Connect Oregon II applications. I reviewed each application to determine whether the proposed project would thoroughly meet each of the project selection considerations identified in HB 2278:

- a. Whether a proposed transportation project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor.
- b. Whether a proposed transportation project results in an economic benefit to this state;
- c. Whether a proposed transportation project is a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system.
- d. How much of the cost of a proposed transportation project can be borne by the applicant for the grant or loan from any source other than the Multimodal Transportation Fund.
- e. Whether a proposed transportation project is ready for construction.

To thoroughly ~~meet a consideration~~, a applicant must demonstrate through their application responses and any requested independent verification that the project will accomplish the project consideration.

The proposed projects will be sorted into "Tiers" that indicate how many of the project selection considerations identified in HB 2278 are thoroughly met by the project. I have identified the number of project considerations thoroughly met by each proposed project in Area 5, and sorted these project into Tiers based on the results of my determination.

A2254

Creswell Airport Fire Suppression

Reduced transportation costs or improved access to jobs/labor

Businesses that may experience reduced transportation costs from this project include local businesses that use Hobby Field for business travel, Emerald Valley Golf Course for attracting clients to their resort, businesses that offer aviation services, and businesses that use Hobby Field as an alternative to other airports in the region.

Expansion of commercial activity in the vicinity of Hobby Field will help increase access of area workers to jobs.

Economic benefit to Oregon

See above. Plus, lack of fire suppression has limited development and commercial activity at Hobby Field. There has been significant growth in aviation-related industries and activities in Oregon. There is potential for Hobby Field to attract or generate business activity that might not otherwise occur or that would occur elsewhere, possibly outside of Oregon.

Critical link in transportation system; improve utilization and efficiency

Hobby Field is a "critical" link in the transportation system by providing an alternative to other airports in the region which may not be accessible due to congestion, weather, or cost. The availability of alternative facilities with services is crucial for the efficient functioning of the aviation system.

Ability to fund from other sources

City has FAA grant and local funds to add to Connect Oregon II grant.

Construction readiness

Project appears ready-to-go.

M20065

Port of Siuslaw Maple Street Landing & Dock

Reduced transportation costs or improved access to jobs/labor

Project can reduce transportation costs for boats needing dock facilities for support or to unload a catch. Project can also reduce transportation costs for workers in the Florence area employed in maritime industries and provide access to maritime jobs for Florence area residents.

Economic benefit to Oregon

Yes. Project will support fishing and tourism industries in Florence. While there are only so many fish that can be caught and tourists to haul, having a dock facility in Florence will support ancillary businesses and make Florence more attractive as a tourist destination by providing an authentic waterfront experience. Project should result in a net benefit to Oregon by dispersing economic activity which creates opportunities for businesses that would otherwise not exist or that could not compete with businesses in larger markets.

Critical link in transportation system; improve utilization and efficiency

Yep. Project links Siuslaw River and Pacific Ocean with local streets and highways in the Florence area. Having a dock facility in Florence will improve utilization and efficiency of waterborne transportation by providing more conveniently located facilities and an alternative to docks in other locations.

Ability to fund from other sources

Port has assembled \$1.3 million from a variety of sources to fund a larger multiphase project of which this grant is only a portion. Total project cost is \$1.8 million.

Construction readiness

Application indicates that EIS is still needed. Unforeseen environmental impacts could delay or derail project.

R20071**UPRR Eugene Yard Crossing*****Reduced transportation costs or improved access to jobs/labor***

Not clear if project will result in reduced shipping rates, but it may reduce transit times for businesses shipping by rail. No improved access to jobs/labor. Reduced transit time for freight shipments is only a slight benefit as most shippers on rail are not highly time sensitive or they would not be shipping on rail in the first place. Slight benefit of improved freight transit times not enough to “thoroughly” meet this criteria.

Economic benefit to Oregon

Dubious. Will jobs and incomes in Oregon increase due to more efficient operations in the Eugene yard? No letters of support from area businesses to document economic benefit from project. UPRR periodically announces intention to close Eugene yard; are they now committed to operating this facility for the 25+ year useful life of this project? Not enough to “thoroughly” meet this criteria.

Critical link in transportation system; improve utilization and efficiency

Slight improvement in efficiency of freight and passenger rail system. Not clear if this will improve utilization of rail—no letters of support to indicate that increased utilization will result. Project does not create a link in the transportation system that does not already exist. Not enough to “thoroughly” meet this criteria.

Ability to fund from other sources

UPRR has substantial financial resources from which they could fund this project. It is not clear why UPRR needs Connect Oregon II grant. If this project improves efficiency of their system, then it should make sense for UPRR to construct this project themselves—they can capture the benefits of the project as

reduced operating costs or increased shipping rates. If the project does not make economic sense as a private investment because the costs are greater than the benefits, then why should the public make this investment?

Applicants that have required matching funds meet this criteria. Applicants fail this criteria if they are at the extreme end of a funding continuum—either a) they have no local funds to contribute without a good reason why or b) they have sufficient funds themselves without a good reason why a public investment is needed. Project fails to thoroughly meet this criteria.

Construction readiness

Good. Railroads are generally free from requirements to get permits for construction activities or to conduct environmental analysis. UPRR owns the land.

T20024

LTD Veneta Transit Center

Reduced transportation costs or improved access to jobs/labor

Project can reduce transportation costs for workers in Veneta area who commute to jobs in the Eugene/Springfield area. Project may also increase the workforce available to Veneta-area employers by providing improved service for potential workers in the Eugene-Springfield area.

Economic benefit to Oregon

Project may help attract new businesses to Veneta due to increased accessibility to a larger workforce. Benefits to individuals and businesses are unlikely to be substantial enough to generate measurable changes in employment or income in Oregon.

Critical link in transportation system; improve utilization and efficiency

LTD currently offers bus service to/from Veneta. Transit Center can provide a critical link, however, by providing park-and-ride facility for residents in the Fern Ridge area where none currently exists. Improved transit service should measurably improve utilization of transit, particularly in the context of existing and future levels of congestion on Highway 126 and the lack of alternative routes to Eugene-Springfield.

Ability to fund from other sources

LTD has sufficient match funds but not enough to fully fund the project themselves.

Construction readiness

Project appears ready to construct. Property negotiations with ODOT underway and will likely be successful. No major planning, permitting, or environmental obstacles to construction.

X20064**Eugene Depot Transit Access*****Reduced transportation costs or improved access to jobs/labor***

No. Eugene Depot serves intercity travelers who are very unlikely to be commuting to work. Project will not reduce costs to Oregon businesses or provide improved access to jobs/labor. Project does not meet this criteria.

Economic benefit to Oregon

Project may provide some benefit in the form of increased tourism. This benefit, however, is unlikely to result in measurable changes in employment or income in Oregon. Project does not meet this criteria.

Critical link in transportation system; improve utilization and efficiency

Yes. Connections between intercity passenger service and local transit are critical links in the transportation system that are often missing. Project can improve utilization of passenger rail by facilitating mobility once passengers reach Eugene.

Ability to fund from other sources

City has provided match in excess of 20% requirement but it is unlikely to have sufficient funds to fully construct the project themselves.

Construction readiness

No apparent obstacles. Only local permits are needed, and City is likely to approve its own permits.

Connect Oregon II Review Matrix

Review by David Helton, Area 5 Region Planner, 2/28/08

Application Number	Applicant Name	Project Name / Description	Total Connect Oregon Funds Requested	Strategic Considerations			Other Considerations			Tier
				(a) Project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor	(b) Project results in an economic benefit to this state	(c) Project is a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system	(d) Ability of applicant to fund the project from any source other than the Multimodal Transportation Fund	(e) Construction rediness		
				Staff has placed an "X" for each consideration that is "thoroughly" met by the project						
A2254	City of Creswell	Creswell Airport Fire Supression	\$540,000	X	X	X	X	X	1	
M20065	Port of Siuslaw	Maple Street Landing & Dock	\$378,000	X	X	X	X		2	
R20071	Union Pacific Railroad	Eugene Yard Crossing	\$384,477					X	4	
T20024	Lane Transit District	Veneta Transit Center	\$656,000	X		X	X	X	3	
X20064	City of Eugene	Eugene Depot Transit Access	\$408,000			X	X	X	3	

ConnectOregon II - Tier Ratings Justifications

Creswell

Reduced transportation costs or improved access to jobs/labor:

Emerald Valley Golf Course can attract customers/clients using the airport as a draw; Other niche businesses looking to locate in a small town can benefit from the airport; currently it cannot expand due to moratorium and some businesses may choose not to use the airport as a result of having no fire suppression system.

Economic benefit to Oregon

Fire suppression system will allow airport to expand. There is a growth in niche industries like crop dusting, aviation related manufacturing, sky diving, flight instruction, charter flights. Businesses are increasingly using private airplanes due to hassles of public air travel.

Link in Transportation System

Provides an alternative to Eugene airport when congestion, weather, or other factors close the airport. In particular this is critical for overnight express services.

Funds from Other Sources

City has FAA grant and local funds.

Construction Readiness

Project appears ready to go.

City of Eugene

Reduced transportation costs or improved access to jobs/labor:

Project could broaden rail use by making commute to a job in Eugene from Corvallis, Albany, Harrisburg more attractive, especially if light rail is implemented. This would broaden labor market for Eugene.

Economic benefit to Oregon

May be an economic benefit to Eugene, but not necessarily the state.

Link in Transportation System

Makes travel by train to Eugene more attractive by making it easier to take the bus once you get here.

Funds from Other Sources

City has provided a match in excess of 20% and is also finding other funds for multiple other phases.

Construction Readiness

No apparent obstacles. Only permits from the City's permit office are needed.

Lane Transit District/Veneta

Reduced transportation costs or improved access to jobs/labor:

Can reduce travel costs for Veneta commuters working in Eugene, and provide better access for physically disabled workers. Increased bus service and covered shelter will improve transit use for commuters.

Economic benefit to Oregon

Project may attract new business to Veneta if congestion is reduced on Highway 126West to Eugene, making it easier to attract a larger work force. Could attract businesses from out of state.

Link in Transportation System

Transit is currently provided but demand is under-supplied, so increased bus service would improve a critical transportation link and increase ridership.

Funds from Other Sources

LTD has sufficient match but not enough to fund the project themselves.

Construction Readiness

Project appears ready to construct. No major planning, permitting, or environmental obstacles.

Port of Siuslaw

Reduced transportation costs or improved access to jobs/labor:

Project can reduce transportation costs for boats needing docks so they don't have to travel to another coastal port. Can also reduce travel costs for maritime workers employed locally instead of elsewhere; provides access to marine jobs locally.

Economic benefit to Oregon

Project supports fishing and tourism in Florence and ancillary businesses, enhancing Oregon's central coast attractions with an authentic waterfront experience. Availability of ice enhances the dock facility for fishermen.

Link in Transportation System

Dock to road connection, closer inland connection for metropolitan Lane County.

Funds from Other Sources

Port has assembled \$1.3 million from variety of sources and has funded other phases of multi-phased effort.

Construction Readiness

Applicant indicates an EIS and environmental permits are needed. May delay project.

Union Pacific Railroad

Reduced transportation costs or improved access to jobs/labor:

Rail freight is chosen for reduced costs, and not speed. May result in reductions to freight waiting times as trains can move more easily within the switching yard, however.

Economic benefit to Oregon

Rails primarily make improvements to mainlines, and these improvements are often not made because they have lower overall value. Without the funding, project may not get done. Rail statewide not meeting demand for freight. Any improvement is good.

Link in Transportation System

Unclear. Rail is primarily chosen for reduced costs, so increased use of rail seems unlikely.

Funds from Other Sources

UPRR is proposing a 20% match.

Construction Readiness

Railroads are highly unregulated and it is unlikely they could not go forward.

Connect Oregon II Review Matrix

Review by Celia Barry for Lane County Roads Advisory Committee

Based upon Discussions with David Helton, ODOT Region 2 Area 5 Planner, and

Susan Payne, Metropolitan Planning Organization (MPO) Area Sr. Planner for MPO area projects

March 7, 2008

Application Number	Application Name	Project Name/Description	Mode	Total Connect Oregon Funds Requested	Match Proposed	Match % of Request	Total Project Cost	STRATEGIC CONSIDERATIONS			OTHER CONSIDERATIONS		Tier
								a) Project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor	b) Project results in an economic benefit to this state	c) Project is a critical link connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system	d) Ability of applicant to fund the project from any source other than the Multimodal Transportation Fund	e) Construction readiness	
A20054	City of Creswell	Creswell Airport Fire Suppression	Air	\$743,440	\$427,960	58%	\$1,171,400	X	X	X	X	X	1
X20064	City of Eugene	Eugene Depot Transit Access	Transit	\$408,000	\$102,000	25%	\$510,000	X		X	X	X	3
T20024	Lane Transit District	Veneta Transit Center	Transit	\$656,000	\$164,000	25%	\$820,000	X	X	X	X	X	1
M20065	Port of Siuslaw	Maple Street Landing & Dock	Marine	\$378,000	\$94,500	25%	\$472,500	X	X	X	X	X	2
R20071	Union Pacific Railroad	Eugene Yard Crossing	Rail	\$384,477	\$96,199	25%	\$480,676	X	X		X	X	3
Region 2/Area 5 Total Request				\$2,569,917									

Tiering Instructions

a, b, and c are "strategic" considerations, and therefore, more important

- Tier 1 Meets all considerations "thoroughly"
- Tier 2 Meets all 3 strategic considerations
- Tier 3 Meets 1 or 2 of the strategic considerations
- Tier 4 Does not meet any of the strategic considerations

See Attachment 4, Tier Ratings Justifications