



Staff Report

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Version: 1

Date: 2/14/2022

Item #:

TO: Mayor and City Council
THROUGH: Steve Powers, City Manager
FROM: Peter Fernandez, PE, Public Works Director

SUBJECT:

Applications for federal transportation funding allocated by the Salem-Keizer Area Transportation Study.

Ward(s): 2, 3, and 6.

Councilor(s): Andersen, Phillips, and Hoy

Neighborhood(s): SESNA, Morningside, Faye-Wright, and ELNA

Result Area(s): Safe, Reliable, and Efficient Infrastructure.

SUMMARY:

The Salem-Keizer Area Transportation Study (SKATS) is soliciting grant applications for transportation projects to be considered for funding in fiscal years 2024 through 2029. Eligible projects recommend for submittal are three projects on Commercial Street SE and McGilchrist Street SE and two joint projects with Marion County on State Street and Center Street NE.

ISSUE:

Shall City Council authorize the City Manager to submit applications for federal transportation funding, allocated by the Salem-Keizer Area Transportation Study, for five projects, listed in priority order?

1. Commercial Street SE, Vista Avenue SE to Ratcliff Drive SE Pedestrian Safety (additional funds)
2. McGilchrist Street SE - Phase 2 (east end)
3. McGilchrist Street SE - Phase 3.1 (16th to 19th)
4. State Street - Joint with Marion County (46th to Cordon Road, south side)
5. Center Street NE - Joint with Marion County (45th to Cordon Road, north side)

RECOMMENDATION:

Authorize the City Manager to submit applications for federal transportation funding, allocated by the Salem-Keizer Area Transportation Study (SKATS), for five projects, listed in priority order?

1. Commercial Street SE, Vista Avenue SE to Ratcliff Drive SE Pedestrian Safety (additional funds)
2. McGilchrist Street SE - Phase 2 (east end)
3. McGilchrist Street SE - Phase 3.1 (16th to 19th)
4. State Street - Joint with Marion County (46th to Cordon Road, south side)
5. Center Street NE - Joint with Marion County (45th to Cordon Road, north side)

FACTS AND FINDINGS:

Salem has many transportation needs, as documented in the *Salem Transportation System Plan*. Staff recommends submitting applications to SKATS requesting federal funds for five projects. The projects' locations are highlighted in Attachment 1, Vicinity Map. Applications are due February 25, 2022.

The recommended applications prioritize projects that already have federal funds (projects on Commercial Street SE and McGilchrist Avenue SE) and regional projects being conducted jointly with Marion County (State Street and Center Street NE). Federal funds add additional requirements and costs to a project; therefore, it is prudent to focus these funds on projects that are already being developed to meet the additional requirements. Projects that address needs across jurisdictional boundaries are also strong candidates for regional funding. SKATS has requested that each jurisdiction rank their projects. The recommended priority order for the projects is:

1. Commercial Street SE, Vista Avenue SE to Ratcliff Drive SE Pedestrian Safety (additional funds)
2. McGilchrist Street SE - Phase 2 (east end)
3. McGilchrist Street SE - Phase 3.1 (16th to 19th)
4. State Street - Joint with Marion County (46th to Cordon Road, south side)
5. Center Street - Joint with Marion County (45th to Cordon Road, north side)

Cost estimates will be further reviewed by SKATS and the Oregon Department of Transportation in the spring 2022. Projects will be prioritized in summer and fall 2022 and a draft list will be released for public review in February-March 2023, with adoption anticipated in May 2023. If a project is selected, the cost estimates will be inflated based on the year of expenditure. Staff will return to Council for approval of matching funds through the annual Capital Improvement Plan and budget process for applications that are awarded federal funds.

Commercial Street SE, Vista Avenue SE to Ratcliff Drive SE Pedestrian Safety

This pedestrian safety project is part of the Commercial-Vista Corridor Project, accepted by City Council in 2017. The project will fill in a key 800-foot segment of sidewalk along the east side of Commercial Street SE between Vista Avenue SE and Ratcliff Drive SE and construct a traffic signal at

the intersection of Commercial Street SE and Ratcliff Drive SE. Federal funds were awarded to this project in the last rounds of SKATS applications (adopted May 2020). Cost escalations over the last two years have been significantly higher than originally anticipated, leading to this application for additional federal funds. Construction is currently programmed for 2026.

Federal Funds awarded in 2020:	\$3,284,118
Match for Federal Funds awarded in 2020:	\$375,882 (State Highway Fund)
Total 2020 Project Cost:	\$3,660,000

Additional Federal Funds requested:	\$1,615,140
Additional match (anticipated source):	\$184,860 (State Highway Fund)

Updated Total Cost (2026\$):	\$5,460,000
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McGilchrist Street SE - Phases 2 and 3.1

The City has previously sought and been awarded more than \$4.5 million from SKATS to acquire rights-of-way for the entire McGilchrist project (12th Street SE to 25th Street SE). The City used urban renewal funds to design the project and to provide the match for the right-of-way phase that is currently in progress. In 2020, SKATS awarded funds for an initial stage of construction that includes the realignment of 22nd Street at McGilchrist. Final design for this phase is in progress with construction programmed for 2023.

The amount of funding needed to complete construction (approximately \$22 million) is more than could be allocated through SKATS. This application focuses on two additional phases of construction: Phase 2 (the east end, Ford Street SE to 25th Street SE) and Phase 3.1 (16th Street SE to 19th Street SE). Additional funding will still be needed to complete Phase 3, which extends west across the railroad track to 12th Street SE. The McGilchrist project aligns with the *Regional Transportation Systems Plan* goals to support a vibrant regional economy and provide a safe transportation system.

McGilchrist Street SE, Phase 2 (Ford Street SE to 25th Street SE)

Estimated Federal Funds Request:	\$6,117,230
Estimated Match (Source):	\$2,621,670 (McGilchrist Urban Renewal Area)
Total Project Cost (2026\$):	\$8,738,900

McGilchrist Street SE, Phase 3.1 (19th Street SE to 16th Street SE)

Estimated Federal Funds Request:	\$5,533,847
Estimated Match (Source):	\$633,373 (McGilchrist Urban Renewal Area)
Total Project Cost (2026\$):	\$6,167,220

Joint Projects with Marion County - State Street and Center Street NE

State and Center Streets between Lancaster Drive and Cordon Road switch back and forth between

Marion County and City of Salem jurisdiction. The western portions of these streets are primarily under county jurisdiction. Marion County was previously awarded federal funds through SKATS to construct half-street improvements on each of these streets from Lancaster Drive going east about halfway to Cordon Road. Each of these projects is currently in design. On Center Street, the half-street improvement will add sidewalks and bike lanes on the north side of the street and include a center turn lane. A bike lane will be provided on the south side of the street. A similar treatment is being designed for State Street, with the sidewalk being installed on the south side of the street.

The county approached the City with a proposal to submit joint applications to extend these half-street improvements on both State and Center Streets east to Cordon Road. The projects will improve pedestrian and bicycle accessibility and safety for all modes of travel in this portion of the Urban Growth Boundary.

If funding is awarded for either project or both projects, staff will return with an intergovernmental agreement to establish project management responsibilities and share of matching funds. Share of matching funds will be based on the relative portion of the project located within each jurisdiction. The State Street project is approximately 59 percent within City limits with the remainder under Marion County jurisdiction. The Center Street project is approximately 74 percent within City limits with the remainder under Marion County jurisdiction. City share of the match is anticipated to be available from Transportation System Development Charges. Cost estimates for these projects are being finalized in coordination with Marion County. The preliminary estimate for State Street is \$5.3 million and for Center Street is \$3.7 million (2022\$). The minimum match is 10.27 percent of the total project cost.

BACKGROUND:

SKATS is soliciting applications for transportation projects that will be ready for contract in fiscal years 2024 through 2029. The total amount of federal funds available for this solicitation is approximately \$10 million in years 2024 - 2027 and an additional \$13 million in years 2028 and 2029. Recipients are required to provide matching funds to cover at least 10.27 percent of the project cost. To be eligible for funding, projects must be within the SKATS boundary and be included in, or consistent with, the *Regional Transportation Systems Plan*. Projects are expected to be regionally significant and assist in achieving one or more goals in the *Regional Transportation Systems Plan*.

Robert D. Chandler, PhD, PE
Assistant Public Works Director

Attachment:

1. Vicinity Map - SKATS Transportation Applications