COUNCIL COMMUNICATION				
CITY OF <b>DES MOINES</b> OFFICE OF THE CITY MANAGER	Number:	23-095	Meeting:	February 20, 2023
	Agenda Item:	7	Roll Call:	23-0203
	Submitted by:	Steven L. Naber, P.E., City Engineer		r

#### **AGENDA HEADING:**

Approving and authorizing the application for a U.S. Department of Transportation (DOT) Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant for the Southeast Connector Project between SE 30th Street and U.S. Highway 65.

#### **SYNOPSIS:**

Recommend approval and authorization to apply for a DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant as provided under the Infrastructure Investment and Jobs Act and the Fiscal Year (FY) 2023 Appropriations Act for the Southeast Connector (SE 30th Street – U.S. Highway 65) Project.

### **FISCAL IMPACT:**

Amount: \$58 million Construction Estimate

Funding Source: Various funding Sources, as follows:

- o \$25,000,000 RAISE Discretionary Grant
- o \$11,284,000 Federal STBG funding allocated by the Des Moines Metropolitan Planning Organization
- \$21,716,000 2022-2023 CIP, Page 116, Southeast Connector SE 30th St to U.S. Highway 65, ST256, GO Bonds and Proceeds from Federal Title 23 Excess Land Sales

# **ADDITIONAL INFORMATION:**

- The Infrastructure Investment and Jobs Act appropriated \$1.5B to be awarded by the DOT for FY 2023 for the Local and Regional Project Assistance Program, known as the RAISE Grants program, under National Infrastructure Investments.
- The FY 2023 Appropriations Act added \$800M in funding to the RAISE grant program, increasing the total for RAISE discretionary grants to \$2.3B.
- Of the \$2.3B funding, the DOT will award at the following levels:
  - At least \$115M in planning grants.
  - At least \$35M awarded to areas of persistent poverty and historically disadvantaged communities.

- o 50% of the remaining funds are to be awarded for urban projects and 50% of the remaining funds are to be awarded to rural projects across the U.S. Although the Southeast Connector Project is in both urban and rural areas, the project will be considered an urban project since the Des Moines urbanized area has a population greater than 200,000 and the majority of the project costs will be spent in an urban area.
- The funds are to be awarded on a competitive basis for surface transportation projects that will have a significant local or regional impact. The merit selection criteria are:
  - Safety
  - o Environmental Sustainability
  - o Quality of Life
  - o Improves Mobility and Community Connectivity
  - o Economic Competitiveness and Opportunity
  - State of Good Repair
  - Partnership and Collaboration
  - Innovation
- Federal Administration priorities for the RAISE discretionary grant program are to fund
  projects that reduce greenhouse gas emissions and are designed to address climate change
  impacts, promote energy efficiency, support fiscally responsible land use, increase use of
  lower-carbon travel modes, incorporate zero emission vehicle infrastructure, increase climate
  resilience, support domestic manufacturing, as well as address environmental justice and racial
  equity.
- As with prior discretionary grant programs, the RAISE discretionary grant program is highly competitive, and has become even more so in the past few years. Grants funded under the program for urban projects will range from a minimum of \$5M to a maximum of \$25M if coming from the Infrastructure Investment and Jobs Act \$1.5B of funding.
- On June 28, 2021, by Roll Call No. 21-0949, City Council approved and authorized the submittal of an application for the DOT Raise discretionary grant provided under the National Infrastructure Investments in the Consolidated Appropriations Act FY 2021 for the Southeast Connector Project between SE 30th Street and U.S. Highway 65. The City's application was not selected by the DOT for funding. In 2021, the DOT received 763 applications, totaling \$10,300,048,349 in requests for the 2021 RAISE discretionary grant. Fifteen (15) applications were received from the State of Iowa, requesting a total of \$238,818,916 in 2021 RAISE grant discretionary grant funding.
- On April 4, 2022, by Roll Call Number 22-0517, City Council approved and authorized the submittal of an application for the DOT Raise discretionary grant provided under the National Infrastructure Investments in the Consolidated Appropriations Act FY 2022 for the Southeast Connector Project between SE 30th Street and U.S. Highway 65. The City's application was not selected by the DOT for funding. In 2022, the DOT received 936 applications for the 2022 RAISE discretionary grant, an increase of 173 applications from 2021.
- On August 11, 2022, U.S. Secretary of Transportation Pete Buttigieg announced that nearly \$1B in funding through 2022 RAISE funded 166 projects across 50 states, the District of Columbia, Puerto Rico, the Northern Mariana Islands, and the US Virgin Islands. Only one (1) capital project from the State of Iowa was awarded a 2022 RAISE grant funding, that being in

the rural category and awarded to the City of Waterloo for its La Porte Road Revitalization Project in the amount of \$20,500,000. Additionally, two (2) planning projects from Iowa also received 2022 RAISE funding.

- On October 26, 2022, City staff met with John Augustine, representative of the US DOT to discuss the 2022 RAISE grant application. Mr. Augustine stated that the evaluators and senior team reviewing the 2022 RAISE grant applications viewed the City of Des Moines application as "Recommended".
- The Southeast Connector project satisfies many of the selection criteria identified in the grant and aligns well with the Administration's priorities on several points. When completed, this segment of the Southeast Connector will make the final connection to U.S. Highway 65 that will result in a transformative roadway corridor from downtown Des Moines through the southeast quadrant of the City and eastern Polk County that will increase safety, enhance quality of life, open up opportunities for community connectivity, promote future economic development, enhance the ability to transport goods, and provide more direct and safer connections to other major transportation corridors such as Interstates 35 and 80, Highway 5 and U.S. Highway 65. Additionally, it is anticipated the completion of this project will divert traffic from University Avenue, Scott Avenue and Vandalia Road.
- As part of the project, a 12-foot-wide multi-use trail will be constructed that will fill in a critical gap that is present within the Central Iowa Trail System by connecting the Martin Luther King Jr. Trail with the Gay Lea Wilson Trail in eastern Polk County.
- City staff have been working with the City of Pleasant Hill and a consultant to prepare a joint RAISE application for Des Moines and Pleasant Hill. Application documents consist of a Benefit Cost Analysis and a 30-page maximum Project Narrative as the main components of the application. The application must be submitted by February 28, 2023.
- The City of Pleasant Hill completed the Pleasant Hill Boulevard and Vandalia Road intersection project in 2021, which is a part of the overall Southeast Connector Project. The City of Des Moines previously transferred \$7.9 million of federal funds to Pleasant Hill to assist in the completion of the intersection project.
- The estimated total project cost for the Southeast Connector (SE 30th U.S. Highway 65) is nearly \$75M, with an estimated \$58M being for construction and the remaining for design, right-of-way acquisition, utility relocations and construction administration and inspection. The 2023 RAISE discretionary grant application will request \$25M for construction of the project which is intended to include the paving for two (2) lanes of roadway, a 1,515-foot-long bridge, multi-use trail, the relocation and improvement of 4,000 feet of the SE Des Moines Levee system, storm water enhancements, as well as right-of-way and grading for future expansion of the roadway if future traffic volumes warrant.
- The City is planning on constructing this last 2.2-mile-segment of the Southeast Connector in two (2) phases:
  - The first phase, including roadway from SE 30th Street to SE 36th Street and grading between SE 36th Street and Pleasant Hill Boulevard, will be completed utilizing available City funds and Surface Transportation Block Grant (STBG) funds allocated by the MPO with a projected bid date in Fall 2023 (FY 2024).

- The second phase, from SE 36th Street to U.S. Highway 65, including a bridge over Fourmile Creek and the remaining roadway, will be completed utilizing RAISE grant funds and City funds, to be bid in late 2025 (FY 2026).
- RAISE grant award announcements are to be made by June 28, 2023. All awarded funds are to be obligated by September 30, 2027, and expended no later than September 30, 2032. The DOT must take measures to ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities and provide investment in a variety of transportation modes. RAISE discretionary grants may be used for up to 80% of eligible project costs but priority will be given to projects in which federal funding is required to complete an overall financing package.



## PREVIOUS COUNCIL ACTION(S):

<u>Date</u>: April 4, 2022

Roll Call Number: 22-0517

<u>Action</u>: <u>Approving</u> and authorizing the application for a DOT RAISE Discretionary Grant for the Southeast Connector Project between SE 30th Street and U.S. 65. (<u>Council Communication No. 22-149</u>) Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE** 

# ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

If selected for a RAISE grant, the City will be requested to enter into a grant agreement, which will be presented to City Council for consideration and approval.

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