

Council Communication

Office of the City Manager

Date: September 26, 2011

Agenda Item No. 7

Roll Call No. <u>11-1614</u>

Communication No. 11-605

Submitted by: Jeb E. Brewer, P.E.,

City Engineer

AGENDA HEADING:

Approving and authorizing the application for a Department of Transportation TIGER discretionary Grant for the Southeast Connector Project between SE 14th Street and SE 30th Street.

SYNOPSIS:

Recommend approval and authorization to apply for Department of Transportation TIGER grant as provided by National Infrastructure Investments in the FY2011 Continuing Appropriations Act for the Southeast Connector Project from SE 14th Street to SE 30th Street.

FISCAL IMPACT:

Amount: \$65 million

<u>Funding Source</u>: Various Funding Sources, as follows:

- \$30 million TIGER Discretionary Grant
- \$9 million Federal STP funding allocated by the Des Moines Metropolitan Planning Organization
- \$12.5 million Iowa Department of Transportation RISE (anticipated)
- \$13.5 million 2011-12 CIP, Page Street 36, Southeast Connector-SE 14th to SE 30th Street, STR249, GO Bonds

ADDITIONAL INFORMATION:

The FY2011 Continuing Appropriations Act appropriated \$526.944 million to be awarded by the Department of Transportation (DOT) for National Infrastructure Investments. Due to the similarity to previous appropriation for the Transportation Investment Generating Economic Recovery, or "TIGER Discretionary Grant", DOT is referring to these grants as "TIGER Discretionary Grants". The funds are to be awarded on a competitive basis for capital investments in surface transportation infrastructure that will have a significant impact on the Nation, a metropolitan area or a region. The primary selection criteria are long-term outcomes and job creation & near-term economic activity. The secondary selection criteria include innovation and partnership.

As with the previous TIGER Discretionary Grants, this is a highly competitive grant. Grants funded under the program must be greater than \$10 million (except in rural areas), but less than \$200 million. No more than 25% or \$131.7 million can be awarded to projects in a single state and at least \$140 million is to be used for projects in rural areas. 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 the investment in a variety of transportation modes. TIGER Discretionary Grants may be used for up to 80 percent of the eligible costs of a project, but priority will be given to projects for which Federal funding is required to complete an overall financing package. There are no requirements included for project completion, but all grant funds must be obligated by June 30, 2013.

The Southeast Connector project satisfies many of the selection criteria identified in the grant, primarily economic development and improved transportation for the metropolitan area. The Southeast Connector is a "Complete Street" four-lane roadway connecting downtown Des Moines, through the industrial southeast quadrant of the City, to the US 65 beltway. The project will provide a direct connection for residents and businesses through this area, while also providing a trail, bicycle lanes, and sidewalk along the entire length of the roadway. The Southeast Connector offers an opportunity to use infrastructure funding in a lower income, industrial Brownfield area to create jobs, support economic redevelopment, enhance access and safety for residents, and encourage environmental enhancements. The southeast quadrant of Des Moines is an area of the city that need specific investments to encourage redevelopment, growth, and enhanced livability for its residents. Key opportunities include: expansion of Kemin Industries and improved access for the Chesterfield Neighborhood.

The estimated cost of the Southeast Connector from SE 14th Street to SE 30th Street is \$65 million. The TIGER Discretionary Grant application will request \$30 million. TIGER Discretionary Grant preapplications are due October 3, 2011 and complete applications are due by October 31, 2011. The DOT is expected to announce projects selected to receive TIGER grant funds by March 2012. If the Southeast Connector is selected for funding, the City will need to expedite final design and property acquisition in order to satisfy the grant requirements.

The grant application requires an extensive amount of research and analysis. The information is much more than a typical grant application. Therefore, Wilbur Smith Associates has been contracted with to provide application services in the amount of \$23,500.

PREVIOUS COUNCIL ACTION(S):

Date: May 23, 2011

Roll Call Number: 11-0870

<u>Action</u>: <u>Approving</u> Professional Services Agreement with Kirkham Michael & Associates, Inc. for Predevelopment Services for Southeast Connector – SE 14th to SE 30th Street, not to exceed \$250,000. (<u>Council Communication No. 11-308</u>) Moved by Hensley to adopt. Motion Carried 7-0.

<u>Date</u>: October 25, 2010

Roll Call Number: 10-1786

<u>Action</u>: <u>Authorization</u> to proceed with acquisition of necessary right-of-way and easements for the SE Connector – SE 14th Street to SE 30th Street. Moved by Meyer to adopt. Motion Carried 7-0.

Date: January 26, 2009

Roll Call Number: 09-137

<u>Action</u>: <u>Authorizing</u> notification of the City's preferred alternative for the Southeast Connector. (<u>Council Communication No. 09-031</u>) Moved by Meyer to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

If selected, the City will be asked to enter into a grant agreement. Once notified of selection, the Council will be presented actions related to professional service agreement for final design and property acquisition.

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