



**MARCH 2024** 

#### ASSOCIATION OF CENTRAL OKLAHOMA GOVERNMENTS

#### BOARD OF DIRECTORS | EXECUTIVE COMMITTEE



# ECONOMIC AND COMMUNITY DEVELOPMENT

# ADVOCATE FOR THE REAUTHORIZATION OF THE US ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) WITH STRATEGIC CHANGES

- Pursue EDA reauthorization in 2024. The last reauthorization of EDA took place in 2004. Efforts to do so in 2023 were unsuccessful.
- Reassess the 3-year Planning Grant that is provided by EDA to each District for program, staffing, and operational needs. The federal share of this grant is \$210,000 and the Recipient (District) share is \$210,000, with total costs estimated to be \$420,000. This 50 percent match requirement makes a huge dent in available local funding for ACOG and other Districts. As a point of comparison, the vast majority of ACOG's federal funds comes from the U.S. Department of Transportation. Those grants are 80 percent federal and 20 percent local match. It is time to move away from the excessive 50 percent match requirement for the EDA Planning Grants.
- Adjust the federal share of the EDA Planning Grant to \$420,000, which would be combined with the recommended 20 percent local match requirement, for a total of \$525,000 per District. This reasonable funding increase will greatly assist the ability of each District to maintain and expand needed staffing and services.

#### SUSTAIN OPERATIONS AND INVESTMENT IN TINKER AFB

• Continue support of the U.S. Air Force's mission critical growth and expansion objectives at Tinker Air Force Base. This support includes necessary improvements for increased access along Douglas Blvd. and expansion of I-40 Highway to six lanes from Douglas Blvd. to Shawnee.

# SUPPORT THE MIKE MONRONEY AERONAUTIC CENTER (FAA)/ASSOCIATED FEDERAL AGENCIES

Maintain the continued viability of the Mike Monroney Aeronautic Center (over 6,300 employees) as a strategically important national asset for the Federal Aviation Administration (FAA), and further support the continuation of its other essential federal government activities in the state. (The facility trains approximately 76,000 students each year.) Please note that ACOG opposes any changes that would diminish the full utilization and viability of this facility, which provides a valuable economic impact for the region.

# SUSTAIN THE GROWTH AND DEVELOPMENT OF WILL ROGERS WORLD AIRPORT

• One of our major regional economic assets is Will Rogers World Airport. We appreciate our congressional delegation's ongoing support for Oklahoma City's airport infrastructure projects. Will Rogers, like most major airports, is experiencing the impact of a nationwide airline pilot shortage. Your assistance in addressing this important issue both from a travel safety and efficiency perspective would be greatly appreciated.

### **CLOSE ONLINE SALES TAX LOOPHOLE**

- Many studies and projections demonstrate that e-commerce Internet sales and other types
  of remote purchases (e.g., booking online travel services which impact transient
  occupancy taxes, rental car taxes, and business gross receipt taxes) are accelerating at a
  rapid pace. Thus, uncollected, or under-collected taxes could comprise a major share of all
  tax collections, rendering sales and use taxes ineffective.
- ACOG supports passage of e-fairness legislation like the Marketplace Fairness Act (MFA, previously introduced as Senate Bill 976) and/or the Remote Transactions Parity Act (previously introduced as House of Representatives Bill 2193) that will bring our sales tax system into the 21st Century and prevent continued tax revenue losses and remove the competitive advantage now enjoyed by remote sellers. This is a high priority issue for cities

in Oklahoma as they do not receive ad valorem tax revenue, unlike municipalities in all other states, and are primarily dependent on sales tax revenue for funding operational services.

#### PROTECT MUNICIPAL BONDS

- ACOG opposes any attempt to eliminate or limit the traditional tax exemption for municipal bonds, whether as a part of a deficit reduction plan, a push for comprehensive tax reform, or as an offset for new spending.
- Tax-exempt bonds are the primary financing mechanism for state and local infrastructure projects they have been used for more than 100 years and provide essential funding for states, counties, and localities. Three-quarters of all public infrastructure projects in the U.S. are built by states and localities, and tax-exempt bonds are the primary financing tool utilized to satisfy these infrastructure needs. If the tax exemption is eliminated or reduced, states and localities will pay more to finance projects, leading to fewer projects and fewer jobs.

#### SUSTAIN COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING

- The Community Development Block Grant (CDBG) Program is critical to state and local networks in providing funding for public improvements, public services, economic development, and affordable housing. The CDBG Program provides state and local governments and their partners with the flexibility needed to develop essential programs and projects to assist low- and moderate-income families and improve their quality of life.
- There are several specific statutory items that affect the CDBG Program that need to be addressed in addition to increased funding.
  - Designate fair housing as a stand-alone program activity. Currently, fair housing activities can only be funded through CDBG admin or public services.
  - Support increased funding for the Section 108 Loan Guarantee Program (currently funded at \$300 million).
  - Raise the Davis-Bacon threshold for non-residential construction from \$2,000 to at least \$100,000 and increase the CDBG threshold to 12 CDBG assisted units to coincide with the HOME Program.
- The HOME Investment Partnerships Program helps communities create and preserve safe, decent, affordable housing for low-income households. Like CDBG, it is a federal block grant that provides communities with an annual allocation of funds. The current funding is \$1.35 billion. There are three items, in addition to increased funding, that should be addressed.
  - Increase the allowable program administration from 10 percent to 15 percent
  - Eliminate the 24-month commitment requirement
  - Eliminate or make optional the 15 percent Community Housing Development Organization (CHDO) requirement
- Oklahoma communities are experiencing increased homeless camps and the difficulties associated with this problem. In addition, support increased funding for HUD's Homeless Assistance Grants: Emergency Solutions Grants (ESG) and the Continuum of Care (CoC).

# **AIR QUALITY**

#### MAINTAIN CURRENT EPA OZONE AND PM STANDARDS

- The OKC Metro area is on the edge of going into ozone nonattainment. We request that the EPA not make the current standard more stringent (i.e., going from 70 ppb to 65 ppb for ozone and from  $12 \,\mu\text{g/m}^3$  to  $9 \,\mu\text{g/m}^3$ ).
- The recently completed ACOG Cost of Nonattainment Study shows that if our region is designated as nonattainment under the current ozone standard, the potential economic impact would be \$9.6-\$15.2 billion over a 20-30-year period.
- Along with ozone, the OKC Metro area is experiencing an increasing problem with particulate matter 2.5 (PM 2.5). A more stringent PM 2.5 Standard would be very difficult to meet through voluntary improvement measures.

#### AIR QUALITY IMPROVEMENT PLANNING & IMPLEMENTATION

- Maintain support and funding of cost-effective planning and management programs
  including the EPA Climate Pollution Reduction Grant, DOE Energy Efficiency and
  Conservation Block Grant (EECBG) Program, and the FHWA Carbon Reduction Program to
  meet federal goals in air quality and greenhouse gas reduction. Encourage and give credit
  for voluntary reductions in air pollution.
  - Allow states, local governments, and regions to set reasonable standards and establish flexible mechanisms to achieve federal standards for air quality improvement and greenhouse gas reduction.
  - Encourage the use of reasonable, market-based solutions to reduce emissions.
  - Direct a portion of proceeds from any market-based program to units of local government and multijurisdictional regional organizations to support emissions reduction efforts.
  - Support state, regional, and local efforts to work towards attainment and encourage EPA to recognize the role of international emissions transport, especially as it affects ozone nonattainment areas.
  - Support the development and application of technologies that will reduce, capture and/or store greenhouse gases and criteria air pollutants. Continue research on the effects of greenhouse gases criteria pollutant issues.

#### CONTEST GREENHOUSE GAS EMISSIONS RULE

• While we are focused on improving regional air quality, we are opposed to federal regulatory efforts seeking to create a new state level Greenhouse Gas (GHG) performance management measure on the National Highway System (NHS). Additionally, we oppose requiring ODOT to set their own declining targets from on-road GHG emissions occurring on the NHS. ACOG, along with the Greater Oklahoma City Chamber, will work with ODOT and the Oklahoma Congressional Delegation to advocate against these burdensome requirements that would present severe compliance challenges resulting in potential loss of federal transportation funding.

# CLEAN CITIES/ALTERNATIVE FUELS

# AUTHORIZE THE DEPARTMENT OF ENERGY (DOE) CLEAN CITIES PROGRAM

• The Clean Cities Program has been one of the nation's most effective tools in promoting the use of domestic fuel sources, improving local air quality, and deploying advanced vehicle technologies. Congress should reintroduce and pass legislation that would institutionalize the program and enable it to be even more effective in leveraging public-private partnerships to advance domestic clean transportation.

# ENSURE ADEQUATE FY 2024 FEDERAL FUNDING FOR KEY ALTERNATIVE FUELS PROGRAMS

 For 26 years, the ACOG Clean Cities Program, designated by the Department of Energy (DOE), has contributed to the State of Oklahoma's status as an alternative fuel leader. ACOG supports maintaining DOE Clean Cities funding at their current levels to help meet ACOG air quality and transportation goals. ACOG also supports continued funding for EPA Diesel Emissions Reduction Act (DERA) Clean Diesel Grants which are utilized by Central Oklahoma school districts and other entities through the Oklahoma Department of Environmental Quality (ODEQ).

Other critical alternative fuel programs for Central Oklahoma include:

- U.S. Department of Energy State Energy Program
- Federal Highway Administration (FHWA) Congestion Mitigation & Air Quality (CMAQ) funding
- FHWA National Electric Vehicle Infrastructure (NEVI) Program
- FHWA Charging & Fueling Infrastructure (CFI) Program
- Federal Transit Administration (FTA) Low-No Emission Vehicle Program

#### PRESERVE THE RENEWABLE FUELS STANDARD (RFS)

• The RFS supports renewable natural gas (RNG) production and market use in Oklahoma (including by Central Oklahoma companies and fleets). RNG is produced from biogas from landfills, wastewater, agriculture, and food production, which is converted into pipeline natural gas and monetized through the RFS. Preservation of the RFS supports energy security and air quality goals for the ACOG region.

#### **BUY AMERICA**

 Increase the flexibility of Buy-America requirements for CMAQ Program investments (including transit vehicles) so that local governments can continue their efforts to transition to alternative-fuel fleets and ensure that the projects which are most costeffective in improving air quality can be funded and brought to market more quickly.

# TRANSPORTATION INFRASTRUCTURE

### SUPPORT FEDERAL PROGRAM FUNDING WITH STRATEGIC CHANGES

- The apportionment of funds dedicated in the Federal Transportation Bill for surface transportation improvements in the Central Oklahoma area is not keeping up with the higher costs and the number of projects being pursued by local communities. An increase in the funds set aside for the Surface Transportation Block Grants (STBG), including the Transportation Alternatives Program (TAP), is necessary to deliver high priority projects in a timely manner. The demand for STBG funding each year exceeds \$100 million for surface transportation improvements so millions of dollars' worth of critical projects go unfunded. An increase in STBG funding for urbanized areas is greatly needed.
- Currently, most of the Federal STBG and TAP funding is 80/20 federal/local match. This works for the larger communities, but smaller communities have a difficult time funding the 20 percent match. A 90/10 federal/local match would be more helpful, especially for smaller communities. Likewise, federal law allows certain safety projects to be constructed with 100 percent federal funds, however, regulation limits this increased federal share to 10 percent of apportioned STBG funds. An increase in the percentage of STBG funds with this provision would allow for a greater focus on safety-oriented projects, potentially helping to mitigate the increase in injury and fatality crashes in the region.

#### **INVESTMENT IN I-35 CORRIDOR PROJECTS**

- Replace existing and aging I-35 bridges with iconic bridges for the purpose of showcasing Oklahoma City at the confluence of two major interstate highways and the Oklahoma River, which will facilitate increased sporting events and tourist activity. The current bridge design is a barrier to rowing competitions being extended past the existing bridges. This would help support the success of the Olympic Training Facility on the Oklahoma River.
  - ACOG sought a Congressional letter of support for ODOT's Bridge Improvement Grant Program application for this project.
- The City of Edmond has worked with ODOT to acquire more funding for improvements along I-35 in Edmond's city limits. Increased traffic warrants one-way upgrades on all access roads. Secondly, increased traffic on I-35 warrants expansion to six lanes for I-35 from Edmond Road to Waterloo Road.
- ACOG supports the Oklahoma Department of Transportation application for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant. The proposed project, Bridging the Gap: New Multimodal Connections over the Oklahoma River, is to construct a separate bicycle and pedestrian bridge adjacent to I-35 as a component of the I-35 bridge replacement project. The \$22 million project will link 10 interconnected trails that cover over 80 miles in Oklahoma City. This project includes connections to the new Horizons District, including the First Americans Museum, with the historically disadvantaged Capitol Hill District.

#### INCREASE BRIDGE MAINTENANCE FUNDING FOR MUNICIPALITIES

- Many municipalities and counties are currently faced with aging bridges that will not be functional in the near future. These bridges are inspected every two years through the Oklahoma Department of Transportation (ODOT). The inspection reports show the degradation of this infrastructure.
- The Bridge Formula Program Funding part of the Infrastructure Investment and Jobs Act (IIJA) provides 100 percent funding for bridges. This more flexible funding provides money for bridges that are not on the federal system, but are too expensive for many communities to afford. ODOT has supplemented this fund to allow more bridges to be upgraded for needed safety improvements.
- ACOG supports the City of Oklahoma City's FFY 2023 and FFY 2024 Bridge Investment Program Grant applications. The FFY 2023 project will conduct initial planning work for the

reconstruction of eight bridges along Lightning Creek in South Oklahoma City. Three of the Lightning Creek bridges are on local arterials we have designated as Regionally Congested or Unreliable Corridors: Southeast 29<sup>th</sup> Street, Southwest 44<sup>th</sup> Street, and Southeast 59<sup>th</sup> Street, carrying a combined 43,000 vehicles per year. These three bridges, in addition to the five in the surrounding area, offer a substantial opportunity to further the goals of the Bridge Investment Program. The FFY 2024 project will conduct initial planning work for the reconstruction of six structurally deficient bridges in western Oklahoma City. The National Bridge Inventory has all six bridges in poor condition while carrying approximately 80,000 vehicles per day per year. Half of these bridges, too, are on local arterials we have designated as Regionally Congested or Unreliable Corridors: North Portland Avenue, Northwest 10th Street, and South MacArthur Boulevard.

## EXTEND AMTRAK HEARTLAND FLYER TO NEWTON, KS

Passenger rail service is a key component of the continued viability of the Oklahoma City intermodal hub and the future development of commuter rail throughout the Central Oklahoma region. ACOG, along with our partners at the Greater Oklahoma City Chamber of Commerce, opposes efforts to reduce or eliminate state or federal funding received by Oklahoma to operate the Heartland Flyer Amtrak service to Fort Worth, Texas. We support continued dialogue on extending the Heartland Flyer Amtrak service to Newton, Kansas, which would connect Oklahoma City to Kansas City, St. Louis, Chicago, and other locations on the Amtrak system. Furthermore, we support the designation of the Oklahoma City-Newton, KS line as a national Amtrak route. We appreciate the work of the Northern Flyer Alliance in supporting this campaign. This would strategically address a significant gap in the national Amtrak rail system map and assist with federal/state burden/cost-sharing to help ensure the viability of passenger rail service.

KDOT, ODOT, and TxDOT are working on the Service Development Plan (SDP) for the Newton extension thanks to a \$500,000 award from Federal Railroad Administration's (FRA) Corridor Identification and Development Program. The project will include an operational analysis, capital investment needs assessment, financial analysis, and implementation plan. ACOG would like to thank its Congressional Delegation for all its help in supporting this award.

It is recommended that our Congressional Delegation work jointly with the Kansas Delegation, specifically Congressman Ron Estes (represents Newton and Wichita), and the Texas Delegation to support this effort just as ODOT, KDOT, and TxDOT are working in partnership.

#### **IIJA & IRA**

- The Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) contain billions of dollars in new formula and competitive funds for a wide range of transportation and infrastructure projects. Councils of Government and Metropolitan Planning Organizations (MPO) are well positioned to use these funds to rebuild and transform the nation's transit systems, roads, bridges, and active transportation systems (walking or bicycling), and do so while accounting for equity, climate, community values, and the negative externalities our transportation system has created in the past.
  - Ensure that local governments and regional planning organizations are involved in the process of planning for and distributing the available funds to the maximum extent possible.
  - Encourage states to distribute resources locally and coordinate with local governments and regional planning organizations to the greatest extent possible.
     Programs that are primarily state driven, such as the NEVI Formula Program, require coordination across all levels of government to maximize the successful implementation of this important program.
  - Enhance the role Metropolitan Planning Organizations (MPOs) and Rural or Regional Transportation Planning Organizations (RTPOs) play to achieve increased mobility,

- access to opportunities, and economic prosperity, while addressing rapid shifts in innovative technology and data, demographics, and climate.
- Make active transportation and Complete Streets policies a priority. With the rise of pedestrian and cyclist fatalities and serious injuries nationwide, greater emphasis needs to be placed on addressing the deficit of safe bicycle and pedestrian facilities. Transportation projects receiving funding through the IIJA and IRA need to include active transportation components and comply with state, regional, and local Complete Streets policies to the greatest extent possible.

#### SUPPORT REGIONAL TRANSIT AUTHORITY (RTA) OF CENTRAL OKLAHOMA

- As highways and streets become more congested, the need for public transit is more evident. The Regional Transportation Authority (RTA) of Central Oklahoma was formally created in February 2019. Studies are currently underway, and options include commuter rail and expanded bus service in the area. Both proposals will require future funding to reach their full potential. The cost for a commuter rail service is substantial and will be funded by RTA member communities through local sales tax increases. However, significant federal resources, like through the Federal Transit Administration's (FTA) Capital Investment Grants (CIG) New Starts program, will also be required.
- The existing bus routes in Central Oklahoma are largely subsidized through the member communities. Adding bus services would require additional funding from local communities with limited resources. Any future infrastructure stimulus proposals should consider funding for expansion of public transit in the Oklahoma City metro area.

# WATER & STORMWATER INFRASTRUCTURE & ENVIRONMENTAL ISSUES

Request for funding to offset some of the unfunded federal mandates that impact our municipalities.

#### WATER LINE REPLACEMENTS

 A majority of ACOG communities have a water distribution system with miles of water lines, with most of these lines made of metal. Unfortunately, the clay soils in Central Oklahoma are extremely corrosive to these metal lines. The average cost to replace a mile of line is \$750,000. Replacement of these deteriorated water lines is a major cost burden on municipalities.

#### STORMWATER IMPROVEMENTS

 Central Oklahoma communities will continue to face rising costs of maintenance, replacement of aging existing infrastructure, as well as the installation. Most ACOG communities do not have a stormwater utility, therefore, they must search for outside funding sources for stormwater infrastructure. Additional federal funding support is needed.

#### **DROUGHT MITIGATION**

• With the continuing drought in Oklahoma, it is necessary to educate the public about proactive measures to conserve our water resources. In addition, funding will be needed to upgrade the existing water infrastructure system and to build new water storage facilities.

#### PFAS CONTAMINATION LIABILITY

The Water Systems PFAS Liability Protection Act preserves the "polluter pays" principle
for cleanups of PFAS under CERCLA by shielding drinking water and wastewater systems
from cleanup liability when they properly dispose of water treatment byproducts
containing PFAS. Without passage of the legislation, the originators of PFAS pollution

could attempt to redirect environmental cleanup costs to water systems that played no role in introducing the chemicals into the environment. In other words, it would allow those responsible for producing the chemicals to pass off cleanup liability issues to community water systems that must remove the contaminants from their source waters.

While the EPA has publicly said that it intends to use its regulatory discretion to choose who to pursue or not to pursue, the fact of the matter is that, legally, CERCLA would require EPA to pursue any polluters if land was found to contain the designated hazardous substances. If EPA ignores certain sites, it would likely in turn face lawsuits from environmental groups or even private citizen groups who would allege that the EPA is not carrying out its mandates under CERCLA.

The Water Systems PFAS Liability Protection Act enjoys the strong support of multiple organizations representing different facets of the water sector, including the American Water Works Association, the Association of Metropolitan Water Agencies, the National Association of Clean Water Agencies, the National Rural Water Association, and the Water Environment Federation. The five groups have formed an entity known as the Water Coalition Against PFAS.

#### WATERS OF THE UNITED STATES

• ACOG supports the May 2023 U.S. Supreme Court ruling in Sackett vs EPA which limited the scope of the proposed expansive federal "Waters of the United States" (WOTUS) rule to streams, oceans, rivers, and lakes, and the wetlands that are visually indistinguishable from them. Therefore, we oppose renewed efforts by EPA to vaguely define the WOTUS rule in ways that are not traditionally regulated under the Clean Water Act, such as overly broad definition of navigable waters poses serious economic and regulatory complications for providing the materials needed to build and modernize our infrastructure in an environmentally friendly manner; uses of water in energy exploration; a wide range of agricultural activities; among many other negative impacts.

### 911 ACOG & 911 OKLAHOMA

#### SPECTRUM AUCTION REAUTHORIZATION ACT OF 2023

 U.S. House of Representatives Energy & Commerce Committee members voted 50-0 on May 22, 2023, to send bill H.R. 3565, the "Spectrum Auction Reauthorization Act of 2023" sponsored by Committee Chair Cathy McMorris Rodgers (R-Wash.) to the full House. The bill currently resides and is alive in the Senate, waiting to be heard in committee.

Next Generation 911 (NG911) trades yesterday's copper landline technology for today's advanced Internet Protocol-based networks:

- Allowing for better compatibility with smartphones, IoT devices, and other modern communications technology.
- Improving interoperability between agencies, jurisdictions, states, and even countries.
- Increasing resiliency, reliability, flexibility, and adaptability in the face of natural disasters, cyberattacks, or other network outages.

NG911 will provide an opportunity for all eligible states, territories, and tribal entities to deploy Next Generation 911, creating a uniform NG911 experience for everyone in the U.S., no matter where they are located.

For more information about ACOG and its member governments, please visit: www.acogok.org.