



AGENDA REPORT

City Council Meeting

TODAY'S DATE: May 26, 2026

MEETING DATE: June 3, 2026

TO: MAYOR AND CITY COUNCIL

FROM: Erik Bush PLA, Project Manager, City Forester

SUBJECT: Authorize Submittal of FRA Railroad Crossing Elimination Grant Application for the Great Northern Road Corridor Project

BACKGROUND/ DESCRIPTION

On May 5, 2021 (Resolution No. 21-022), the City Council adopted the Multimodal Transportation Master Plan (MTMP). The MTMP identified the Great Northern Project as a capital improvement priority to improve corridor conditions, support economic development in Northwest Sandpoint, improve pedestrian and bicycle connectivity, and address stormwater management throughout the corridor and surrounding areas.

The project is also supported by the creation of the Sandpoint Urban Renewal Agency Northern District. Resolution No. 05-29 created the Sandpoint Urban Renewal Agency and identified several conditions within the area relevant to the Great Northern Road corridor, including inadequate streets, lack of curbs, gutters, and sidewalks, proposed bicycle path improvements, inadequate water and sewer lines, and parcels lacking safe and adequate street improvements necessary for development. The Great Northern Road Corridor Project directly addresses these identified conditions through roadway reconstruction, multimodal improvements, utility upgrades, stormwater improvements, and rail crossing safety improvements.

The project includes road reconstruction, multiuse pathway installation, stormwater management improvements, replacement of an aging water main, sewer main extension, multiple intersection safety improvements, rail crossing safety improvements, rail crossing elimination, and property acquisition. This project has been developed under design by J-U-B Engineers and in coordination with the Idaho Transportation Department (ITD) and BNSF Railway regarding project development and implementation.

A Notice of Funding Opportunity has been posted through the Federal Railroad Administration (FRA) Railroad Crossing Elimination (RCE) Program, a funding source previously pursued by the City in 2024. The current NOFO was released on April 24, 2026, with applications due June 8, 2026.

The total estimated project cost is approximately \$31 million. The grant program requires a local match, currently estimated at approximately \$6.2 million based on a 20% match assumption. The local match is proposed to be funded through a combination of Sandpoint Urban Renewal Agency funding and City water and sewer enterprise funds.

If awarded, RCE funding would support completion of final design, federally required environmental and cultural resource compliance, railroad coordination, and full project construction.

The RCE program provides a significant opportunity to complete the Great Northern Road project in a single construction phase. Delivering the project as one phase would be more cost-effective, reduce overall construction impacts to the community, and accelerate completion of long-term transportation, utility, stormwater, and multimodal safety improvements. Without this funding opportunity, the City would need to continue evaluating phased project delivery and pursue additional funding sources to advance the project.

As part of ongoing railroad coordination, BNSF has identified the Mountain View Drive rail crossing as a potentially redundant crossing due to the number of existing rail crossings in the area. The RCE application includes the Great Northern Road project and elimination of the Mountain View Drive crossing as part of the overall rail and corridor safety improvements.

The potential closure of the Mountain View Drive crossing would reroute residential traffic to nearby crossings, including Gooby Road to the south and Woodland Drive to the north. Authorizing submittal of the grant application does not require Council to make a final decision on the future closure of the Mountain View Drive crossing at this time. If the grant is awarded, Council would retain the ability to consider the award terms, including any crossing closure requirements, before deciding whether to accept the grant.

Submitting the grant application does not obligate the City to accept grant funds or commit the local match. If the City is awarded funding, staff would return to Council for consideration of grant acceptance and related funding commitments. The total estimated project cost is approximately \$31 million. The estimated local match is approximately \$6.2 million and is anticipated to be funded through Sandpoint Urban Renewal Agency funding and City water and sewer enterprise funds.

STAFF RECOMMENDATION:

Staff recommends City Council authorize staff to submit an application for the FRA Railroad Crossing Elimination Program grant for the Great Northern Road Rail and Corridor Safety Project.

ACTION

Move to authorize staff to submit an application for the FRA Railroad Crossing Elimination Program grant for the Great Northern Road Rail and Corridor Safety Project.

**WILL THERE BE ANY FINANCIAL IMPACT? YES HAS THIS ITEM BEEN BUDGETED? YES;
within FY26 budget.**

ATTACHMENTS:

Proposed Resolution

Federal Railroad Administration (FRA) Railroad Crossing Elimination (RCE) Program

Great Northern 60% plan project overview