

STATE OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

J. ERIC BOYETTE
SECRETARY

08/20/2023

Secretary Pete Buttigieg U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington, DC, 20590

Subject: Certification of Financial Contribution 2022 MPDG Application:

321 CONNECT (US 321 - Calibrating Our National Network to Encourage

Commerce and Tourism)

Dear Secretary Buttigieg,

The North Carolina Department of Transportation (NCDOT) wishes to express its full support for the 321 CONNECT application under the United States Department of Transportation's Multimodal Project Discretionary Grant (MPDG) program. 321 CONNECT seeks MPDG funds to allow NCDOT to replace aging and deficient bridges and improve US 321 from I-40 in Catawba County to US 321 Business in Caldwell County. MPDG funding would also allow the installation of approximately 50 miles of broadband on US 321 from I-85 near Gastonia to Lenoir, North Carolina.

The State of North Carolina understands the importance of maintaining a sustainable freight network. US 321 is a part of the National Highway System, a Strategic Transportation Corridor, and a key route for tourists and goods accessing northwest North Carolina. Much of US 321 has not been improved since its construction in the late 1950s and early 1960s. The improvements will provide not only increased capacity for vehicular traffic, but it will also improve the safety of bicyclists and pedestrians crossing US 321. The improvements will compliment Hickory's investment in a city-wide bicycle and pedestrian network, the Hickory Trail. As part of the proposed improvements, the existing US 321 northbound bridge over the Catawba River will be converted to a bicycle and pedestrian facility that will directly connect to the Hickory Trail network.

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The aging bridges over the Catawba River will be replaced as part of this project. The project will also replace the at-grade crossing of US 321 and Catawba County Railroad tracks just south of the Catawba River with a grade separated crossing. The replacement serves two purposes. First, the grade separation removes the possibility of vehicular/train crashes. Second, by increasing the height of the Catawba River crossings, it provides a more resilient, flood resistant crossing for this vital freight corridor.

321 CONNECT will also provide much needed broadband access to thousands of North Carolinians. Currently there is no funding available for widespread broadband installation for the US 321 corridor. Failure to act now will mean that the inevitably required upgrades to the US 321 corridor to accommodate automated/connect vehicles to operate will be even more costly. MPDG funding will allow for not only installation of fiber for NCDOT uses but will also enable cost effective private fiber installation along the project corridor, which will provide lasting societal benefits.

Broadband is critical for the Hickory economy. The residents of Hickory have worked tirelessly to rebound from the decline in the furniture industry to emerge as a technology and logistics hub. The 321 CONNECT corridor has been identified as a key corridor for broadband commercialization due to the presence of multiple data centers for hyperscalers (reportedly the best broadband customers), such as Apple, Microsoft, and Google. In addition, on March 23, 2023 CommScope and Corning announced that they will invest over \$540 million combined in Hickory to build American-made fiberoptic cables with the aim of expanding access to broadband to rural areas.

Broadband improvements would be particularly beneficial to the residents of the US 321 corridor, where much of the population lacks a high school education. For the census tracts in the 321 CONNECT broadband corridor, 17 percent have less than a high school education. The broadband installation will augment existing educational programs. Over 50 percent of the corridor live in census tracts classified as Historically Disadvantaged Communities (HDCs) and/or Areas of Persistent Poverty (APPs).

The 321 CONNCT Project is reflected in our mission statement:

Connecting people, products and places safely and efficiently with customer focus, accountability and environmental sensitivity to enhance the economy and vitality of North Carolina.

To that end, the NCDOT will fund the 321 CONNECT application in the amount of \$57,657,000.00 (2023\$) towards a successful MPDG grant from the non-federal, state funds.

Thank you for your consideration of the 321 CONNECT project for the 2023 Multimodal Project Discretionary Grant Program.

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If NCDOT can be of any further assistance, please do not hesitate to contact me at (919) 707-4320 or via e-mail at mnewsome2@ncdot.gov.

Sincerely,

DocuSigned by:

Mark T. Newsome

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Mark T. Newsome Chief Financial Officer