



STAFF REPORT
Board Meeting of July 22, 2020

AGENDA ITEM: 4-J

PREPARED BY: Sandy Ebersole, Administrative Analyst

SUBJECT:

Call for CARES Act FTA Section 5311 Projects Round 2

Enclosure: No

Action: Information and Discussion Only

SUMMARY:

On Friday, March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law. The CARES Act provides emergency assistance and health care response for individuals, families and businesses affected by the COVID-19 pandemic and provide emergency appropriations to support Executive Branch agency operations during the COVID-19 pandemic.

Federal Transit Administration (FTA) is allocating \$25 billion to recipients of urbanized area and rural area formula funds, with \$22.7 billion to large and small urban areas and \$2.2 billion to rural areas. Funding will be provided at a 100-percent federal share, with no local match required, and will be available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19.

Operating expenses incurred beginning on January 20, 2020 for all rural and urban recipients, even those in large urban areas, are also eligible, including operating expenses to maintain transit services as well as paying for administrative leave for transit personnel due to reduced operations during an emergency.

CARES funding will be disbursed through FTA apportionments to its Rural Formula (Section 5311) programs. California was appropriated \$94,976,667 for the Section 5311 Rural Area Apportionment.

The Division of Rail and Mass Transit (DRMT) distributed \$30 million of the CARES Act funding for the FTA 5311 and 5311(f) Operating Assistance projects in Phase 1. The DRMT is currently developing a strategy for the remaining distribution of the CARES Act in Phase 2. The DRMT

should announce the Call for CARES Act 5311 Projects 2020 Phase 2 within the next week and applications will be due early August 2020.

The Madera region's apportionment is \$881,368. The funds will be allocated as follows:

- City of Chowchilla - \$137,187
- Madera County - \$744,181

FISCAL IMPACT:

No fiscal impact to the approved 2020-21 Overall Work Program and Budget.