



NC Capital Area Metropolitan Planning Organization

Staff Report

One City Plaza
421 Fayetteville Street
Suite 203
Raleigh, NC 27601

Agenda Date: 4/15/2020

Agenda Item: 5.1

To: Executive B

FFY 2020 FTA Section 5307, 5340, and 5339 and CARES Act Distribution Crystal Odum, MPO Staff,

Each year, the Federal Transit Administration (FTA) apportions formula grant funding for use within the Raleigh Urbanized Area (UZA) to a locally selected and federally recognized designated recipient. These funds include the Section 5307, 5339 and 5340 programs. The City of Raleigh is and expects to continue to function as the designated recipient of these formula grants for the Raleigh UZA. The designated recipient is responsible for coordinating with the other providers of public transportation services in the Raleigh UZA and the MPO to develop a sub-allocation method for distributing annual formula funds received from the FTA. The MPO is also required to concur with the designated recipient's annual sub-allocation of formula grants to eligible providers.

In April 2017, the CAMPO Executive Board adopted an updated Memorandum of Understanding (MOU) between the City of Raleigh, Town of Cary, GoTriangle, Wake County and CAMPO. The MOU serves as the MPO and designated recipient-endorsed sub-allocation policy of federal formula transit grants apportioned to the Raleigh UZA. The 2017 MOU, first applied to the Federal Fiscal Year (FFY) 2017 Raleigh UZA apportionment, will apply for five (5) years to provide a level of consistency and financial planning certainty to the providers receiving the funds.

For FFY 2020, FTA Section 5307, 5340, 5339 full apportionments to the Raleigh Urbanized Area (UZA) were released in February 2020. The City of Raleigh as the federally recognized designated recipient of these funds, has coordinated with CAMPO, the Town of Cary, GoTriangle and Wake County to develop the sub-allocation of these funding sources based on the most current MOU for the distribution of funding between the City of Raleigh, Town of Cary, GoTriangle and Wake County. Per FTA policy, the MPO must concur with the sub-allocation of UZA federal formula grants and the programming of projects that will make use of the funding and request that FTA disburse the requested funds to eligible direct grant recipients in accordance with the sub-allocation. Attached are pages from the sub-allocation worksheets that determines the amounts to be disbursed to each eligible direct grant recipient for the 5307/5340 and 5339 program funds.

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.

FTA allocated \$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.

The CARES Act transit apportionment to the Raleigh Urbanized Area was published by the FTA on April 3, 2020, which revealed a total allocation of \$36,424,633. The sub-allocation of these funds and the 5307/5340 and 5339 funds to the recipients identified in our MOU is reflected in the attached letter to FTA and is based on

the same formula that FTA uses to distribute annual Section 5307 apportionments to UZAs nationwide. In keeping with our adopted MOU, the CARES Act funds are allocated to recipients using the same proportional shares the recipients will receive from the FFY 2020 Section 5307 apportionment.

Requested Action: Approval of the sub-allocation of FFY 2020 Section 5307, 5340, and 5339 funds and the CARES Act funds in the amounts shown in the attached letter to the Federal Transit Administration.