

Governing Board

April 28, 2020 – 10:30 A.M., Land of Sky Regional Council

Agenda

1. **WELCOME AND HOUSEKEEPING (10 min)**

 - A. Welcome and Introductions, Approval of Agenda Josh O'Conner/Bill Lapsley
 - B. Ethics Statement for MPO Board Members Josh O'Conner/Bill Lapsley

2. **PUBLIC COMMENT**

3. **BUSINESS (15-30 min)**

 - A. CARES Act Transit Funding Suballocation MPO Staff

4. **ANNOUNCEMENTS, NEWS, SPECIAL UPDATES (15 min)**

5. **TOPICS FOR NEXT MEETING**

6. **PUBLIC COMMENT**

7. **ADJOURNMENT**

Notice: Due to the on-going situation with COVID-19, Land of Sky Regional Council offices are currently closed to the public. Board members and any interested member of the public are encouraged to attend remotely via video or by phone and all meeting materials will be on the MPO's website. If you are unable to join remotely or require special accommodations, please let us know. Remote access info:

Remote meeting:

<https://zoom.us/j/97613350520>

Call In: (646)558-8656 (Meeting ID: 976 1335 0520))

Item 3A:

CARES Act Transit Funding Suballocation

What is the CARES Act?

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020, and included roughly \$2 trillion in aid to be spread across the economy. Of that \$2 trillion, \$25 billion is going to the Federal Transit Administration (FTA) to help transit agencies, prevent, prepare for, and respond to the COVID-19 pandemic.

FTA is applying these funds through two existing transit programs: the Section 5307 Urban Transit Formula Funds and Section 5311 Rural Transit Formula Funds. \$22.7 billion is being allocated to Section 5307 for large and small urbanized areas and \$2.2 billion for rural areas. Expenses incurred on or after January 20, 2020 under the Urbanized Area Formula Program (5307) are eligible to be covered by CARES funding. Funds can be used for all operating activities, including administrative leave for transit workers. Based on apportionments, the Asheville Urbanized Area would receive an addition \$8,605,369 in additional Sectional 5307 funds.

Section 5307 Background

Section 5307 Urban Transit Formula Funds make federal resources available to urbanized areas for transit capital and operating assistance. An urbanized area is an incorporated area with a population of 50,000 or more.

In 2017, the French Broad River MPO 5307 Sub-Allocation Study was completed in order to add Buncombe and Haywood counties as 5307 sub-recipients. The TCC recommended MPO Board approval for the adoption of the City of Asheville as Designated Recipient for 5307 funds, a continuation of the 10% Job Access Reverse Commute (JARC) set-aside following its consolidation into Section 5307, and a three-year formula phase-in period for regional 5307 funds. On February 23, 2020, the MPO Board voted to utilize the new apportionment formula, shown below:

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Year of FTA Funding Apportionment	Total 5307 Allocation after JARC Set-Aside*	Asheville % of Total	Buncombe County % of Total	Haywood County % of Total	Henderson County % of Total
FY 2015	\$2,332,251	82.8%	0%	0%	17.2%
FY 2016	\$2,342,141	66.6%	9.76%	5.4%	18.2%
FY 2017	\$2,402,992	54.6%	19.2%	6.9%	19.3%
FY 2018	\$2,499,584	42.6%	28.6%	8.3%	20.4%
FY 2019	\$2,666,434	42.6%	28.6%	8.3%	20.4%

*Allocations shown from FBRMPO 5307 Suballocation Study were estimated, not in-line with actual allocations for the region

Because CARES funding is essentially supplemental 5307 funding and is being apportioned with the same formula, there arose a question about whether it should be allocated in the same way that the region allocates 5307 funding (i.e. with a 10% JARC set-aside). On 4/13/2020, representatives from the transit agencies in the region discussed the options regarding CARES funding distribution, agreeing that there should not be a 10% JARC set aside from CARES funding.

Why get rid of the 10% JARC set-aside for CARES Act funding?

The 10% JARC set-aside was adopted with the intention of providing a pot of funds that would be competitive across the region and could help spur more regional transit connectivity. However, in order to program these funds, MPO staff holds a call for projects, evaluates projects, and takes recommendations to the TCC and Board before the designated recipient (City of Asheville) can begin contracting with recipients- a process that works in non-emergency situations but takes a considerable amount of time. CARES Act funding is intended to be programmed in a short time frame. By programming CARES Act funds to 5307 sub-recipients (and Haywood County), these funds may be utilized in a more timely fashion. The 10% JARC Set-Aside would still be applied to non-emergency allocations of 5307 transit funds.

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Staff recommends that CARES funding be distributed as follows:

	Proposed Distribution	Estimated Distribution
JARC	0.0%	\$0
Asheville	42.63%	\$3,668,469
Buncombe	28.62%	\$2,462,856
Henderson	20.41%	\$1,756,356
Haywood	8.34%	\$717,688

ACTION REQUIRED: Approve a modification of the 5307 Suballocation Formula for the distribution of \$8,605,369 in CARES Act Funds to exclude the 10% Job Access Reverse Commute (JARC) Set-Aside.

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RESOLUTION ADOPTING THE 5307 URBAN TRANSIT FUNDING SUBALLOCATION FORMULA FOR THE CARES ACT FUNDS DESIGNATED FOR THE ASHEVILLE URBANIZED AREA WITHOUT A 10% JARC SET ASIDE

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was created to help transit agencies prevent, prepare for, and respond to the COVID-19 pandemic by covering expenses incurred after January 20, 2020 under the Section 5307 FTA Urbanized Area Transit Funding Formula Program; and

WHEREAS, the Asheville Urbanized Area receives an apportionment of FTA Section 5307 Urban Transit Formula funds annually, and the City of Asheville is the Designated Recipient for Section 5307 Urban Transit Formula funds in our region with Buncombe, Haywood, and Henderson Counties eligible for a portion of Section 5307 FTA Urban Transit Funds as subrecipients to the City of Asheville; and

WHEREAS, the French Broad River Metropolitan Planning Organization completed the Section 5307 Urban Transit Formula Funding Suballocation Study to determine how to distribute FTA Section 5307 Urban Transit Formula funds apportioned to the Asheville urbanized area; and

WHEREAS, the adoption of the study's recommendations included a resolution to set aside 10% of Section 5307 FTA Urban Transit Formula Funds for Jobs Access Reverse Commute (JARC) for which a call for projects would be held annually; and

WHEREAS, the study's adoption approved a three year phase-in period starting in state FY2018 through the end of state FY2020 during which the following percentages were to be applied for distribution of annual apportionments to the Asheville Urbanized Area from Section 5307 FTA Urban Transit Formula Funds between eligible agencies; and

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<i>5307 Apportionment Formula Allocations after 10% JARC Set-aside</i>				
Year	City of Asheville% of Total	Buncombe County% of Total	Haywood County% of Total	Henderson County % of Total
1st Year (state FY 2018)	66.6%	9.8%	5.4%	18.2%
2nd Year (state FY 2019)	54.6%	19.2%	6.9%	19.3%
3rd Year (state FY 2020)	42.6%	28.6%	8.3%	20.4%

WHEREAS, CARES Act funding is being added to Section 5307 FTA Urban Transit Formula Funding and must be distributed in the same manner as Section 5307 FTA Urbanized Area Transit Funding Formula funds; and

WHEREAS, the French Broad River Metropolitan Planning Organization Board has reviewed the recommendations provided by the current recipients of Section 5307 FTA Urban Transit Formula funds including the City of Asheville, Buncombe County, Haywood County, and Henderson County, who convened and discussed CARES Act funding on April 13, 2020,

NOW THEREFORE, BE IT RESOLVED that the 5307 Urban Transit Formula Funding made available to the Asheville UZA through the CARES Act will be distributed to subrecipients based on the Adopted French Broad River MPO 5307 Suballocation Formula without a 10% set-aside for regional Job Access Reverse Commute activities.

ADOPTED: This the 28th day of April, 2020

Bill Lapsley, FBRMPO Board Chair

Attest, Tristan Winkler,
French Broad River MPO Director