Consent Item (B) 06-24-2021

Washington Metropolitan Area Transit Authority Board Action/Information Summary

| Action Information | MEAD Number: 2022 7 6 | Resolution: Yes No |
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TITLE:

ARPA Allocation

PRESENTATION SUMMARY:

Request for Board approval of the funding allocations generated from the American Rescue Plan Act of 2021 (ARPA) and the use of some funds to provide a credit to jurisdictional funding partners.

PURPOSE:

To request Board approval of the ARPA allocation and provision by Metro of credit to jurisidictional operating and capital funding.

DESCRIPTION:

In March 2021, Congress approved the American Rescue Plan Act of 2021 (ARPA) which included additional funding for transit and will be directed to cover payroll and operations of public transit (including payroll and expenses of private providers of public transportation).

Key Highlights:

- Resolution 2000-08 provides the formula for Metro to share Section 5307 grant funding with local transit authorities
- ARPA funding allows Metro to avoid service cuts and layoffs.

Background and History:

In the summer of 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act provided \$25 billion to transit agencies to help to prevent, prepare for and respond to the Covid-19 pandemic. Metro utilized a total of \$768 million in CARES Act funds for FY2020 and FY2021. A portion of these funds were authorzied by the Board as a credit to Jurisdictional funding partners.

In December 2020, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) was passed by Congress to provide direct economic assistance to preserve jobs that were impacted by the Covid-19 pandemic. Metro received \$714 million of funding after splitting the funding

with Potomac and Rappahannock Transportation Commission (PRTC) and Maryland Transit Administration (MTA). Metro allocated of a portion of the CRRSAA funding as a credit against Jurisdictional subsidy requirements in the same percentages as were used for the CARES Act credits.

The federal government approved an additional \$1.9 trillion-dollar relief bill called "The American Rescue Plan Act" (ARPA) as of March 11, 2021. The law provides \$30.5 billion for grants from the Federal Transit Administration (FTA) to public transit agencies for operating expenses, including payroll, personal protective equipment costs, and payment of administrative leave due to potential reductions in service. Currently, it is estimated that \$1.407 billion would be applicable to the Washington Urbanized Area (UZA). ARPA federal relief funding will allow Metro to avert service cuts and prevent mass layoffs.

Discussion:

The regional split and sub-allocations of the American Rescue Plan Act relief funding will have the same distribution percentages as the CARES and CRRSAA relief funds. Metro staff will present the subsidy credit allocations of the WMATA share of the funds to the Board for approval in June.

The total Washington UZA for ARPA will be \$1.407 billion. Allocating these funds in the same percentages as CARES and CRRSAA, WMATA would receive \$1.209 billion of ARPA funding, and would be able to provide \$151 million of relief from future Jurisdictional contributions to support local transit operations. The ARPA federal relief funds are in addition to the 2020 CARES Act federal relief funds, 2021 Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and funds associated with PRIIA, formula, and competitive grants.

FUNDING IMPACT:

The receipt and use of federal funding allows Metro to avoid layoffs and provide additional service.

TIMELINE:

| Previous Actions | April 2020 - CARES Act Allocation April 2021- Coronavirus Response and Relief Supplemental Appropriations Act of 2021 Funding Allocation |
|--|--|
| Anticipated actions after presentation | N/A |

RECOMMENDATION:

Approve the allocation of the ARPA federal relief funding and authorization for Metro to provide one or more credits against future Jurisdictional operating subsidies and capital contributions.

SUBJECT: APPROVAL OF ALLOCATION OF AMERICAN RESCUE PLAN ACT OF 2021 FUNDS TO OTHER REGIONAL TRANSIT SYSTEMS

2021-25

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, On January 27, 2000 (Res. 2000-08), the Board of Directors adopted a Federal Transit Act Section 5307 (Section 5307) capital transit assistance funds policy, by which other regional transit systems receive Section 5307 allocations; and

WHEREAS, The American Rescue Plan Act of 2021 ("ARPA") authorized Section 5307 grants and the Washington DC-MD-VA Urbanized Area has been allocated \$1.4 billion in funding, a portion of which is to be allocated to the other regional transit systems; and

WHEREAS, Staff has determined the respective amounts of ARPA funds (allocations) to be received in accordance with the policy established in Resolution 2000-08 and as set forth in Attachment A; and

WHEREAS, Staff will apply these allocations as a credit against operating subsidies or capital contributions that would be due from the jurisdictions in the Washington DC-MD-VA Urbanized Area that fund WMATA;

NOW THEREFORE, be it

RESOLVED, That the Board of Directors approves the allocations of American Rescue Plan Act of 2021 funds set forth in Attachment A; and be it finally

RESOLVED, That to provide for the urgent execution of the American Rescue Plan Act of 2021 grant awards, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

Patricia Y. Lee

Executive Vice President and General Counsel

WMATA File Structure No.: 4.4.0 Grants

ATTACHMENT A

| Recipient | Agency Name | ARPA Allocation |
|-----------|--|-----------------|
| WMATA | Washington Metropolitan Area Transit Authority | \$1,208,963,755 |
| MTA | Maryland Transit Administration | \$61,048,344 |
| | Potomac and Rappahannock Transportation | |
| PRTC | Commission | \$136,695,827 |

| Jurisdiction | Service Provider | Allocation |
|----------------------|--|--------------|
| Julisalction | Service Provider | Allocation |
| District of Columbia | DDOT - Progressive Transportation Services Administration | \$21,578,267 |
| Virginia | Arlington County, Virginia | \$9,860,044 |
| | City of Alexandria | \$8,415,537 |
| | City of Fairfax | \$1,246,391 |
| | City of Falls Church | \$268,963 |
| | Fairfax County, VA | \$36,210,860 |
| 8 | Other Virginia Vanpools | \$2,010,571 |
| , | Loudoun County | \$14,010,880 |
| Maryland | Montgomery County, Maryland | \$39,057,677 |
| | Prince George's County, Maryland | \$17,613,199 |
| Other | National Capital Region Transportation Planning Board | \$226,162 |