



DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

Allocation of Public Transportation Emergency Relief Funds in Response to Hurricanes Harvey, Irma, and Maria

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice of Allocation of Emergency Relief funds.

SUMMARY: The Federal Transit Administration (FTA) announces the allocation of \$277.5 million under the Public Transportation Emergency Relief Program (Emergency Relief Program) to States, Territories, and public transportation agencies affected by Hurricanes Harvey, Irma, and Maria. Within the \$277.5 million announced in this notice, FTA is allocating \$233.3 million for response, recovery, and rebuilding projects and \$44.2 million for project elements or stand-alone projects that increase the resilience of the affected transit systems to future disasters. Such resilience investments shall be subject to specific conditions cited in this notice.

FOR FURTHER INFORMATION CONTACT: Contact the appropriate FTA regional office found at <http://www.transit.dot.gov> for application-specific information and other assistance needed in preparing a Transit Award Management System (TrAMS) grant application. For program-specific questions, please contact John Bodnar, Office of Program Management, 1200 New Jersey Ave, SE, Washington, DC 20590, phone: (202) 366-9091, or e-mail, John.Bodnar@dot.gov. For legal questions, contact Bonnie Graves, Office of Chief Counsel, 90 Seventh St., Ste 15-300, San Francisco, CA 94103, phone: (202) 366-0944, or e-mail, Bonnie.Graves@dot.gov.

SUPPLEMENTARY INFORMATION:

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I. Considerations for Recipients of Emergency Relief Funds

A. Background and Allocation of Funds

Beginning in August 2017, President Trump issued major disaster declarations associated with Hurricanes Harvey, Irma, and Maria for the following States and Territories: Florida, Georgia, Louisiana, Puerto Rico, South Carolina, Texas, and the

United States Virgin Islands. Numerous counties and parishes in these States and Territories have been designated as eligible for assistance under the major disaster declarations.

The Bipartisan Budget Act of 2018 (Pub. L. 115-123) appropriated \$330 million for FTA's Emergency Relief Program (49 U.S.C. 5324, Catalog of Federal Domestic Assistance #20.527) for transit systems affected by Hurricanes Harvey, Irma, and Maria. FTA is allocating funds consistent with the requirements of the final rule for the Emergency Relief Program, 49 CFR part 602, published in the Federal Register on October 7, 2014. FTA's Emergency Relief Program provides FTA with primary responsibility for reimbursing emergency response and recovery costs after an emergency or major disaster that affects public transportation systems. As such, public transportation agencies, States, Territories, local governmental authorities, Indian tribes, and other FTA grant recipients that provide or fund public transportation service in the affected areas are eligible for Emergency Relief funding under the program. Of the \$330 million appropriated, a total of \$2,475,000 is set aside for administrative expenses and ongoing program management oversight activities as authorized under the Bipartisan Budget Act.

From the remaining \$327,525,000 currently available for allocation, FTA is allocating \$277,525,000 as follows:

1. \$232,308,000 for response, recovery, and rebuilding for States, Territories, and FTA direct recipients with estimated FTA Emergency Relief costs, including costs of subrecipients, eligible for reimbursement of more than \$25,000

2. \$44,217,000 for resilience projects in Florida, Puerto Rico, Texas, and the United States Virgin Islands
3. \$1 million for response, recovery, and rebuilding for States, FTA direct recipients, and their subrecipients without a direct allocation of funds

FTA is reserving \$50 million for latent damages, damages not assessed in smaller areas, cost increases, and additional Emergency Relief needs that exceed the amounts made available in this notice. FTA may update allocations without further notice based on revised validated damage assessments.

Recipients are strongly encouraged to review FTA’s Emergency Relief Manual, found at <https://www.transit.dot.gov/funding/grant-programs/emergency-relief-program/emergency-relief-manual-reference-manual-states> to assist in the identification of potentially eligible projects and emergency expenses.

Table A: Allocation Summary

Direct Allocations for Response, Recovery, and Rebuilding	\$ 232,308,000
Allocation for States and Direct Recipients Without a Direct Allocation	\$ 1,000,000
Resilience Allocations	\$ 44,217,000
Unallocated [Reserved for Latent Damages, Damages Not Assessed in Smaller Areas, Cost Increases, and Additional Emergency Relief needs that Exceed the Amounts Made Available in this Notice]	\$ 50,000,000
Reserved for Administrative Expenses and Program Management Oversight	\$ 2,475,000
Total Appropriation	\$ 330,000,000

B. Allocation Methodology

1. Response, Recovery, and Rebuilding Allocation Methodology

FTA is allocating funding in this notice for response, recovery, and rebuilding based on emergency operations costs and detailed damage assessments submitted by affected agencies and prepared in cooperation with FTA and the Federal Emergency Management Administration (FEMA) staff. The total estimated cost for emergency transit operations and damage to transit agency assets from Hurricanes Harvey, Irma, and Maria is \$254.1 million. Emergency operations costs, including evacuations and other extraordinary passenger services, total approximately \$36.3 million for all the transit agencies affected by these three disasters. The damage assessments include an estimated overall capital cost of recovery and rebuilding for the affected agencies, excluding projects to improve the resilience of the affected systems to future disasters. FTA validated the methodologies affected agencies used to estimate the costs of the damage, which total approximately \$217.8 million.

Based on these estimates, FTA is allocating a total of \$232.3 million for the Federal share (discussed in more detail below) of response, recovery, and rebuilding for States, Territories and FTA direct recipients estimated to have Hurricane Harvey, Irma, and Maria related costs (including costs of subrecipients) eligible for reimbursement by the FTA Emergency Relief Program in excess of \$25,000.

In the event an affected recipient believes there has been a change to their overall damage assessment, the recipient should notify the relevant FTA regional office and provide documentation supporting the change for FTA review and validation. If, upon review, FTA concurs in the change, FTA may allocate additional funds to that agency.

Table B: Direct Allocations for Response, Recovery, and Rebuilding

State or Territory	Recipient	Discretionary Funding ID	Allocation
FL	Brevard County	D2018-EMER-001	\$ 153,000
FL	Broward County	D2018-EMER-002	\$ 857,000
FL	Charlotte County	D2018-EMER-003	\$ 57,000
FL	Collier County	D2018-EMER-004	\$ 226,000
FL	Hillsborough Area Regional Transit Authority	D2018-EMER-005	\$ 110,000
FL	Jacksonville Transportation Authority	D2018-EMER-006	\$ 734,000
FL	Key West, City of	D2018-EMER-007	\$ 209,000
FL	Lee County	D2018-EMER-008	\$ 515,000
FL	Lynx/Central Florida Regional Transportation Authority	D2018-EMER-009	\$ 432,000
FL	Manatee County Board of County Commissioners	D2018-EMER-010	\$ 70,000
FL	Miami-Dade Department of Transportation and Public Works	D2018-EMER-011	\$ 11,432,000
FL	Pinellas Suncoast Transit Authority	D2018-EMER-012	\$ 80,000
FL	Sarasota County	D2018-EMER-013	\$ 111,000
FL	South Florida Regional Transportation Authority	D2018-EMER-014	\$ 1,136,000
FL	StarMetro (Tallahassee)	D2018-EMER-015	\$ 41,000
GA	Chatham Area Transit (Savannah)	D2018-EMER-016	\$ 187,000
PR	Autoridad Metropolitana de Autobuses	D2018-EMER-017	\$ 13,599,000
PR	Barceloneta	D2018-EMER-018	\$ 901,000
PR	Bayamón	D2018-EMER-019	\$ 164,000
PR	Caguas	D2018-EMER-020	\$ 1,116,000
PR	Camuy	D2018-EMER-021	\$ 159,000
PR	Carolina	D2018-EMER-022	\$ 414,000
PR	Cataño	D2018-EMER-023	\$ 928,000
PR	Cayey	D2018-EMER-024	\$ 2,452,000
PR	Ciales	D2018-EMER-025	\$ 708,000
PR	Cidra	D2018-EMER-026	\$ 193,000
PR	Dorado	D2018-EMER-027	\$ 49,000
PR	Fajardo	D2018-EMER-028	\$ 77,000
PR	Guaynabo	D2018-EMER-029	\$ 482,000
PR	Hatillo	D2018-EMER-030	\$ 306,000
PR	Hormigueros	D2018-EMER-031	\$ 29,000
PR	Humacao	D2018-EMER-032	\$ 1,823,000
PR	Juncos	D2018-EMER-033	\$ 311,000
PR	Manatí	D2018-EMER-034	\$ 233,000
PR	Ponce	D2018-EMER-035	\$ 906,000
PR	Puerto Rico Highways and Transportation Authority	D2018-EMER-036	\$ 169,412,000
PR	San Juan	D2018-EMER-037	\$ 2,701,000
PR	San Lorenzo	D2018-EMER-038	\$ 258,000
PR	Toa Baja	D2018-EMER-039	\$ 131,000

State or Territory	Recipient	Discretionary Funding ID	Allocation
PR	Vega Alta	D2018-EMER-040	\$ 230,000
PR	Vega Baja	D2018-EMER-041	\$ 148,000
PR	Yauco	D2018-EMER-042	\$ 59,000
TX	Brazos Transit District	D2018-EMER-043	\$ 188,000
TX	Capital Metropolitan Transportation Authority	D2018-EMER-044	\$ 64,000
TX	Fort Bend County Public Transportation (Fort Bend Transit)	D2018-EMER-045	\$ 77,000
TX	Golden Crescent Regional Planning Commission (Victoria Transit)	D2018-EMER-046	\$ 69,000
TX	Harris County Community Services Department	D2018-EMER-047	\$ 129,000
TX	Metropolitan Transit Authority of Harris County (Houston METRO)	D2018-EMER-048	\$ 13,545,000
TX	Port Arthur, City of	D2018-EMER-049	\$ 180,000
TX	Texas Department of Transportation	D2018-EMER-050	\$ 96,000
TX	Woodlands Township, The	D2018-EMER-051	\$ 2,267,000
VI	Virgin Islands Department of Public Works	D2018-EMER-052	\$ 1,554,000
	TOTAL		\$ 232,308,000

Eligible State, Territory and FTA direct recipients not listed in Table B may apply for funding through the appropriate FTA regional office by following the same process as those entities that have been allocated funds in this notice. See Table C: FTA Regional Office Contact Information.

Table C: FTA Regional Office Contact Information

<u>States Served</u>	<u>Contact Information</u>
Florida Georgia Puerto Rico South Carolina United States Virgin Islands	FTA Region 4 Office 230 Peachtree NW, Suite 1400 Atlanta, Georgia 30303 Telephone: (404) 865-5600
Louisiana Texas	FTA Region 6 Office Fritz Lantham Federal Building 819 Taylor Street, Room 14A02 Fort Worth, Texas 76102 Telephone: (817) 978-0550

FTA will host a webinar for FTA recipients interested in applying for FTA Emergency Relief funds on a date to be determined. The webinar will be announced on

FTA’s website and through an email announcement to those who have signed up at <https://public.govdelivery.com/accounts/USDOTFTA/subscriber/new> to receive email updates from FTA regarding the Emergency Relief Program.

2. Resilience Allocation Methodology

FTA is allocating an additional \$44.2 million in Emergency Relief Program funding for projects intended to increase the resilience of public transportation systems (resilience projects) in the major disaster declaration areas of Hurricanes Harvey, Irma, and Maria to States and Territories that sustained at least \$1 million in transit asset damage across all reporting transit providers within the State or Territory based on the validated preliminary damage assessments. States and Territories that met the \$1 million threshold are Florida, Puerto Rico, Texas, and the United States Virgin Islands.

The amount of this allocation has been determined by first allocating \$5 million in Emergency Relief funds for resilience projects to each of these States and Territories, plus an additional \$24.2 million allocated proportionally by ratio of total damage claimed in the validated preliminary damage assessments for each State or Territory to the total damage claimed in the validated preliminary damage assessments for all four States and Territories combined. States and Territories are responsible for allocating funds to eligible resilience projects within the disaster area.

Table D: Allocations for Resilience

State or Territory	Recipient	Discretionary Funding ID	Allocation
FL	Florida Department of Transportation	D2018-EMER-053	\$ 6,619,000
PR	Puerto Rico Highways and Transportation Authority	D2018-EMER-054	\$ 25,721,000
TX	Texas Department of Transportation	D2018-EMER-055	\$ 6,713,000
VI	Virgin Islands Department of Public Works	D2018-EMER-056	\$ 5,164,000
	TOTAL		\$ 44,217,000

C. Matching Share

FTA Emergency Relief funds are eligible for Federal share as follows:

- 100 percent Federal share for emergency operations, emergency protective measures, and emergency repair costs incurred for up to 270 days from the date of the major disaster declaration
- 90 percent Federal share for permanent repairs which include recovery and rebuilding as well as emergency operations, emergency protective measures, and emergency repair costs incurred after 270 days from the date of the declared disaster
- 80 percent Federal share for resilience projects

For recipients in locations for which major disaster declarations were issued for both Hurricanes Irma and Maria, the calculation for the day on which 100 percent Federal share expires will be made from the date of the major disaster declaration for which the eligible expense was incurred. Please see Table E below for calculations of 270 days from the date of major disaster declarations.

Table E: 270 Days from Declaration Date

State/Territory (Storm)	Date of Major Disaster Declaration	270 Days from Declaration Date
Texas (Harvey)	8/25/2017	5/22/2018
U.S. Virgin Islands (Irma)	9/7/2017	6/4/2018
Florida (Irma)	9/10/2017	6/7/2018
Puerto Rico (Irma)	9/10/2017	6/7/2018
Georgia (Irma)	9/15/2017	6/12/2018
U.S. Virgin Islands (Maria)	9/20/2017	6/17/2018
Puerto Rico (Maria)	9/20/2017	6/17/2018
Louisiana (Harvey)	10/16/2017	7/13/2018
South Carolina (Irma)	10/16/2017	7/13/2018

D. Pre-award Authority

Pre-award authority is described in the Emergency Relief Program final rule at 49 CFR § 602.11. In considering the use of pre-award authority, recipients should be aware of the following:

- (i) Pre-award authority is not a legal or implied commitment that the subject project will be approved for FTA assistance or that FTA will obligate Federal funds. Furthermore, it is not a legal or implied commitment that all activities undertaken by the applicant will be eligible for inclusion in the project.
- (ii) Except as waived pursuant to the waiver process described in Section I.I of this notice, all FTA statutory, procedural, and contractual requirements must be met.
- (iii) The recipient must take no action that prejudices the legal and administrative findings that FTA must make in order to approve a project.
- (iv) The Federal amount of any future FTA assistance awarded to the recipient for the project will be determined on the basis of the overall scope of activities and the prevailing statutory provisions with respect to the Federal/non-Federal match ratio at the time the funds are obligated.
- (v) When FTA subsequently awards a grant for the project, the Federal Financial Report in TrAMS indicates the use of pre-award authority.

1. Response, Recovery, and Rebuilding Pre-Award Authority

FTA grants pre-award authority to affected recipients for response, recovery, and rebuilding expenses incurred as a result of Hurricanes Harvey, Irma, and Maria. Pre-award authority applies to expenses incurred in preparation for the arrival of the storms in

response to forecasts specific to Hurricanes Harvey, Irma, and Maria. Pre-award authority allows affected recipients to incur certain project costs before grant approval and retain the eligibility of those costs for subsequent reimbursement after grant approval.

If a recipient intends to use pre-award authority for recovery and rebuilding expenses, FTA recommends the recipient work with the appropriate FTA regional office (see Table C) to verify that all of the proposed costs are all eligible under the Emergency Relief Program, in advance of incurring any costs to the extent practicable.

2. Resilience Pre-award Authority

Resilience projects may be granted pre-award authority after FTA reviews and approves a State or Territory's resilience projects, as discussed later in this notice.

E. Resilience Program of Projects

Resilience projects funded through the FTA Emergency Relief Program resilience allocations to Florida, Puerto Rico, Texas, and United States Virgin Islands must be submitted to FTA for review and approval in either a program of projects (POP) or individually prior to grant award. For the purposes of this notice, a POP is a list of resilience projects proposed by the State or Territory to be funded from the resilience allocations in this notice. If more than one recipient will apply for grants for projects in the POP, each grant application must include the portion of the POP that identifies the projects to be funded in the grant. The POP must include a description of each project to be funded from the State or Territory's allocation, including any suballocation among public transportation providers, total project costs, local share, and Federal share for each project. Eligibility for resilience funding also requires the applicable Metropolitan

Planning Organization(s) (MPO) to list projects in the approved Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP) for metropolitan areas or the approved STIP for nonmetropolitan areas.

F. Waiver of Remaining Useful Life Requirement

FTA is implementing a blanket waiver to relieve FTA recipients from its useful life requirement with respect to assets that were destroyed as a result of the storms and taken out of service before the end of their useful life. Such assets are presumed to have no remaining useful life. As a result of this waiver, recipients may apply for funds to replace assets at a 90% Federal share without regard to the Federal interest remaining in the destroyed asset.

Although FTA has determined that Federally-funded assets destroyed by Hurricanes Harvey, Irma, and Maria have no remaining useful life, recipients may have a financial obligation to FTA for assets that have a fair market value (FMV) in excess of \$5,000 at the time of disposition. For disposition requirements, please see FTA Circular 5010.1E, “Award Management Requirements,” Chapter IV, subsection 4.

G. Treatment of Insurance Proceeds

As described in the Emergency Relief Program Manual, and consistent with the Emergency Relief Program final rule and FTA’s Circular 5010.1E: Award Management Requirements, if a recipient receives or allocates insurance proceeds to a cost for which FTA either allocated or awarded Emergency Relief Program funds, the recipient will be required to amend the grant to reflect a reduced Federal amount, and will be required to reimburse FTA for any FTA payments (drawdown of funds) in excess of the new Federal amount. FTA will deobligate any excess or unliquidated funds from the grant. FTA may

subsequently reallocate these funds through the Emergency Relief Program for other eligible projects.

In the event a recipient receives insurance proceeds for an asset and decides not to replace that asset, the waiver of useful life described in Section I.F does not apply, and the recipient must reimburse FTA the remaining Federal interest in that asset in accordance with FTA Circular 5010.1E.

H. Eligible Sources of Local Match

The non-Federal share of Emergency Relief grants may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital. In addition, recipients may utilize the following provisions for complying with the non-Federal share requirement.

The Community Development Block Grant (CDBG) statute at 42 U.S.C. 5305(a)(9) provides that “payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of activities assisted under [chapter 53 of title 42]” is an eligible activity. Since the CDBG statute specifically is available to fund the “non-Federal share” of other Federal grant programs, if the activity is eligible under the CDBG program, FTA will accept CDBG funds as local match.

Recipients may also utilize Transportation Development Credits (TDCs), formerly known as Toll Revenue Credits, in place of the non-Federal share. The use of TDCs must be approved by the State, which must send a letter to the FTA regional office certifying the availability of sufficient TDCs and approving their use prior to submitting a grant application. Recipients are advised that the use of TDCs means that no local funds will be required for projects in the grant, and that the funds allocated by FTA may not

alone be sufficient to fund the entirety of the proposed Emergency Relief projects. FTA will not allocate additional Federal funds to recipients that use TDCs in place of the non-Federal share, so sufficient alternative funds may need to be located to fully finance projects utilizing TDCs. FTA will not approve a retroactive application of TDCs. Recipients are advised to contact the applicable FTA regional office regarding any questions about eligible sources of local matching funds.

I. Waiver Process

Recipients may request waivers of FTA administrative requirements by submitting a request to www.regulations.gov, FTA docket number FTA-2018-0001, as described in the Emergency Relief Program final rule at 49 CFR § 602.15, however, recipients should not proceed with a project with the expectation that waivers will be provided.

II. Award Administration

A. Grant Application

Once FTA allocates Emergency Relief funds to a recipient, the recipient will be required to submit a grant application electronically via FTA's TrAMS system. Prior to submitting a grant application for response, recovery, or rebuilding projects, recipients are encouraged to submit a proposed list of projects and expenses to FTA's regional office for review. This review will ensure that all proposed projects and costs are eligible under the Emergency Relief Program.

States and FTA direct recipients not reporting Hurricane Harvey, Irma, and Maria related expenses of \$25,000 or more were not given a direct allocation of Emergency Relief funds in this notice. However, such entities may apply for Emergency Relief

funds for response, recovery, and rebuilding by following the same process as those entities that have been allocated funds in this notice.

Each State or Territory allocated resilience funds, in consultation with the public transportation providers in the Hurricane Harvey, Irma, or Maria major disaster declaration areas in their State or Territory, must submit proposed resilience projects either individually or as part of a program of projects to FTA for review and approval prior to submitting a grant application or modification in TrAMS. States and Territories allocated resilience funding may apply for funding on behalf of public transportation providers in Hurricane Harvey, Irma, and Maria major disaster declaration areas in their State or Territory. Direct recipients of FTA funding may also apply directly to FTA for funding for resilience projects previously identified by the State or Territory and approved by FTA.

FTA has assigned distinct project identification numbers for recovery/rebuilding projects and for resilience projects. Recipients should work with the FTA regional offices to determine when, if appropriate, multiple grant applications may be required. While there is nothing that precludes the obligation of funding allocated for resilience projects in the same grant as recovery and rebuilding projects, recipients will be required to track these costs separately and to include a separate scope for costs associated with resilience projects. This will allow FTA to track the obligation of funds for resilience costs.

Recipients are required to maintain records, including but not limited to all invoices, contracts, time sheets, and other evidence of expenses to assist FTA in validating the

eligibility and completeness of a recipient's reimbursement requests under the Improper Payment Information Act.

Upon application, the eligible recipient should provide the information outlined in 49 CFR § 602.17. For grant applications for reimbursement for emergency operations costs, applicants should include summary information as described in 49 CFR § 602.17(c) (dates, hours, number of vehicles, and total fare revenues, if any, received for the emergency service), as well as cost and a description of services in sufficient detail for FTA to identify the costs as reasonable and eligible under the Emergency Relief Program. Back-up or supporting documentation may be requested upon FTA's review of the application or at a later date. Any costs determined to be ineligible after disbursement of funds must be refunded to FTA.

B. Payment

Upon award, payments to recipients will be made by electronic transfer to the recipient's financial institution through FTA's Electronic Clearing House Operation (ECHO) system.

C. Grant Requirements

Emergency Relief funds may only be used for eligible purposes as defined under 49 U.S.C. 5324 and as described in the Emergency Relief Program final rule (49 CFR part 602) and this notice.

Recipients of section 5324 funds must comply with all applicable Federal requirements, including FTA's Master Agreement. Each grant for section 5324 funds will include special grant conditions, including but not limited to, application of insurance proceeds, application of any FEMA funds received, and Federal share. These

special conditions will be incorporated into the grant agreement for all Hurricane Harvey, Irma, and Maria Emergency Relief funds.

D. Reporting Requirements

Post-award reporting requirements include submission of the Federal Financial Report and Milestone Progress Reports in TrAMS consistent with FTA's grants management Circular 5010.1E.

E. Oversight and Audits

FTA will provide oversight of grants funded through the Emergency Relief Program using its standard oversight programs, including Triennial Reviews and State Management Reviews. FTA may assign program level reviews such as Procurement System Reviews or Financial Management Oversight reviews. FTA will monitor the use of insurance proceeds to ensure they meet program requirements. FTA may undertake other reviews of projects, such as Technical Capacity and Capability Assessments; Risk Assessments; Cost, Schedule, and Scope Reviews; and other reviews FTA determines are necessary.

Issued in Washington, DC, on May 23, 2018.

K. Jane Williams,
Acting Administrator.

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