



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Manager

SUBJECT: A Resolution of the City Council of the City of Commerce, California, Authorizing the City Manager to accept a Coronavirus Aid, Relief, and Economic Security (CARES) Act Grant from the United States Department of Transportation

MEETING DATE: July 7, 2020

RECOMMENDATION:

Adopt the Resolution authorizing the City Manager to accept a Coronavirus Aid, Relief, and Economic Security (CARES) Act Grant from the United States Department of Transportation, to prevent, prepare for, and respond to the impacts of COVID-19 public health emergency on Transit operations for Fiscal Year 2020 and 2021.

BACKGROUND:

On 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. The Federal Transit Administration (FTA) was allocated \$25 billion to disperse to public transportation agencies and recipients of urbanized area and rural area formula funds. Funding is provided at a 100% federal share, with no local match required, and available to support transit agencies with capital, operating, and other expenses.

ANALYSIS:

The Los Angeles County service area received an allocation of \$1.068 Billion in CARES Act funds, which is to be dispersed amongst all municipal transit operators and the Los Angeles County Metropolitan Transportation Authority (Metro). Metro anticipates declines in State level funding, which relies heavily upon sales and fuel taxes. The CARES Act funds will be used for capital expenditures, general operating expenses, including payroll, administrative leave for transit personnel due to reduced service operations during the COVID-19 pandemic emergency.

ALTERNATIVES:

1. Approve staff recommendation
2. Reject staff recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The City of Commerce is eligible to receive and utilize \$834,418 in CARES Act funds. Transit operating and capital expenses incurred beginning on January 20, 2020 are eligible for reimbursement.

RELATIONSHIP TO 2016 STRATEGIC GOALS:

This agenda item relates to the 2016 strategic planning goal: “review and update services and activities to increase efficiency”, as the proposed recommendation outlined in this report assists in mitigating the City’s transportation operating and capital cost.

Recommended by: Claude McFerguson, Director of Transportation
Fiscal impact reviewed by: Josh Brooks, Acting Director of Finance
Approved as to form by: Norma Copado, Assistant City Attorney
Respectfully submitted: Edgar P. Cisneros, City Manager

Attachment:

- 1) Resolution
- 2) Cares Act Final Funding Allocation