



Metro

Los Angeles County
Metropolitan Transportation Authority

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JULY 10, 2020

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON 
CHIEF EXECUTIVE OFFICER

FROM: JAMES DE LA LOZA 
CHIEF PLANNING OFFICER

**SUBJECT: UPDATE ON REVENUE GENERATION ACTIVITIES
DURING CORONAVIRUS DISEASE 2019 (COVID-19) –
FEMA PUBLIC ASSISTANCE APPLICATION SUBMITTAL
AND NEW STARTS GRANTS EXECUTION**

ISSUE

As our nation continues to grapple with the COVID-19 public health crisis, LA Metro is taking every reasonable step to mitigate the immense impacts to the communities it serves. In addition to cost-cutting measures described on various occasions since declaration of the health emergency, Metro launched a critically important effort to offset COVID-19 losses by generating new revenue. This report provides an update on major milestones in our efforts to bring in revenue to continue moving the goods and people that depend on Metro to live, work, and play in LA County and throughout our Nation.

BACKGROUND

On July 2, 2020, Countywide Planning and Development Department (Planning) staff reported to CEO Phil Washington that Metro had submitted to the Federal Emergency Management Agency (FEMA) a request for approximately \$118.9 M in COVID-19 disaster relief funding. On the same day, Planning staff also shared that Metro received from the Federal Transit Administration (FTA) notice that it executed a total of \$415 M in grants to support Metro rail preventive maintenance (\$110 M) and New Starts projects (\$305 M) comprised of Westside Section 1, Westside Section 2 and Regional Connector. Earlier in June, Metro received another \$306 M from FTA for bus preventive maintenance and to support bus acquisitions. These funding requests are separate from the over \$870 M in funding anticipated from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

All of this critically needed revenue will help preserve Metro jobs, maintain critical operations, and bolster Los Angeles County's economy.

This was truly a collaborative effort which required strategic focus, creativity, and precision that will ultimately lead to additional revenue for Metro. In addition to core teams made up of representatives from Planning, Emergency Management (EM), Finance, the Office of Management and Budget (OMB), and Government Relations (GR), all Divisions within Metro contributed time, effort, and resources to ensure that we maximized requests for disaster relief funding.

NOTE: Of the anticipated funding mentioned above, only the \$118.9 M of FEMA funding is subject to change. FEMA's Public Assistance funding is provided through a competitive program that may ultimately be oversubscribed due to the very large scale of the COVID-19 presidential public health declaration. With so much uncertainty around the health emergency and the funding demands against FEMA sources, staff cannot currently provide a reliable estimate of FEMA revenue for COVID-19. However, staff submitted every documented actual and estimated expense that is potentially eligible for FEMA funding and plans to aggressively work to demonstrate that Metro is the ideal recipient of these discretionary funds.

NEXT STEPS

Staff will continue working with our grantor agencies to advance the grant procurement activities and to secure funds into Metro coffers. Updates will be provided to inform you when Metro completes additional major milestones including receipt of reimbursements funds.