



## ODOT Needs-Based CARES (ONBC) Grant Process Guidance

### Oregon Department of Transportation Public Transportation Division

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## Staff Contacts

Questions about the ODOT Needs-Based CARES (ONBC) grant process should be directed to your regional transit coordinator. Link: [About RTCs](#)

An electronic version of this document is located in the ODOT Needs-Based CARES solicitation section of the Public Transportation Funding Opportunities Page located here: <https://www.oregon.gov/ODOT/RPTD/Pages/Funding-Opportunities.aspx>.

# PART 1: ODOT NEEDS-BASED CARES GRANT PROCESS

## Introduction

The intent of Oregon Department of Transportation's (ODOT) Needs-Based CARES (ONBC) grants is to ensure funds are directed to transit providers that are experiencing negative impacts under the COVID-19 pandemic. This process gives the Public Transportation Division (PTD) the flexibility to be responsive to the ongoing and evolving impacts of COVID.

Beginning on April 22, 2020, PTD will begin accepting applications for needs-based grant agreements funded with money remaining after 5 percent for PTD administrative costs is allocated and the formula CARES disbursement of approximately \$9.3 Million is complete. The needs-based disbursement is expected to be approximately \$31.2 Million. Applications are available on PTD's website on the [Funding Opportunities](#) page and will be accepted until December 31, 2020. If any CARES funds remain un-obligated at the end of 2020, this process will be revisited.

Applicants without an urgent need for immediate grant resources are encouraged to submit applications later in the process in consideration of those agencies with greatest need and to allow PTD staff to spread the application process over the course of the remaining months in 2020. This allows PTD to ensure other funding streams and processes are maintained during this time. Applicants may submit more than one application during the application period, with each applicant allowed up to three applications. Applicants may receive a full award, a partial award, or no award, depending on the level of need as determined by a review committee.

The review committee will include at least one member of the Public Transportation Advisory Committee (PTAC) (whose employer will not be a recipient of ONBC funding) and PTD regional transit coordinators (RTCs) and may include additional external partners, PTD program coordinators, PTD fund managers, and other ODOT staff. The review committee will use previous agency periodic reports, National Transit Database data, information from the application, and RTC knowledge of local needs to determine the reasonableness of funding requests. Funding will be distributed in a measured way acknowledging that all eligible agencies have funding needs.

Applications for ONBC funding from recipients of initial CARES 5311 formula grant awards will be reviewed starting July 1, 2020. Applicants may contact their RTC to request an earlier review in situations of extreme hardship.

This document provides guidance and application instructions for the ONBC grant process.

Federal Transit Administration (FTA) CARES act information is available at <https://www.transit.dot.gov/cares-act>.

This disbursement provides financial support to Oregon transit providers capable of meeting FTA Section 5311 and 5311(f) requirements such as National Transit Database reporting and drug and alcohol testing and who operate Section 5311 or 5311(f) eligible public transportation services open to the general public. Requirements can be reviewed here: [Formula Grants for Rural Areas](#).

*"Federal Transit Administration (FTA) will generally consider all expenses normally eligible under the Section 5307 and 5311 programs that are incurred on or after*

January 20, 2020 to be in response to economic or other conditions caused by COVID-19 and thus eligible under the CARES Act.”<sup>1</sup>

Applications may be submitted at any time during the 2020 calendar year. Eligible projects will be reimbursed for qualified expenses incurred after January 20, 2020. ONBC grants will be written with an expiration date of June 30, 2023.

## Program Purposes and Eligibility

### *Eligible Applicants*

Eligible applicants include: mass transit districts, transportation districts, Indian tribes, cities, counties, special districts, intergovernmental entities, nonprofit transit providers, for-profit transit providers, or any other political subdivision or municipal or public corporation that provides public transportation services.

For-profit service types NOT Eligible to apply for ONBC grants:
Taxi service
Transit Network Companies (TNC)
Limousine service
Charter service
Tour or sightseeing service
Airport shuttle service (service only ticketing to/from a single location such as an airport)
Contract service (service operated under contract to a transit provider)*

**\*Contracting agency can use ONBC funds to pay contractors.**

For information about Small Business Administration funding programs for businesses see: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>

Recipients of ONBC grants are required to meet, or to demonstrate the capacity to meet prior to grant award, the following qualifications as applicable to the type of project being funded:

- Be an entity eligible to enter into agreements;
- Have the legal, managerial and operational capacity to perform project(s) within the agreed-upon schedule;
- Not be debarred or suspended from receiving federal grants;
- Comply with applicable drug and alcohol testing requirements at the time of the grant award and at the time of any reimbursable expense. Consultation with RTC is recommended for applicants without an active drug and alcohol testing program.
- Submit annual reports to the National Transit Database;
- Participate in Transit Asset Management (TAM);
- Maintain ADA compliance;
- Maintain compliance with federal, state, and local laws and regulations including, but not limited to, those pertaining to passenger transportation, civil rights, labor, insurance, safety, and health, as applicable;
- Have the capacity to report on fund use and connection to COVID needs;
- Perform the project(s) in a safe, prudent, and timely manner.

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<sup>1</sup> <https://www.transit.dot.gov/frequently-asked-questions-fta-grantees-regarding-coronavirus-disease-2019-covid-19> dated April 7, 2020

## *Eligible Projects*

Projects eligible for ONBC grant awards must:

- Support Section 5311 or 5311(f) eligible transit service for the general public
- Be incurred on or after January 20, 2020 in response to economic or other conditions caused by COVID-19

The FTA generally considers that all Section 5311 and 5311(f) eligible expenses incurred after January 20, 2020 are to prevent, prepare for, or respond to the COVID-19 disease.

The FTA may grant waivers to normal Section 5311 and 5311(f) rules; such waivers, if granted, will be posted at: <https://www.oregon.gov/odot/RPTD/Pages/Coronavirus.aspx>

Transit service eligible for Section 5311 funds should provide access to, from, between, or within rural communities or areas. Rural access must be the dominant function of the service. Section 5311 eligible service must be open to the general public.

Transit service eligible for Section 5311(f) funds must cover longer distances (20 or more miles) or close a significant gap in the Statewide Transit Network, make infrequent stops, not be designed primarily to serve commuters, have the capacity to carry passenger luggage, be open to the general public, and make meaningful connections to the larger intercity and Statewide Transit Network, including passenger rail, where practicable.

Historically, PTD reserves resources for administrative costs and for PTD-managed intercity public transportation projects and projects of statewide significance before making grant awards with the balance of resources. For CARES funds, PTD will submit applications for these two project types.

## **Match Requirements**

100% federal funds; local match is not required.

## **Application Submission**

Applications for the ONBC grants are due no later than December 31, 2020. PTD will review applications for non-formula fund recipient applicants before reviewing applications from agencies who have already received formula funds. Reviewers may reach out to applicants for clarification, or for additional information.

## **Project Selection Process and Schedule**

The major steps in the project selection process are outlined below.

- 1) Public transportation providers submit up to three grant applications to PTD beginning April 21, 2020 and no later than December 31, 2020.
- 2) Review committee evaluates applications in the order received for completeness, applicant eligibility, and project eligibility consistent with the ONBC solicitation guidance. Applications will be grouped to facilitate review committee processes. (The number and timing of these groupings will depend on the number and timing of applications submitted.)

- 3) If necessary, committee staff contacts applicants for clarification or more information.
- 4) Review committee recommends a funding award for each applicant.
- 5) PTD posts ONBC funding awards online and notifies applicants via email of the award.
- 6) After award notices are posted online, applicants have 10 days to appeal award amount. Appeals will be heard and decided by the PTD administrator.
- 7) PTD creates grant agreements for successful applicants.

This process may occur in cycles to group applications for review over the course of the open period.

### *Review Committee Recommendations*

Review committee decisions will be informed by:

- Applicant's COVID-related need, equity of distribution across eligible transit providers, funding history (5311, 5311(f), CARES, STIF), total hours or miles of qualifying service operated, ridership history, corridors(s) served and transit options available in corridor(s) or area(s), total available ONBC funding, and other factors.
- Applicant capacity to manage funds and comply with obligations that come with accepting federal funds
- Service eligibility

## Reporting Requirements

Grant recipients are required to report on project progress and expenditures throughout the funding period. FTA Section 5311(f) recipients must satisfy both PTD and FTA reporting requirements. All recipients should be prepared to fulfill the following general reporting requirements:

- Periodic reports completed in PTD's Oregon Public Transit Information System (OPTIS), detailing recipient's project progress, outcomes achieved, and expenditures. The periodic report is due no later than 45 days following the end of each period for which reimbursement is requested. Since monthly reimbursements are allowed, the requirement to have a quarterly OPTIS report on file prior to reimbursement will be waived for ONBC funds. Recipients should work with RTCs and other PTD staff to facilitate this waiver.

Note: PTD may require additional documentation and deliverables beyond those indicated in an application, as appropriate to the project.

- Documentation of all ONBC funds disbursed or reimbursed by PTD. Recipients must create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit PTD to verify how funds were expended.
- Financial records maintained for at least six years after PTD disperses the final payment under a grant agreement. Recipients must maintain all records relating to capital assets for three years after the asset is disposed.
- Recipients who acquire, purchase, or lease capital assets using ONBC funds shall provide PTD with information needed to inventory the asset(s). The information must include the following:
  - Purchase date and price;
  - ONBC and other funds used for the purchase;

- Authorized use and operator;
- Asset description as follows:
  - Vehicles: make, model, quantity, size, number of securement stations, seats with and without securement stations deployed, mileage, fuel type, and condition.
  - Improvements to real property (facilities, buildings, shelters): location, current disposition, condition, and status.
  - Equipment: make, model, quantity, and condition.

The capital asset inventory must be updated in regular intervals as specified by PTD. Reporting is required as long as the capital asset is in use for public transportation, regardless of the expected useful life of the asset.

## Capital Assets

Grant recipients should understand the unique reporting, environmental review and documentation processes associated with the purchase of capital assets. The requirements vary based on project type, and applicable local, state, and federal regulations. It is the grant recipient's responsibility to understand and comply with all applicable requirements.

### CAPITAL ASSET REQUIREMENTS

To be eligible to receive ONBC funds for a real property capital asset (e.g., a transit facility, bus barn, maintenance facility, land, or administration building), an applicant must demonstrate in its grant application one or more of the following, depending on asset type:

- Recipient ownership of the property upon which the capital asset will be located;
- Recipient possession of an executed lease agreement for or lien on the property location where the capital asset will be located, and that will be in place for the useful life of the capital asset;
- In the case of a project which will utilize property owned by a local city, county, or government, an executed intergovernmental agreement with the property owner guaranteeing ongoing use for the duration of the useful life of the capital asset; or
- In the case of a project to purchase land, an option to purchase the land identified in the project.



# PART 2: Application Information

## Application Format and Use

### APPLICATION FORM

The online application form is available in the Needs-Based CARES grant section of the Public Transportation Funding Opportunities Page located here:

<https://www.oregon.gov/ODOT/RPTD/Pages/Funding-Opportunities.aspx>.

The form uses a combination of check boxes, text boxes, yes or no questions, and buttons for uploading documents and adding information. Some new sections and fields appear depending on how you answer questions or what boxes you select. All questions must be answered, unless specified as optional. Incomplete information could result in rejection of the application.

Use the “Save” button at the lower right of the form to save an incomplete application in progress.

If there are technical problems using the form, please call 503-986-3300. For answers to programmatic or process-specific questions, contact your RTC.

### APPLICATION SECTIONS

#### *Applicant Information*

This section contains contact information and questions about you as the applicant. It also asks if you have an active Section 5311 or 5311(f) grant with ODOT.

The name you enter as the person signing the grant agreement is the person whose name will appear on the grant agreement and to whom we will send the agreement for signature.

Since recipients of CARES funds must fulfill all Section 5311 requirements, those details are included in the “Capacity Certification” statement in this section.

#### *Capacity*

Applicant must certify that they have the capacity to maintain compliance with complex federal, state, and local laws and regulations that come with accepting FTA funds. This includes certification that the applicant will have a drug and alcohol testing program that meets federal requirements in place prior to receiving funding.

#### *Risk Assessment Information*

*If you indicate that you have an active Section 5311 or 5311(f) grant with PTD in the Applicant Information Section, the Risk Assessment section of the application form will not appear.*

In this section, PTD asks about staff turnover, your accounting system, attendance at required trainings, audits, and budget.

- The question about required trainings and meetings refers to those PTD indicated were mandatory, such as grant management training.
- The question about accounting for 100 percent of employee time can be thought of as asking if you can track employee time by project so that employee costs can be allocated appropriately.

- The question about your accounting system refers to three system types:
  - Manual - Using paper and ledgers
  - Automated - Using a dedicated system that calculates payroll, taxes, and expenses by account
  - Combined - Using a primarily automated system but which may have some missing features that are tracked outside of the automated system.

## *Project Details*

In this section you may create one or more projects. Each project must be associated with a service and a service type that is eligible for funding with Section 5311 and/or 5311(f) funds. If, for example, you are applying for funding to support a rural fixed route service and its complementary paratransit service, you will need to create two projects: one for the fixed route service and one for the complementary paratransit service.

If an activity benefits more than one service, allocate activity expenses in appropriate portions to the projects.

### Add Projects Button

Select the “+ Add Project” button to create additional projects included in your funding request. Projects will be numbered sequentially starting with Project 1.

### Description of Service

For each project, select one eligible service type that best describes the service and the days of service. You should be familiar with most service types. A few notes on some of them:

Deviated Fixed Route - If a specific deviated fixed route service is described by publicly available GTFS data, select the appropriate fixed route category for the service instead of deviated fixed route.

Intercity - This is generally longer distance service, with infrequent stops, not designed primarily to serve commuters. The project will still be considered for both 5311 and 5311(f) funding if this service type is selected.

In the first text box of this section, describe the service to be supported by the project. The content of the text box will help evaluators determine Section 5311 and/or 5311(f) eligibility as well as provide a brief overview of the service. The service description should clearly identify service origin(s) and destination(s) as well as service frequency.

In the next text box, provide a high level description of the project and its elements. Be sure to call out COVID-19-related needs. Each project expense category selected later in the application provides the opportunity to enter additional details about project elements and connections to COVID-19-related needs.

Answer the general public questions.

## COVID-19 Impacts

Select applicable check boxes to identify each COVID-19 impact that would be addressed with grant funding.

### *Service Details*

For the service volume, ridership, and service costs questions, provide service hours or miles (both may be shown, but are not required) whichever measure is more convenient. If possible, use either hours or miles for all relevant input (i.e., if miles are used, hours-based fields can be skipped).

If practical, use representative pre-COVID values from the January - February 2020 timeframe.

The “Consequences if No Funding is Awarded” text box is another opportunity for you to articulate your agency’s need.

### *Expense Details*

Select one or more expense type. The form will generate text boxes seeking additional project task details, including a description of the task and the associated dollar amount. This will help reviewers understand the importance of individual project costs. While any expense category is eligible, please note that FTA has an expectation that operations will be the predominant expense category.

The Vehicle Purchase expense category requires detailed vehicle-related information. If a replacement vehicle expense type is selected, you will be prompted for the VIN, mileage, condition, and maintenance history of the vehicle to be replaced.

The Shelters, Signs, Equipment, Facilities expense category requires an environmental worksheet for projects that will disturb the ground. Please indicate if you have or will have this documentation in the project description and attach any pertinent documents to your application (such as maps, photographs, etc.).

## **Application Completion**

Following the entry of your last project, the form will display the total amount requested in the application. You may upload any supporting documents using the “Upload” button.

- Complete the signature box using a touchscreen, trackpad, or mouse.
- Use the “Save” button at the lower right of the form to save your application to a unique URL.
- Use the “Apply” button at the lower left corner of the application to submit the completed application to PTD.

You will receive both a statement that your application has been recorded and an email confirmation.

**If you do not receive an email confirmation, contact your RTC immediately or send an email to [ODOTPTDReporting@odot.state.or.us](mailto:ODOTPTDReporting@odot.state.or.us).**