



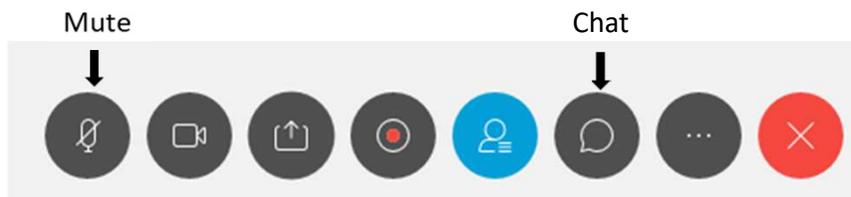
CARES Act Information

June 2020

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Agenda

- **CARES Act General Aviation Summary**
- **CARES Act Part 1**
 - Summary
 - Project Eligibility
 - Application Process
 - Award and Reimbursement
 - Amendment Process
- **CARES Act Part 4**
 - Summary
 - Airport and Project Eligibility
 - Application Process
 - Award and Reimbursement
- **Questions and Discussion**

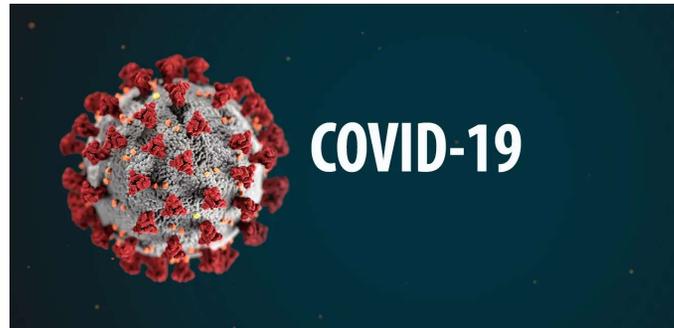


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CARES Act Part 1

CARES Act Part 1

Congress recognizes that the economic effects of the COVID-19 Pandemic could stall many projects due to the reduction and uncertainty of revenue coming into local and state governments. According to the FAA, the legislative intent of CARES Act Part 1 is to ensure airports can execute and complete planned/programmed projects on schedule by reducing the need for local participation during the economic crisis.



CARES Act Part 1

- CARES Act Part 1 funding will provide additional federal share for the normally required local participation (10%) on planned federal AIP Projects
- Tennessee will receive a total of \$1,919,116 in Part 1 Funding
- The funding amount was based on the amount of NPE and State apportionment awarded in the FY 2020 FAA block grant. It was not based on the approved Airport Capital Improvement Plan submitted to the FAA for FY2020/2021
- Due to the basis of award for CARES Act Part 1 funding, there will not be enough funding to provide 100% federal share for every FY 2020/2021 project programmed on the ACIP

Cares Act Part 1

- **Project Eligibility:**

- Part 1 funding will provide the required local match for the available federal portion of projects programmed on the airport's approved FY 2020 and/or 2021 ACIP
- Part 1 funding is available for projects approved by TDOT Aeronautics or the Tennessee Aeronautics Commission after March 27, 2020
- Part 1 funding will be awarded using a first come - first served approach until the funds are exhausted

When the funds are exhausted, TDOT will return to standard AIP funding requirements.

CARES Act Part 1

Approved 2020 and/or 2021 ACIP



TDOT Aeronautics Division FY 2021 ACIP

Inclusion of a project in the plan is not a commitment for funding. Project requests must be submitted and reviewed by Tennessee Aeronautics Commission and/or TDOT Aeronautics Division for approval and grant award. Projects will be analyzed, reviewed, and approved based on various factors, including, but not limited to, the funding available, inclusion on the Airport Layout Plan (ALP), environmental approval, project justification, scope of work, bid tabulations, and work schedule. Please contact your TDOT Project manager to discuss Project Staff Review (PSR) deadlines for submittal.

Associated City	Project Short Title	Airport Priority Ranking	TDOT Project Category	Estimated Cost	Project Manager	Executed Grant By:	TAC Date (if applicable):	PSR Date:	Request Deadline:
	Property Acquisition - RPZ Control	4	Safety	\$500,000	William "Bill" Burney	__/__/__	__/__/__	__/__/__	__/__/__
	Airport Layout Plan Update w/ AGIS	1	Planning	\$300,000	William "Bill" Burney	__/__/__	__/__/__	__/__/__	__/__/__
				\$800,000					

CARES Act Part 1

- All current TDOT Aeronautics business rules will apply to projects utilizing CARES Act Part 1 funding
 - Projects must be on the programmed 2020/2021 ACIP projects list programmed by TDOT
 - Projects must be on the airports current approved ALP, if applicable
 - Projects must follow TDOT Aeronautics phased approach to project development. Steps cannot be skipped to take advantage of 100% federal funding
 - Funding requests for routine projects will be reviewed and approved by the Tennessee Aeronautics Division
 - Funding requests for non-routine projects (over \$100,000) will be reviewed by the Tennessee Aeronautics Commission at their next scheduled meeting

CARES Act Part 1

- **Application Process:**

- Airports should follow the normal AIP process for requesting CARES Act Part 1 funding
- The project funding request letter, submitted in BlackCat, should include a request for CARES Act Part 1 funding
- Application instructions can be found on the TDOT CARES Act Information for Airports website

- **Amendment Requests:**

- Projects approved for funding after March 27, 2020 can be amended to provide CARES Act Part 1 funding and return impacted local participation amounts
- TDOT Aeronautics will notify airports with projects eligible for amendment
- A BlackCat application will be required to process the amendment. However, amendments will not require PSR review and approval
- Application instructions can be found on the TDOT CARES Act Information for Airports website

CARES Act Part 1

- Example funding for an AIP Project
WITHOUT CARES Act 90% Federal / 5% State / 5% Local*

Example Project	Project Total	NPE	State	CARES Act Part 1	Required Local Participation
AIP Project w/o CARES Act Funding*	\$350,000	\$315,000	\$17,500	\$ 0	\$17,500
AIP Project w/ CARES Act Funding	\$350,000	\$315,000	\$ 0	\$35,000	\$ 0

CARES Act Part 1

- Example funding for an AIP Project
WITHOUT CARES Act 43% Federal / 52% State / 5% Local*

Example Project	Project Total	NPE	State	CARES Act Part 1	Required Local Participation
AIP Project <u>w/o</u> CARES Act Funding*	\$350,000	\$150,000	\$182,000	\$ 0	\$17,500
AIP Project <u>w/</u> CARES Act Funding	\$350,000	\$150,000	\$174,167	\$16,667	\$9,166

CARES Act Part 1

Step One

150,000 Federal / 90% = 166,667 Total Federal

Step Two

166,667 – 150,000 = 16,667 Cares Act Part 1

Step Three

350,000 Project Total – 166,667 Total Federal = 183,333 Remaining

Step Four

183,333 x 5% = 9,166 Local Share

Step Five

183,333 – 9,166 Local Share = 174,167 State

150,000 NPE
 + 16,667 CARES Act Part 1
 +174,167 State
 + 9,166 Local
 350,000

Example Project	Project Total	NPE	State	CARES Act Part 1	Required Local Participation
AIP Project <u>WITHOUT</u> CARES Act Funding	\$350,000	\$150,000	\$182,000	\$ 0	\$17,500
AIP Project <u>WITH</u> CARES Act Funding	\$350,000	\$150,000	\$174,167	\$16,667	\$9,166

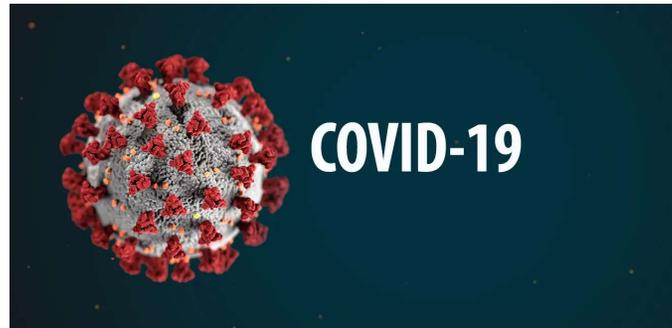


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CARES Act Part 4

CARES Act Part 4

The primary purpose and intent of Part 4 CARES Act funding is to keep airports open and operating during the economic crisis. Therefore, Airports are encouraged to use the CARES Act Part 4 funding for reimbursement of operational and maintenance cost. New airport development is also eligible with prior approval from TDOT Aeronautics and the FAA.



CARES Act Part 4

- Tennessee will receive a total of \$2,562,000 in Part 4 Funding
- Airport awards are determined by formula based on the categories published in the most current National Plan of Integrated Airport Systems NPIAS Report
- CARES Act Part 4 grants are 100% reimbursable grants
 - Airports must provide proof of payment to receive reimbursement
- Part 4 funds can be used for any purpose for which airport revenues may lawfully be used. Additional information can be found in the FAA's Policy and Procedures Concerning the Use of Airport Revenues

CARES Act Part 4

- **Eligibility:**

- Grant funds may be used to reimburse airport operational and maintenance expenses, directly related to the airport, incurred no earlier than January 20, 2020
- Grant funds may be used to reimburse grantee's payment of debt service where such payments occur on or after April 14, 2020
- TDOT is currently authorized to reimburse airports using CARES Act Part 4 funding for operation and maintenance of the airport
- When the FAA provides authorization, airport development cost will be eligible for reimbursement. An amendment to your CARES Act Part 4 contract will be required for reimbursement of airport development cost.

CARES Act Part 4

- Examples of operational costs include, but are not limited to:
 - airport employee payroll, utility bills, supplies, equipment purchases, building repairs, mowing, debt service, and other non-construction costs
- Examples of development costs include but are not limited to:
 - costs that are incurred as a result of the planning, design, and/or construction of new airport infrastructure or expansion of existing infrastructure or airport property
 - planning, design, and/or construction costs of a new fuel farm, apron, taxiway, runway, hangar, environmental review/documentation, and land acquisition
 - reimbursement of local share for an AIP project

CARES Act Part 4

- **Application Process:**

- Airports must submit a request for the full award amount in TDOT's BlackCat system
- Sample request letters are available on the TDOT CARES Act Information for Airports website
- The letter should include the intended use of the funds. *Please note, only operational cost are reimbursable at this time.*
- Step-by-step application instructions can be found on the TDOT CARES Act Information for Airports website

Reporting and Documentation

- Back-up documentation will be required for reimbursement.
- Invoices for CARES Act reimbursement may required different or additional documentation as compared to AIP grants.
- CARES Act funds will be included in the Annual Report of Federal Funding at the end of FY 2020
- The FAA will required audits of CARES Act Airport Grants in its annual audit process

CARES Act Part 4

- **Next steps for airports to receive a grant award:**



- Attend a TDOT CARES Act Funding Webinar
- Submit your CARES Act Part 4 Application in BlackCat
- Receive your CARES Act Part 4 Grant within 10 business days from TDOT Aeronautics
- Execute the grant contract
- Request reimbursement in BlackCat

Helpful Links

- TDOT CARES Act Information for Airports
 - <https://www.tn.gov/tdot/aeronautics/cares-act-information-for-airports.html>
- TDOT Application Instructions for CARES Act
 - https://www.tn.gov/content/dam/tn/tdot/aeronautics/CARES%20Requests%20Guidance_Updated_20200612.pdf
- FAA Policy and Procedures Concerning the Use of Airport Revenue
 - <https://www.govinfo.gov/content/pkg/FR-1999-02-16/pdf/99-3529.pdf>
- CARES Act Part 4 Grant Amounts for TN Airports
 - <https://www.tn.gov/content/dam/tn/tdot/aeronautics/CARES%20Act%20Grant%20Amounts%20to%20TN%20Airports.pdf>

Questions and Open Discussion

