



April 2020

## Making the most of CARES Act funding

*Airports have an opportunity to preserve jobs and advance disruptive projects*

Airports across the country are experiencing sharp declines in passenger traffic and other airport business due to the COVID-19 public health emergency. Acknowledging the critical role airports play as employers and economic engines, Congress and President Trump have approved the Coronavirus Aid, Relief, and Economic Security Act (CARES), which includes \$10 billion in grant funding to support continuing operations and replacement of lost revenue.

### Highlights:

- Allocations are based on annual enplanements.
- Grants can be applied to operating expenses incurred on or since January 20, 2020, debt service or airport development.
- The airport must continue to employ a certain percentage of its existing staff through December 2020.
- Local matches have been waived.
- There is no deadline to obligate the funds.
- Recipients are encouraged to spend the money immediately to reduce adverse impacts.

Some 4,000 airports are eligible for CARES Act grants. Congress earmarked \$100 million for small airports with the remainder of the \$10 billion going to the 450 commercial airports in the Federal Aviation Administration system. Following are three ways airports can maximize the benefits of this new funding:

- 1. Advance critical safety and capacity projects.** Airports have a unique opportunity to advance projects included in their long-range plans. Airfield improvements, land acquisitions, navigational systems, planning and environmental studies and baggage handling systems are among the projects eligible for CARES Act funding.
- 2. Reallocate local matching funds.** If an airport dedicated operating revenue to pay for federal grant participation, instead of using those revenues, the airport can use CARES Act funds and reallocate the operating revenue to pay for operating expenses.
- 3. Tackle disruptive projects.** Identify those areas that, under normal circumstances, are congested – access roadways, drop-off and pickup areas, taxiways or terminal restrooms – and bring projects in those areas forward. Such projects could be implemented and accelerated now while disruption and traffic are not issues.

The CARES Act is a vital piece of legislation intended to keep airports operating and to protect employees' livelihoods during these challenging times. Airports can make the most of these funds by considering critical safety and capacity projects that could be executed while traffic is down, offering an even better passenger experience when America is ready to fly again. ■

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