



Board Report

File #: 2017-0813, **File Type:** Program

Agenda Number: 12.

FINANCE, BUDGET AND AUDIT COMMITTEE JANUARY 17, 2018

SUBJECT: NEW LOW INCOME FARE SUBSIDY PROGRAM (LIFE)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AMENDING the FY18 Adopted budget in the amount of \$3.6 million to include Measure M funds to support the Board approved Low Income Fare is Easy (LIFE) program; and
- B. RECEIVING AND FILING the LIFE Program Update.

ISSUE

At its May 2017 meeting, the Metro Board approved the expansion and consolidation of Metro's low income fare subsidy programs, effective January 1, 2018. At that time, the Measure M guidelines had not been approved by the Board (they were subsequently approved in June 2017) and this action incorporates Measure M funding as planned and provides an update of current and future planned activities.

DISCUSSION

As noted above, effective January 1, 2018, in an effort to leverage new Measure M funding, the Rider Relief Transit Program (RRTP) and the Immediate Needs Transit Program (INTP) have been combined to form the consolidated Low Income Fare is Easy (LIFE) Program. See Attachment A for LIFE program Guidelines.

Implementation of the LIFE program is moving forward in two phases.

Phase 1

The first phase is to increase the subsidy for participants with the immediate expansion of the program using the current coupon/token based distribution methods of providing qualifying riders access to discounted 7-day or 30-day passes (RRTP) or the distribution of tokens by Metro affiliated network of social service agencies (INTP).

Table 1 below reflects the increased subsidy amounts effective January 2018.

Table 1 - Revised LIFE Fare Media Subsidies

Pass Type	Previous Monthly Subsidy	Revised Monthly Subsidy
Regular 30-Day	\$10	\$24
Regular 7-Day	\$10	\$24
College/Vocational 30-Day	\$6	\$13
Student (K-12) 30-Day	\$6	\$10
Senior/Disabled 30-Day	\$6	\$8

Phase 2

Phase two will consist of integrating this program onto TAP fare collection system, eliminating the need for coupon and token usage and will be fully implemented by the end of 2019. For 7-day passes, upon implementation of Phase 2, the TAP fare collection system will automatically apply a \$6 dollar per pass discount to each purchase thereby allowing the rider to benefit throughout the month, a feature not presently available with the use of the current coupon methods of redemption.

Future plans encompass complete technical integration into TAP, resulting in the following features:

- **A simplified Participant Eligibility Process** - eligibility for subsidies will be indicated on eligible participant's TAP card each year eliminating the need to appear at the distributing agency every 6 months.
- **New TAP ride-based options** - Tying participants' benefits to a TAP card allows for a new ride product to replace the tokens issued under INTP today. Under the revised program the customer can choose either a discounted pass product or the TAP rides each month. Currently, the TAP ride option is not available.

When fully implemented, the combined increase in transit subsidy for qualified riders and technological improvements in the program will significantly enhance the ability of economically vulnerable individuals, including the Senior and Disabled, Student, and regular riders to access both Metro and other Municipal transportation service providers.

Marketing & Outreach

In an effort to ensure maximum outreach to potential riders, an extensive marketing campaign was developed and launched in December 2017. See Attachment B for the detailed Marketing Plan. The

campaign uses a four part strategy:

- **Distribution of information throughout Metro network** - A different approach was devised for the current participants and the new recruitment. The campaign uses Metro channels to reach all eligible riders. These channels, some of which were also provided to participating operators, include brochures translated into 9 languages, posters, car and rail cards, on hold messages, Source post, etc.
- **Distribution of information through Digital media consultant** - a media agency was contracted to place advertisements in various websites, applications, digital radio and bill boards to reach target audience
- **Outreach through program administrators and participating partners** - LIFE administrators, along with 600 + participating non-profit, faith-based or governmental agencies conducted outreach to their client base and general public. Also, certain trade organizations were contacted as well.
- **Outreach conducted by Metro program staff** - LIFE program information was provided to Municipal Operator partners, Bus Operations Subcommittee and Local Transit Systems Subcommittee, Policy Advisory Council, Citizens Advisory Committee and Service Councils. The program changes were also communicated to internal Metro departments that have regular contact with the public to assist with outreach. A special Metro TAP vendor event was organized to provide the program changes to Metro vendors, as well as update them on improvements made to the invoicing process.

The effectiveness of the campaign will be continuously analyzed, and the outreach plan will be revised to target the underserved areas.

DETERMINATION OF SAFETY IMPACT

There is no impact on the safety of Metro patrons or employees as a result of the Board's consideration of this item.

FINANCIAL IMPACT

Funds for the above recommendation are included in Measure M as approved by the voters and included in the Metro Board approved Measure M guidelines.

Impact to Budget

The FY18 Adopted budget included \$10 million funded with Prop C 40%. Should the Board approve staff recommendation, an additional \$3.6 million from Measure M 2% (ADA Paratransit and Metro Discounts for Seniors and Students) will be added to the budget.

ALTERNATIVES CONSIDERED

The Board could choose to not approve the additional funding for the LIFE program. Staff does not recommend this alternative as this action is designed to implement a Board approved initiative to assist economically disadvantaged individuals access expanded travel and transportation options.

NEXT STEPS

The implementation of Phase 1 on January 1, 2018 marks the beginning of additional activities in order to capture the technological advances in future TAP technology. Future planned activities include:

- Update the existing seller agreements with TAP third party vendors to incorporate the redemption requirements of the LIFE program.
- Revise agreements and policies with municipal operator partners
- Continue integration of INTP into LIFE
- Continue development of the system infrastructure to support new administrative processes in coordination with TAP Operation
- Review and revise current policies regarding agency participation, taxi provisions etc.
- Review and revise the operating guidelines as applicable
- Identify pilot vendor locations for TAP enhancements and overall vendor rollout strategy in coordination with TAP Operation
- Continue to market the new program, including a comprehensive outreach campaign to raise awareness of available discounts
- Continue to work with participating agencies to address implementation issues
- Discuss coordination opportunities with other jurisdictions, including the County of Los Angeles, that provide subsidized transit passes to their constituents
- Issue RFP for new third party administrators

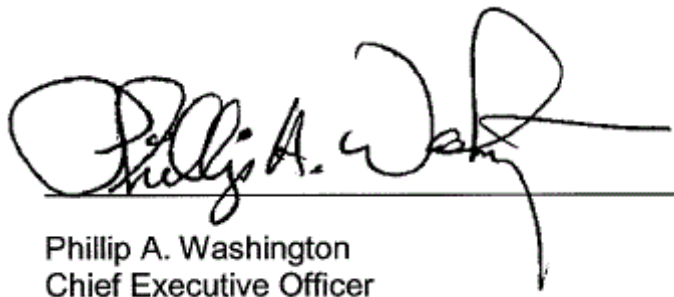
ATTACHMENTS

Attachment A - LIFE Operating Guidelines
Attachment B - Marketing and Outreach Plan

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Phillip A. Washington
Chief Executive Officer

LOW INCOME FARE is EASY (LIFE)

**Originally called Rider Relief Transportation Program (RRTP) and
Immediate Needs Transportation Program (INTP) was approved by the
Metro Board in 2017**

FY18 OPERATING GUIDELINES

EFFECTIVE

December 5, 2017

Administrative Guidelines

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MISSION STATEMENT

Provide transportation assistance to the most economically vulnerable and transit dependent in Los Angeles County.

BACKGROUND OF THE PROGRAM

In 2007 the Los Angeles County Metropolitan Transportation Authority (Metro) Board of Directors approved \$5 million for the Low Income Fare is Easy (LIFE), to assist patrons with limited resources to utilize the transit system. The program started its operation in April 2008, and in February 2009, Metro's Board approved a Motion to include the riders of municipal operators who have, or are likely to raise their fares, into the program.

The Low Income Fare is Easy (LIFE) provides fare subsidy coupons to Metro and other participating operators' bus riders. The service is made available throughout Los Angeles County via a wide range of not-for-profit and government agencies that distribute subsidy coupons to the neediest segment of the population.

The Low Income Fare is Easy (LIFE) is built upon a cooperative partnership between the two lead agencies: FAME Assistance Corporation (FAC) and Human Services Association (HSA). Each operates under an agreement with the LACMTA, shares in major decision-making related to the program's direction, manages the program in its designated geographic area, and reports directly to the LACMTA.

LIST OF OPERATORS IN THE PROGRAM

LACMTA (Metro)	Montebello Bus Lines
Antelope Valley Transit Authority	Torrance Transit System
LADOT	Santa Monica - Big Blue Bus
Long Beach Transit	Santa Clarita Transit
Culver City Municipal Bus Lines	Foothill Transit
Norwalk Transit System	

ADMINISTRATOR DISTRIBUTION AREAS

The following are the cities or geographical area that each lead agency is responsible for in Los Angeles County.

FAME Assistance Corporation (FAC):

Contact Telephone: (323) 870-8567

LIFEinfo@famecorporations.org

Human Services Association (HSA):

Contact Telephone: (562) 806-0250

LIFEinfo@hsala.org

FAC works with distributing agencies in the following cities or areas:

Central Cities:

Atwater Village, Baldwin Hills, Boyle Heights, Central City, Central City East, Chinatown, City Terrace, Cypress Park, Eagle Rock, East Los Angeles, Echo Park, Florence-Graham, Glassell Park, Griffith Park/Los Feliz, Hancock Park, Highland Park, Hollywood, Koreatown, Ladera Heights, LaFayette Square, Lincoln Heights, Mid-City, Mid-City West, Mid-Wilshire, Montecito Heights, Mt. Washington, Pico Union, Silver Lake, Walnut Park, Westlake, Wilshire Center and Windsor Square.

San Fernando and North County Cities:

Agoura Hills, Acton, Arleta – Pacoima, Burbank, Calabasas, Canoga Park – Winnetka, Woodland Hills, West Hills, Chatsworth, Porter Ranch, Desert View Highlands, East La Tuna Canyon, Lakeview Terrace, Shadow Hills, Sunland, Tujunga, Encino, Tarzana, Glendale, Granada Hills – Knollwood, Hidden Hills, Lake Los Angeles, Lancaster, Little Rock, Mission Hills, Panorama City, North Hills, North Hollywood, Valley Village, Northridge, Palmdale, Quartz Hills, Reseda, West Van Nuys, San Fernando, Santa Clarita, Sherman Oaks, Studio City, Toluca Lake, Cahuenga Pass, Sun Valley, La Tuna Canyon, Sylmar, Val Verde, Van Nuys and North Sherman Oaks.

South Bay Cities:

Alondra Park, Between Harbor City and Carson, Carson, Crenshaw, Del Aire, El Camino Village, El Segundo, Gardena, Harbor Gateway, Hermosa Beach, Hyde Park, Inglewood, Jefferson Park, Ladera Heights, Lawndale, Leimert Park, Lennox, Lomita, Manhattan Beach, Mar Vista, Marina del Rey, Playa del Rey, Playa Vista, Redondo Beach, South Los Angeles, Southeast Los Angeles, Torrance, Venice, View Park, Watts, West Adams, West Athens, West Carson, West Hills, Westchester, and Westmont.

Westside Cities:

Bel Air, Beverly Crest, Beverly Hills, Brentwood, Culver City, Malibu, Marina del Rey, Pacific Palisades, Palms, Park La Brea, Santa Monica, Sawtelle, West Hollywood, West Los Angeles, and Westwood.

HSA works with distributing agencies in the following cities or areas:

Gateway Cities:

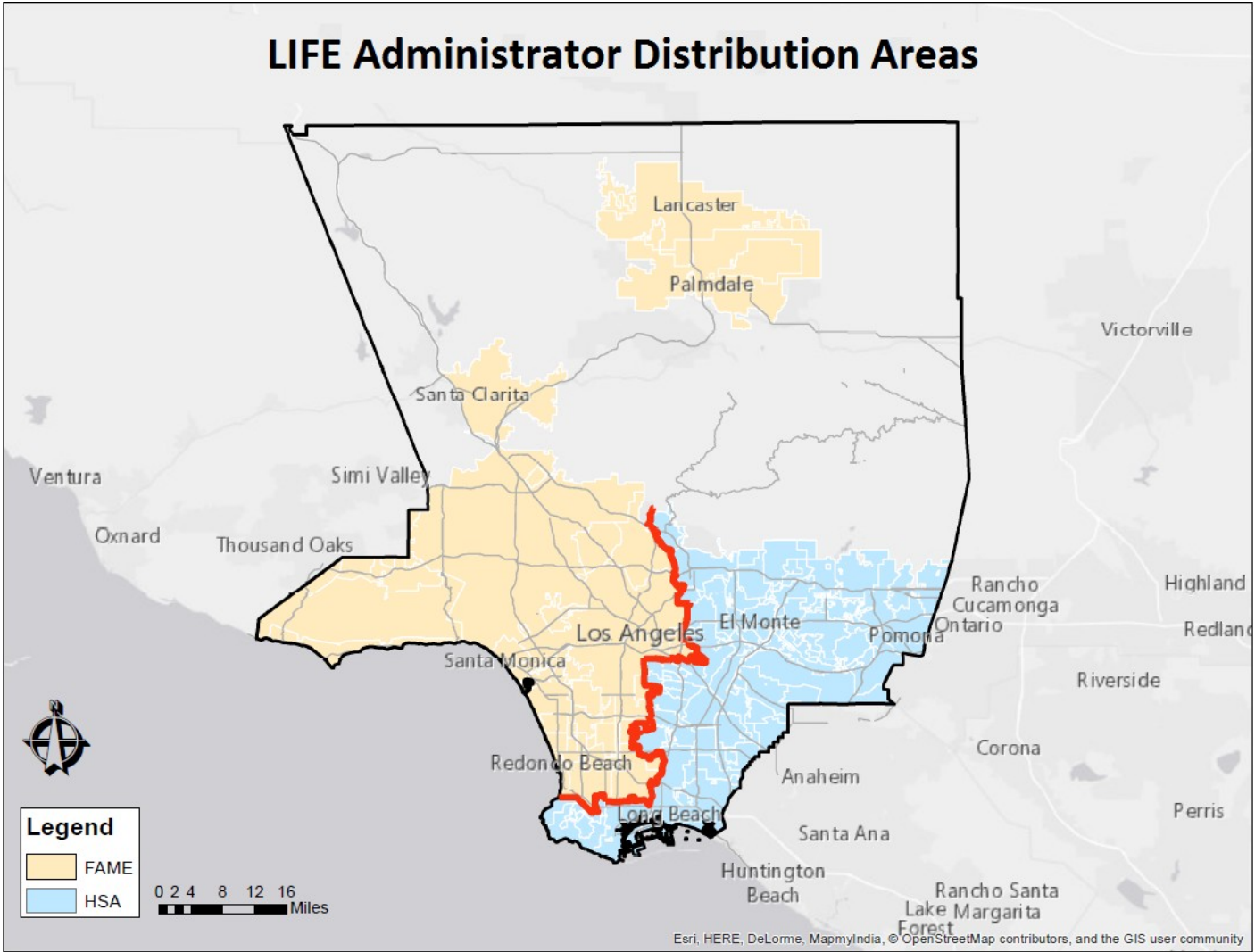
Artesia, Avalon (Catalina), Bell, Bell Gardens, Bellflower, Cerritos, Commerce, Compton, Cudahy, Downey, East Compton, East La Mirada, Hawaiian Gardens, Harbor City, Huntington Park, La Habra Heights, La Mirada, El Monte, Lakewood, Long Beach, Lynwood, Maywood, Montebello, Norwalk, Paramount, Palos Verdes Estates, Pico Rivera, Rancho Dominguez, , Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Rosewood, Rowland Heights, Santa Fe Springs, San Pedro, Signal Hill, South El Monte, South Gate, South Whittier, Terminal Island, Vernon, West Compton, West Whittier – Los Nietos, Whittier, Willowbrook, and Wilmington.

San Gabriel Cities:

Alhambra, Arcadia, Avocado Heights, Azusa, Baldwin Park, Bradbury, Charter Oaks, Citrus, Claremont, Covina, Diamond Bar, Duarte, East Pasadena, East San Gabriel, El Monte, Glendora, Hacienda Heights, Industry, Irwindale, La Canada Flintridge, La Crescenta, Montrose, La Puente, La Verne, Mayflower Village, Monrovia, Monterey Park, North El Monte, Pasadena, Pomona, Rosemead, Rowland Heights, San Dimas, San Gabriel, San Marino, Sierra Madre, South El Monte, South Pasadena, South San Gabriel, South San Jose, Temple City, Valinda, Vincent, Walnut, West Covina and West Puente Valley.

*Note that some of the cities and unincorporated areas listed above provide subsidies to their residents. Therefore, riders living in these cities are not eligible to participate in LIFE.

LIFE Administrator Distribution Areas



TRANSPORTATION SUBSIDY MEDIA

This program offers subsidy coupons. There are several types of subsidy coupons in the LIFE; maximum subsidy per person per month is as follows:

\$24 subsidy coupon – Riders that purchase regular monthly or weekly passes, provided that their city or the county does not provide a subsidy

\$8 Subsidy coupon – Senior citizen riders of cities who do not offer any user side subsidy

\$13 Subsidy coupon – Kindergarten through 12th grade students of cities or schools that do not provide a subsidy

\$10 Subsidy coupon – College-vocational students provided that their city or the county or school does not provide a subsidy

Any individual receiving transportation subsidies from other sources is not eligible to receive LIFE coupons. Such sources include college/vocational school subsidies, city subsidies, Immediate Needs Transportation Program (INTP), ACCESS, City Ride and Los Angeles County Unincorporated subsidies.

ELIGIBILITY CRITERIA FOR DISTRIBUTING AGENCIES

FAC and HSA recognize the importance of careful screening of the agencies that distribute LIFE subsidy coupons. The following are the minimum eligibility requirements for distributing agencies. Additional criteria may be added.

The agency should at a minimum meet the following criteria:

- Be a not-for-profit 501 (c) organization or part of a local jurisdiction (city or county of Los Angeles).
- Be established in Los Angeles County for at least three years.
- Operate out of a fixed structure.
- Have more than 50 people participating in their program.
- Be able to meet Metro's new software and hardware requirements, including but not limited to necessary internet connection, up to date operating system, hardware to effectively run databases
- Be committed to following all program requirements.
- New and renewing agencies should be aware that continued participation in the program is contingent upon the agency's ability to access and utilize LACMTAs forthcoming client information database. This data system is currently in development; any software or additional program requirements will be communicated once information is received. Agencies will have up to 6 months from roll out date to complete all training and implementation.

Agencies interested to join LIFE must provide the following:

- Copy of 501 (c) designation.
- Proof of attendance at LIFE Orientation, or participate in training with the collaborating administrator.
- Copy of business license.

Once the agencies are deemed qualify to join LIFE, they must sign the Participating Agreement to be accepted into the program.

FAC and HSA recognize the diverse special needs addressed by Los Angeles County's social service organizations. It is important that agencies recognize that the goal of LIFE is to subsidize Metro and other participating operator fares, and that LIFE is not an entitlement program.

PROCEDURES FOR DISTRIBUTING AGENCIES

Agencies are to familiarize themselves with the “Participant Eligibility Requirements” with these Operating Guidelines.

Program Requirements

- Agreement – FAC and HSA will enter into an agreement only with organizations that are committed to serving the community and retaining the integrity of the program. A senior official who has authority to sign contracts on behalf of a participating organization must sign a written agreement with FAC or HSA and provide information needed to complete the *Distributing Agency Registry* form. Information on this form includes the name, title, and signature of those individuals authorized to receive subsidy coupons for the agency, and the name, title, and signature of those authorized to distribute them. Agency must have *Distributing Agency Registry* on file at all times. Each participating agency is to notify FAC and HSA immediately of any changes in this form concerning the signature of its senior official.

Each agency is to develop and provide to FAC and HSA a set of its eligibility criteria specifying how it will allocate the subsidy coupons and determine individual eligibility.

FAC and HSA retain the right to cancel its agreement with an agency for any action that jeopardizes the program or any reason FAC and HSA deems appropriate and necessary.

- Accountability – Every agency is responsible for accounting and keeping accurate records of the subsidy coupons it receives. Every subsidy coupon has a unique serial number on it that is traceable back to the distributing agency and enables the agency to track its handling of subsidy coupons. No subsidy coupon is to be

distributed without following the procedures in this document. From time to time, distributing agencies may be audited by FAC and HSA or asked to track the disposition of a single subsidy coupon. For any audit or coupon-tracking, full agency cooperation is required.

- Training – Each distributing agency is responsible for attending an initial program orientation/training session provided by FAC and HSA and any additional training as deemed necessary. Each agency is also responsible for training its own staff to properly execute the program, and for providing additional training on revisions to the program.
- Database – Each participating agency is responsible for attending an orientation / training session for use of the new LIFE integrated database, and is accountable for ensuring that their client list, client information and any related transactions is updated and managed through the database.

Receiving Subsidy Coupons

- Authorization to Accept Transportation Subsidies– Only authorized staff may accept delivery of and distribute subsidy coupons. Each agency is to authorize at least one person to sign for and accept delivery of subsidy coupons, and at least one person to disburse them and initial the *User Log*. Names, titles, and signatures are to be provided on the *Distributing Agency Register*. FAC and HSA are to be advised immediately of any changes in personnel authorizations.
- Transportation Subsidy Security – Agencies must keep subsidy coupons locked in a safe place and protect them as cash. Lost or stolen subsidy coupons are to be reported immediately to FAC and HSA.
- Subsidy Replenishment – Agencies are responsible for following the distribution schedule set forth by FAC and HSA.

Distributing Subsidy Coupons

- Agencies will not distribute coupons to riders that are eligible for transportation subsidies from other sources. Such sources include but are not limited to; college/vocational school subsidies, employer subsidies, city subsidies and Los Angeles County Unincorporated subsidies.
- Agencies are not to distribute subsidy coupons to agency employees and family. Program participants must be present to receive subsidy coupons, unless the distributing agency has authorized mail-distribution for eligible recipients and has forwarded to FAC and HSA its policy for distributing subsidy coupons to persons not receiving them in person.
- Agencies should reference *Southern California Colleges Pass Subsidy Data*

(Attachment D) and *Subsidies Offered-LA County and Cities* (Attachment B).

- Record Keeping – To control and track usage, each agency is required to record subsidy coupon disbursements in the *User Log* that accompanies every package of subsidy coupons. Recipient information is entered in the *User Log* next to each pre-printed subsidy coupon serial number. This information includes recipient's name, city and ZIP, name of college/university (for students- and ensure that their college is not providing subsidy) and valid identification (e.g., driver's license, social security number etc.). In order to track and account for every subsidy coupon, every line of the log is to be completed. "Void" is to be written when appropriate, and voided subsidy coupons are to be retained returned to FAC and HSA.
- The administrators and their respective agencies should invite each recipient to complete the Title VI questionnaire. The data should be collected and submitted to the administrators.
- The User Log is to be submitted when it is completed. Totals at the bottom of each page must be completed.
- Information for Recipients – Agencies are to review the eligibility guidelines with each recipient. Agencies should refer to Operating Guidelines when necessary.

Reporting Abuse

- It is the responsibility of distributing agencies and their staff to report any abuse, misuse, or attempt to illegally handle subsidy coupons associated with the Rider Relief Transportation Program immediately to FAC and HSA, who will in turn report it to the LACMTA project manager.
- Any participating agency or individual found attempting to abuse, misuse, and purchase, sell or illegally handle subsidy coupons will be permanently removed from the program.

ELIGIBILITY CRITERIA FOR INDIVIDUAL PARTICIPANTS

LIFE subsidy coupons are available to Los Angeles County residents whose household income levels are below the Federal HUD Poverty Guidelines for Los Angeles County, as follows:

Persons in Household					
1	2	3	4	5	6
\$31,550	\$36,050	\$40,550	\$45,050	\$48,700	\$52,300

Residents of the Cities/County and students of schools and colleges already being subsidized for Metro or participating operator fare media will not be eligible to receive the coupon subsidy.

CRITERIA TO IDENTIFY ELIGIBLE PARTICIPANTS

Participants must present any or a combination of the following identification cards:

- Regular Riders
 - Medical – Low Income
 - Pay Stubs
 - Lifeline (water and power)
 - Tax returns
 - Any valid documentation showing proof of income
 - Any proof of receiving public benefits
 - Regular rider TAP card
- Seniors – In addition to the above listed identification senior passengers must be at least 62 and show proof of age with the following identification cards:
 - DMV senior card (or license)
 - Reduced fare senior TAP card
- Kindergarten – 12 grade students:
 - Parent qualification necessary and;
 - K-12 TAP Card
 - Student ID
- College/Vocational:
 - Regular rider criteria and;
 - College/Vocational TAP Card
 - Student ID
- Any individual receiving transportation subsidies from other sources is not eligible to receive LIFE coupons. Such sources include college/vocational school subsidies, city subsidies, Immediate Needs Transportation Program, ACCESS, City Ride and Los Angeles County Unincorporated subsidies.

* If necessary, eligibility criteria should be reviewed periodically.

The **FY 2017-2018 LIFE Operating Guidelines** are hereby accepted by _____, upon and subject to the terms and conditions herein above stated. Participating agency's signature below shall be deemed as an acceptance of the Operating Guidelines by Agency.

Agency Name

Dated: _____

(Please Print)

Dated: _____

Executive Director or Signatory

Vendor/Redemption Guidelines

PROCEDURES FOR ACCEPTING SUBSIDY COUPONS AT THE OUTLETS MANAGED BY THE OPERATORS

The following is the proper procedure for vendors to accept coupons from LIFE participants:

- Only one valid pass can be purchased per coupon per month per customer
- The coupons are for one time use and must be submitted at the time of purchase
- The coupons are only to be accepted towards the purchase of Metro Regular 7-Day, or equivalent Operator fare media, Metro 30-Day, or Operator 31-Day or monthly pass, Senior, Student-College/Vocational, or Student-K-12 or EZ passes
- The coupon type must match the pass type purchased
- The month indicated on the coupon should correspond to the month that the pass is being purchased
- The coupon value is not a cash equivalent and is only to be accepted as discount against a pass noted above
- In cases where the coupon value exceeds the pass price, the customer is not to be reimbursed for the difference. Therefore, the operators' reimbursement request/invoice to Metro should be limited to the value of the fare that the coupon was applied to.
- The coupons cannot be used in conjunction with any other offer
- A reproduction or possession of reproduction of LIFE Coupon is illegal and subject to criminal prosecution
- Auto loads/cash loads are only allowed on Norwalk and Culver City and any operator that does not offer corresponding pass structure and will be joining the program in future.

PROCEDURES FOR ACCEPTING SUBSIDY COUPONS AT THE TAP VENDOR OUTLETS MANAGED BY METRO

The following is the proper procedure for vendors to accept coupons from LIFE participants:

- Only one valid pass can be purchased per coupon per month per customer
- The coupons are for one time use and must be submitted at the time of purchase
- The coupons are only to be accepted towards the purchase of Regular 7-Day, 30-Day, EZ passes, Senior, Student-College/Vocational, or Student-K-12 passes
- The coupon type must match the pass type purchased
- The month indicated on the coupon should correspond to the month that the pass is being purchased
- The coupon value is not a cash equivalent and is only to be accepted as discount against a pass noted above

- In cases where the coupon value exceeds the pass price, the customer is not to be reimbursed for the difference
- The coupons cannot be used in conjunction with any other offer
- A reproduction or possession of reproduction of LIFE Coupon is illegal and subject to criminal prosecution
- No auto loads/cash loads are allowed

2017/2018 LIFE Campaign Timeline																																																															
	October					November				December				January				February				March				April				May				June				July				August				September					October				November				December				
	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	4	11	18	25	1	8	15	22	29	5	12	19	26	2	9	16	23	30	7	14	21	28	4	11	18	25	2	9	16	23	30														
<u>MATERIALS/EFFORTS</u>																																																															
Car Cards - Metro buses																																																															
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Rail Poster																																																															
2-Sheets																																																															
Take One - Metro buses, Customer Centers and Admins																																																															
Application																																																															
Coupons																																																															
Posters - Metro buses, Customer Centers and Admins																																																															
Messages on hold																																																															
Web ads on metro.net																																																															
Web page on metro.net																																																															
East Portal Tower ad																																																															
East Portal Customer Center ticker																																																															
Source/Pasajero post																																																															
Paid digital advertising																																																															
Paid digital radio																																																															
Out of home billboards/bulletins																																																															
Program flyer																																																															
Current participants flyer																																																															
i.e. Customer Relation, Customer Care																																																															
Non-profit agency outreach (600 agencies)																																																															
METRO third party vendors																																																															
Community Relations outreach																																																															
Muni Operator Outreach																																																															

Low Income Fare Program

“LIFE”

Finance, Budget, and Audit Committee

January 17, 2018



Low Income Fare is Easy (LIFE)

As approved by the Board in May 2017, the Rider Relief Transportation Program (RRTP) has evolved into the LIFE (Low Income Fare is Easy) program effective Jan 2018

- Starting with January 2018 Distribution, subsidy coupon levels have increased to:

Pass Type	Current Subsidy	Increased Subsidy
Regular Fare (7/30 day)	\$10	\$24
College	\$6	\$13
Student (K-12)	\$6	\$10
Senior/Disabled	\$6	\$8

External and Internal Outreach

Distribution of information throughout Metro network – Uses Metro channels to reach eligible riders including brochures translated into 9 languages, posters, car and rail cards, on-hold messages, Source post, etc.

Distribution of information through Digital media consultant – Advertisements in various websites, applications, digital radio and billboards to reach target audience

Outreach through program administrators and participating partners – LIFE administrators, along with 600 + participating non-profit, faith-based or governmental agencies

Outreach conducted by Metro program staff – Program information presented to Muni partners, BOS, LTSS, PAC, CAC, and Service Councils; internal Metro departments with regular contact with the public.

Metro TAP vendor event – Organized to provide the program changes to Metro vendors



LIFE Next Steps

Phase I (Now) - Increase in Subsidy Levels - January 2018

Phase II (In development) – Integration of the LIFE program into the TAP individualized account based system to recognize a specific TAP card.

- **Eliminate the need for coupons**
- **Riders will be able to choose a ride based benefit versus a dollar subsidy**
- **Provide access to the full TAP Vendor Network and taptogo.com card protection/registration features**

Low Income Fare is Easy (LIFE)

LIFE (Low-Income Fare is Easy) Coupon

\$24 DISCOUNT TOWARD FARE PURCHASED IN
JANUARY 2018

This coupon can be used toward the purchase of a Metro 7-Day or 30-Day Pass, or for fare on any participating transit agencies.

REGULAR

LIFE (Low-Income Fare is Easy) Coupon

\$8 DISCOUNT TOWARD FARE PURCHASED IN
JANUARY 2018

This coupon can be used toward the purchase of a Metro 7-Day or 30-Day Pass, or for fare on any participating transit agencies.

SENIOR/DISABLED

LIFE (Low-Income Fare is Easy) Coupon

\$10 DISCOUNT TOWARD FARE PURCHASED IN
JANUARY 2018

This coupon can be used toward the purchase of a Metro 7-Day or 30-Day Pass, or for fare on any participating transit agencies.

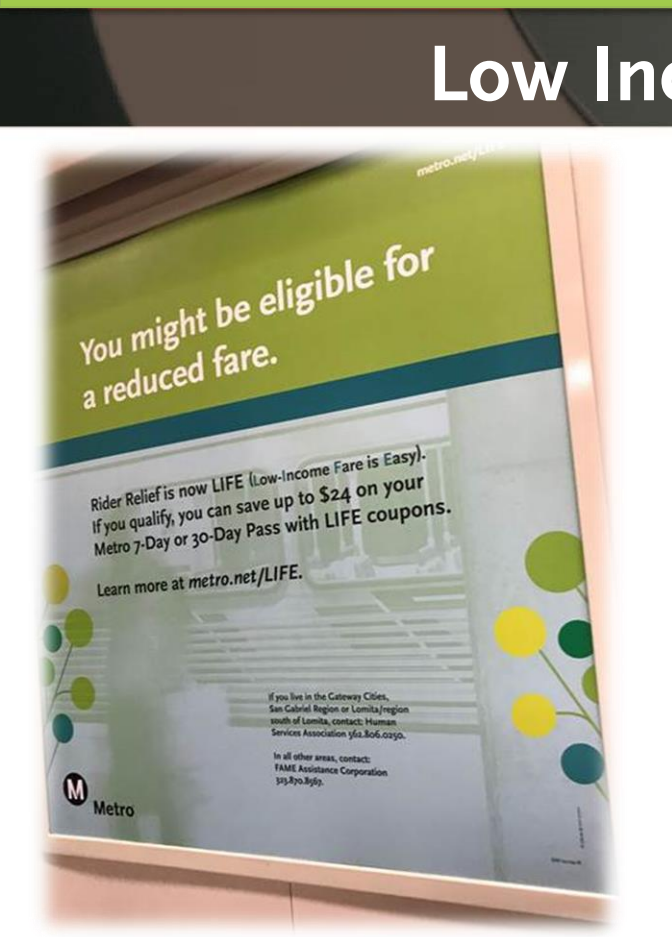
K-12 STUDENT

LIFE (Low-Income Fare is Easy) Coupon

\$13 DISCOUNT TOWARD FARE PURCHASED IN
JANUARY 2018

This coupon can be used toward the purchase of a Metro 7-Day or 30-Day Pass, or for fare on any participating transit agencies.

COLLEGE/VOCATIONAL



Red Line Poster



East Portal Tower



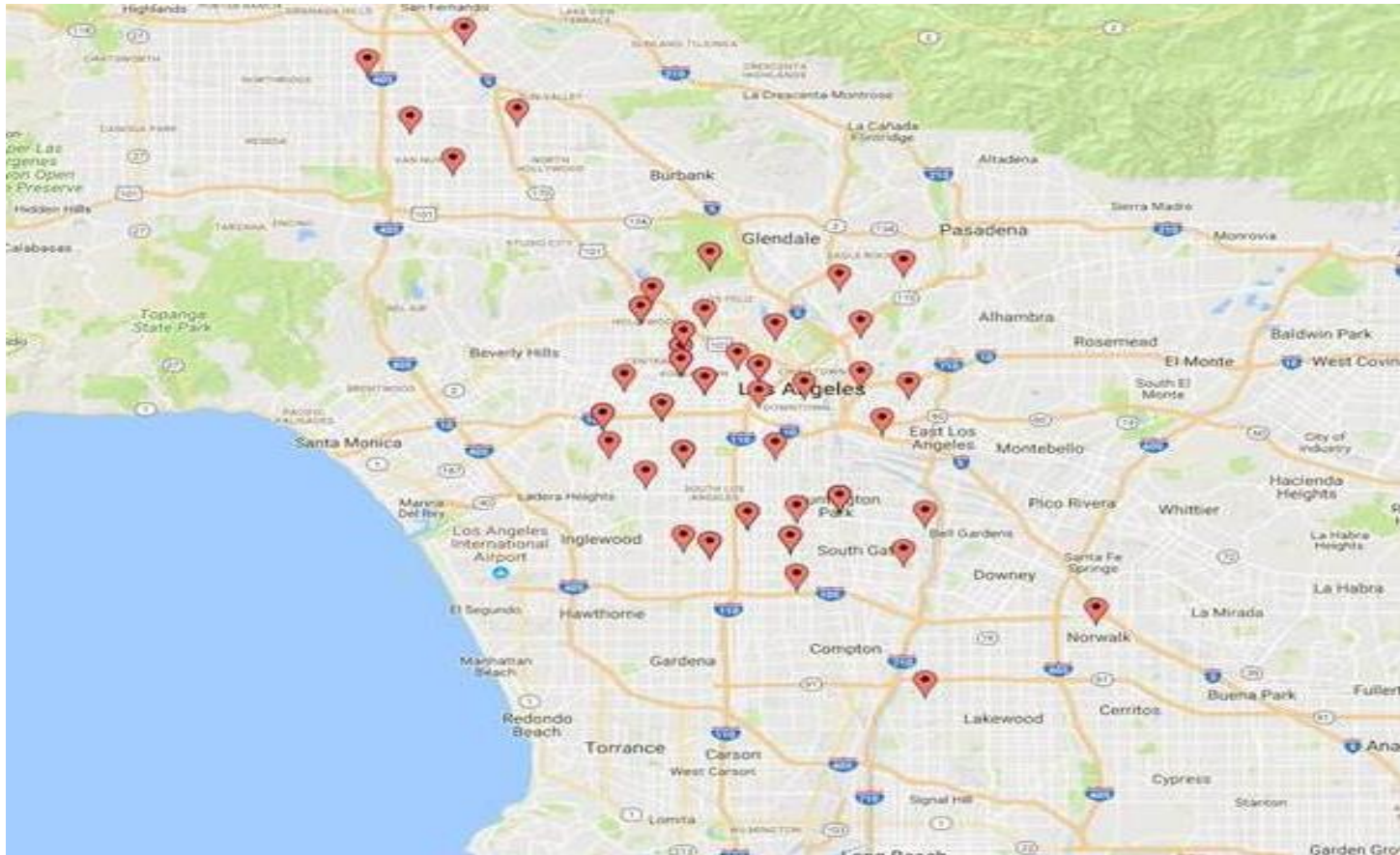
Customer Window scrolling ticker



Take Ones on display

Low Income Fare is Easy (LIFE)

Initial Billboard Locations



Metro



Board Report

File #: 2017-0813, File Type: Program

Agenda Number: 12.

FINANCE, BUDGET AND AUDIT COMMITTEE JANUARY 17, 2018

SUBJECT: NEW LOW INCOME FARE SUBSIDY PROGRAM (LIFE)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

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- B. RECEIVING AND FILING the LIFE Program Update.

ISSUE

At its May 2017 meeting, the Metro Board approved the expansion and consolidation of Metro's low income fare subsidy programs, effective January 1, 2018. At that time, the Measure M guidelines had not been approved by the Board (they were subsequently approved in June 2017) and this action incorporates Measure M funding as planned and provides an update of current and future planned activities.

DISCUSSION

As noted above, effective January 1, 2018, in an effort to leverage new Measure M funding, the Rider Relief Transit Program (RRTP) and the Immediate Needs Transit Program (INTP) have been combined to form the consolidated Low Income Fare is Easy (LIFE) Program. See Attachment A for LIFE program Guidelines.

Implementation of the LIFE program is moving forward in two phases.

Phase 1

The first phase is to increase the subsidy for participants with the immediate expansion of the program using the current coupon/token based distribution methods of providing qualifying riders access to discounted 7-day or 30-day passes (RRTP) or the distribution of tokens by Metro affiliated network of social service agencies (INTP).

Table 1 below reflects the increased subsidy amounts effective January 2018.

Table 1 - Revised LIFE Fare Media Subsidies

Pass Type	Previous Monthly Subsidy	Revised Monthly Subsidy
Regular 30-Day	\$10	\$24
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College/Vocational 30-Day	\$6	\$13
Student (K-12) 30-Day	\$6	\$10
Senior/Disabled 30-Day	\$6	\$8

Phase 2

Phase two will consist of integrating this program onto TAP fare collection system, eliminating the need for coupon and token usage and will be fully implemented by the end of 2019. For 7-day passes, upon implementation of Phase 2, the TAP fare collection system will automatically apply a \$6 dollar per pass discount to each purchase thereby allowing the rider to benefit throughout the month, a feature not presently available with the use of the current coupon methods of redemption.

Future plans encompass complete technical integration into TAP, resulting in the following features:

- **A simplified Participant Eligibility Process** - eligibility for subsidies will be indicated on eligible participant's TAP card each year eliminating the need to appear at the distributing agency every 6 months.
- **New TAP ride-based options** - Tying participants' benefits to a TAP card allows for a new ride product to replace the tokens issued under INTP today. Under the revised program the customer can choose either a discounted pass product or the TAP rides each month. Currently, the TAP ride option is not available.

When fully implemented, the combined increase in transit subsidy for qualified riders and technological improvements in the program will significantly enhance the ability of economically vulnerable individuals, including the Senior and Disabled, Student, and regular riders to access both Metro and other Municipal transportation service providers.

Marketing & Outreach

In an effort to ensure maximum outreach to potential riders, an extensive marketing campaign was developed and launched in December 2017. See Attachment B for the detailed Marketing Plan. The

campaign uses a four part strategy:

- **Distribution of information throughout Metro network** - A different approach was devised for the current participants and the new recruitment. The campaign uses Metro channels to reach all eligible riders. These channels, some of which were also provided to participating operators, include brochures translated into 9 languages, posters, car and rail cards, on hold messages, Source post, etc.
- **Distribution of information through Digital media consultant** - a media agency was contracted to place advertisements in various websites, applications, digital radio and bill boards to reach target audience
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The effectiveness of the campaign will be continuously analyzed, and the outreach plan will be revised to target the underserved areas.

DETERMINATION OF SAFETY IMPACT

There is no impact on the safety of Metro patrons or employees as a result of the Board's consideration of this item.

FINANCIAL IMPACT

Funds for the above recommendation are included in Measure M as approved by the voters and included in the Metro Board approved Measure M guidelines.

Impact to Budget

The FY18 Adopted budget included \$10 million funded with Prop C 40%. Should the Board approve staff recommendation, an additional \$3.6 million from Measure M 2% (ADA Paratransit and Metro Discounts for Seniors and Students) will be added to the budget.

ALTERNATIVES CONSIDERED

The Board could choose to not approve the additional funding for the LIFE program. Staff does not recommend this alternative as this action is designed to implement a Board approved initiative to assist economically disadvantaged individuals access expanded travel and transportation options.

NEXT STEPS

The implementation of Phase 1 on January 1, 2018 marks the beginning of additional activities in order to capture the technological advances in future TAP technology. Future planned activities include:

- Update the existing seller agreements with TAP third party vendors to incorporate the redemption requirements of the LIFE program.
- Revise agreements and policies with municipal operator partners
- Continue integration of INTP into LIFE
- Continue development of the system infrastructure to support new administrative processes in coordination with TAP Operation
- Review and revise current policies regarding agency participation, taxi provisions etc.
- Review and revise the operating guidelines as applicable
- Identify pilot vendor locations for TAP enhancements and overall vendor rollout strategy in coordination with TAP Operation
- Continue to market the new program, including a comprehensive outreach campaign to raise awareness of available discounts
- Continue to work with participating agencies to address implementation issues
- Discuss coordination opportunities with other jurisdictions, including the County of Los Angeles, that provide subsidized transit passes to their constituents
- Issue RFP for new third party administrators

ATTACHMENTS

Attachment A - LIFE Operating Guidelines
Attachment B - Marketing and Outreach Plan

Prepared by:

Armineh Saint, Sr. Mgr., Transportation Planning (213) 922-2369
Drew Phillips, Dir. Budget, (213) 922-2109

Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Phillip A. Washington
Chief Executive Officer



Board Report

File #: 2017-0813, File Type: Program

Agenda Number: 12.

FINANCE, BUDGET AND AUDIT COMMITTEE JANUARY 17, 2018

SUBJECT: NEW LOW INCOME FARE SUBSIDY PROGRAM (LIFE)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AMENDING the FY18 Adopted budget in the amount of \$3.6 million to include Measure M funds to support the Board approved Low Income Fare is Easy (LIFE) program; and
- B. RECEIVING AND FILING the LIFE Program Update.

ISSUE

At its May 2017 meeting, the Metro Board approved the expansion and consolidation of Metro's low income fare subsidy programs, effective January 1, 2018. At that time, the Measure M guidelines had not been approved by the Board (they were subsequently approved in June 2017) and this action incorporates Measure M funding as planned and provides an update of current and future planned activities.

DISCUSSION

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Implementation of the LIFE program is moving forward in two phases.

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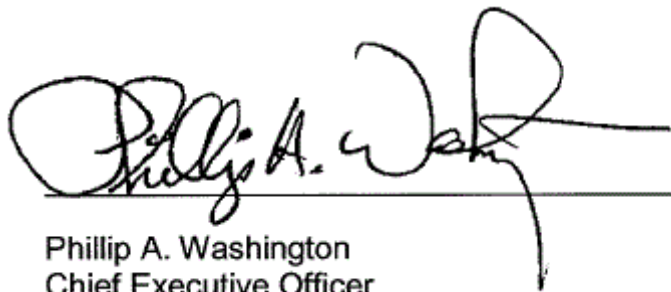
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Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Phillip A. Washington
Chief Executive Officer



Board Report

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