



Board Report

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**EXECUTIVE MANAGEMENT COMMITTEE
AD HOC CUSTOMER EXPERIENCE COMMITTEE
MARCH 15, 2018**

**SUBJECT: OFFICE OF THE INSPECTOR GENERAL REPORT
ON INCREASING PUBLIC TRANSIT AND RIDESHARE USE STUDY**

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE Report on Increasing Public Transit and Rideshare Use Study.

ISSUE

The Metro Office of the Inspector General (OIG) conducted a study on potentially under-tapped sources for increasing use of public transit and ridesharing.

Consistent with national trends, transit ridership in Los Angeles (LA) County has slightly declined over the last several years. Although various factors have contributed to these ridership trends, there may be Metro contractor and local City and County efforts that can help address these patterns.

DISCUSSION

The OIG understands that an important core business goal for Metro is to decrease congestion and increase public transit use and ridership. We contracted with TransLink, a woman-owned small business, to perform a study to determine what methods and strategies are currently being deployed within LA County to address and to identify potential policies and programs that might influence LA County commuters, employers, and agency partners to increase transit ridership and rideshare usage on a system-wide basis.

Over the past several years, transit agencies across the country have noted decreasing ridership on their systems despite capital and operational investments. This recent trend is primarily due to loss in bus ridership with a 6.7 percent decrease nationwide and 6.0 percent decrease in Los Angeles County from 2014 to 2016. Several economic factors have likely contributed to ridership trends such as changes in major population and business centers, gas prices, personal travel preferences, alternative travel price and convenience options, and access to transit services. However, from a local perspective, there may be specific programs and policies that could be applied to mitigate these

patterns, particularly with certain groups. This study focuses on potential policies and programs that could apply to LA County commuters, employers, and agency partners such as Metro contractors/vendors and local public agencies, to address overall ridership trends.

Key Findings and Recommendations:

The overall report findings and recommendations include:

- The surveys and interviews indicated that there are opportunities to encourage transit usage by employees of Metro contractors/vendors and government agencies in the County ("Metro Partners") through marketing campaigns, provision of additional incentives, improved awareness of Metro's Employee Annual Pass and Guaranteed Ride Home programs, and encouraging and promoting transit use to their employees by Metro Partners.
- Interviews of sampled governmental agencies and private businesses indicated that some entities could provide better transit subsidies to help cover a larger portion of monthly public transit cost, particularly considering that some of these entities provide free or subsidized parking that encourages driving a private vehicle over public transit.
- There are additional opportunities to market to specific audience groups to increase ridership by developing additional marketing programs directly aimed at user groups such as students, business and government entities, and employees "live near your work" campaigns.
- Metro could coordinate with other LA County government agencies to encourage additional use of public transit and participation in rideshare programs, including maximizing allowable transit subsidies over parking subsidies.
- Explore modifications to Metro's Employer Annual Pass Program to further encourage transit usage, such as the addition of a monthly pass option.
- Better publicize the Guaranteed Ride Home Program and how to take advantage of it.
- Encourage use of public transit at meetings and events where contractors/vendors will be present.
- Consider whether any program can be created that specifically address contractors/vendors use of public transit.

NEXT STEPS

Metro management could:

- Assign an individual to be responsible for championing the rideshare programs, and partnering with local government agencies on the findings and recommendations in the report and taking appropriate actions;
- Track the success of any actions taken in response to the recommendations provided in the report as determinations are made on implementing any recommendations; and
- Periodically report to the Metro Board on the status of actions taken to implement the recommendations and what success has been attained in improving transit usage as a result of the steps taken.

ATTACHMENTS

Attachment A - Executive Summary to Report on Increasing Public Transit and Rideshare Use Study

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EXECUTIVE SUMMARY

Introduction

Consistent with national trends, transit ridership in Los Angeles (LA) County has been declining over the last several years. Although various regional planning and economic factors have contributed to these ridership trends, there may be local City and County efforts that can help address these patterns. The Metro Office of the Inspector General (OIG) understands that an important core business goal for Metro is to increase transit use and ridership; as such, it initiated this study to determine what methods and strategies are currently being deployed within LA County to identify potential policies and programs that could influence LA County commuters, employers and agency partners to increase transit ridership and rideshare usage on a system-wide basis.

Purpose of the Study

The study included the following steps and research objectives:

- Perform market research surveys on business and government entities to gather information on their transit subsidy program, and to understand factors that may affect employee ridership patterns including transit and non-transit commuters.
- Interview various Metro and Southern California Air Quality Management District (SCAQMD) department staff to gather their perspectives on existing and potential new rideshare and transit programs.
- Research national trends and industry best practices to encourage promoting the use of public transit through relationships with business and agency partners.

Trends Affecting Ridership

Ridership Trends and User Characteristics

Metro has had a 13.2 percent decrease in ridership since 2014. Based on Metro's On-Board Ridership Surveys and interviews with Metro staff, general ridership trends may be related to improved economic conditions, competing options of ride-hailing/sharing services, and the perception of safety and convenience of the system. Also during this time period, fare prices have increased (locally and regionally) and the price of gas began to decrease.

Of current Metro riders, about one-third are transit dependent (have no other modes available), and one-third are choice riders (have other transportation options). Based on Metro's market research, the most common reasons why transit was not used for commuting were: it was too hard to get to/from transit, service was too slow, service was not reliable, and security concern.

To capture more riders, Metro has been implementing programs to address customer satisfaction. In 2017, Metro has improved bus stops and rail stations, established a Customer Experience Committee, created plans to improve bus system speed, on-time performance, and provided rideshare/shared mobility program support, contracted for transit policing services with LA County Sheriff Department, LA Police Department, Long Beach Police Department, and implemented planning for first/last mile program to help Metro riders travel easier from their home to first transit stop and from last transit stop to their destinations.

Surveys and Interviews

Interviews were conducted with Metro executives and staff from various departments, as well as SCAQMD staff to provide insight on Metro ridership trends, rideshare/transit opportunities for Metro employees, and vendors/contractors. In addition, interviews were conducted with a sample of 42 public sector agencies and private sector vendors throughout LA County to understand their level of transit and parking subsidies and their current policies that support transit and rideshare usage.

Key Findings

Ridership Can Be Increased by Metro Stakeholders

Overall, the surveys and interviews indicated that there are opportunities to encourage transit usage by employees of Metro contractors/vendors and government agencies in the County through marketing campaigns, provision of additional incentives, and improved awareness of Metro's Employee Annual Pass and Guaranteed Ride Home programs. Furthermore, the review of the current commute subsidy programs indicated that some government agencies and most private-sector firms do not provide transit subsidies that help cover a portion of the cost of monthly transit passes, although some of these entities provide free or subsidized parking.

Existing Policies and Best Practices

Few of the agencies surveyed tie transit incentives through the procurement and contracting processes. However, there are several examples which indicate that Metro could adopt programs to encourage promoting transit/rideshare use. In addition, there are opportunities to leverage current Metro policies and programs to reduce incentives for driving and encourage transit and rideshare usage.

Opportunities to Increase Ridership

Based on the review of the ridership data, surveys/interviews, reviews of policies, and best practices, multiple approaches that Metro could take to increase ridership were identified. These include encouraging Metro business partners to promote public transit/ridership use, increased marketing to specific audience groups (such as students and employees who live near transit), working with other government agencies in LA County, and better publicizing the Guaranteed

Ride Home Program to employees. Implementation of these programs by Metro would ensure that opportunities are provided to improve rideshare and overall transit ridership.

Key Recommendations

- Increase marketing to specific audience groups to increase ridership by developing additional marketing programs directly aimed at user groups such as students, business and government entities, and employees "Live Near Your Work" campaigns.
- Coordinate with other LA County public agencies to encourage additional use of public transit and participation in ridership programs, including maximizing allowable transit subsidies over parking subsidies.
- Explore modifications to Metro's Employer Annual Pass Program to further encourage transit usage, such as the addition of a monthly pass option.
- Publicize the Guaranteed Ride Home Program to employees.
- Encourage use of public transit at meetings and events where contractors will be present.
- Consider whether any programs can be created that specifically address vendor/contractor use of public transit.

To view the entire report on Increasing Public Transit and Rideshare Use Study, please visit the following link to download a copy:

<http://libraryarchives.metro.net/DB Attachments/Final%20Report%20on%20Increasing%20Public%20Transit%20and%20Rideshare%20Use%20Study%201-30-18.pdf>

Office of the Inspector General -

Increasing Public Transit and Congestion Reduction Study

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Metro Executive Management Committee
Ad-HOC Customer Experience Committee
March 15, 2018

OIG/TransLink

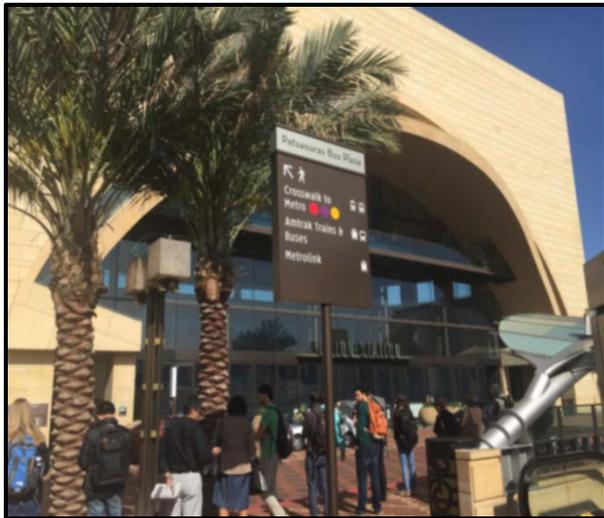


Metro

Study Overview

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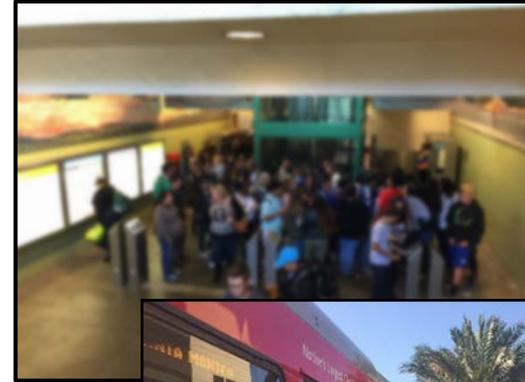
- Purpose of the study
 - Research ways to improve ridership and reduce congestion in LA County
 - Provide recommendations for potential changes to programs and policy
- Approach
 - Research Metro business partners and L.A. County public entities
 - Interview Metro, various business partners, SCAQMD, and municipalities staff
 - Review national trends and industry best practices for increasing ridership



Addressing Ridership Trends

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- Declining ridership trends due to:
 - Economy, rideshare companies (Uber/Lyft), perception of safety, convenience, decreased gas prices, and increased purchase of cars
- Metro programs and policies to address customer experiences:
 - Improved stations, plans to increase operational performance, new safety and security strategy, First/Last Mile programs, TAP technology improvements, and new buses to improve reliability



Key Findings

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- Marketing, program awareness, and transit promotion to Metro private sector partners and by them to their employees could encourage congestion reduction and improved ridership in L.A. County
- Government agencies and Metro private sector partners could provide better transit subsidies to cover transit costs and policies that encourage use of transit or other congestion reduction methods

Metro Public Sector Partners Survey (Government Agencies)

#	No. of Employees	No. of Employees Using Public Transit	No. of Employees Using Vanpool or Carpool	No. of Employees Biking/Walking	No. of Employees Driving Alone	Amount of Monthly Transit Subsidy	Amount of Monthly Parking Subsidy	Aware of Metro Employer Annual Pass Program	Using Metro Annual Employer Pass Program
#1	2,200	252 (11%)	220	176	1,276	up to \$110	Free Parking	Yes	No
#2	550	55 (10%)	0	<10	505	\$0	\$0	No	No
#3	2,400	480 (20%)	1,150	93	1,240	up to \$50	Free Parking	Yes	No
#4	2,000	60 (3%)	140	100	1,240	Free for Transit Agency Usage	\$0	Yes	No
#5	980	2 (<1%)	160	6	812	up to \$50	\$0	No	No
#6	3,500	350 (10%)	448	No Data	1,800	up to \$50	up to \$25	Yes	No
#7	600	30 (5%)	30	10	540	\$0	\$0	Yes	No
#8	480	1 (<1%)	11	4	464	\$0	Free Parking	Yes	No
#9	750	50 (7%)	40	26	634	50% of Metro Pass or Metrolink Pass	Free Parking	Yes	No
#10	200	5 (3%)	5	6	184	up to \$110	\$0	Yes	No
#11	3,600	189 (5%)	504	7	2,900	up to \$110	\$0	Yes	No
#12	200	5 (3%)	10	7	178	up to 75% of receipts submitted	Free Parking	No	No
#13	365	45 (12%)	130	10	180	up to \$60	Free Parking	No	No
#14	15	3 (20%)	0	0	10	\$0	\$45	Yes	No
#15	100	41 (41%)	0	10	50	up to \$110	Free Parking	Yes	No
#16	570	62 (11%)	222	73	213	up to \$110	\$12	Yes	No

Metro Private Business Partners Survey

#	No. of Employees	No. of Employees Using Public Transit	No. of Employees Using Vanpool or Carpool	No. of Employees Biking/Walking	No. of Employees Driving Alone	Amount of Monthly Transit Subsidy	Amount of Monthly Parking Subsidy	Aware of Metro Employer Annual Pass Program	Using Metro Annual Employer Pass Program
#1	615	252 (41%)	5	15	342	\$0	Free Parking	Yes	No
#2	300	20 (7%)	20	25	235	\$0	\$0	No	No
#3	600	35 (6%)	25	10	530	\$0	Free Parking	No	No
#4	45	No Data	No Data	No Data	No Data	\$0	N/A	Yes	No
#5	20	5 (25%)	0	0	15	\$0	\$0	No	No
#6	3,760	405 (11%)	5	10	3,342	up to \$100	\$45	No	No
#7	10	9 (90%)	No Data	No Data	No Data	\$0	\$0	Yes	No
#8	25	No Data	No Data	No Data	No Data	\$0	\$0	No	No
#9	60	5 (8%)	0	0	52	\$0	\$0	No	No
#10	60	25 (42%)	0	15	20	up to \$110	\$215	Yes	Yes
#11	60	30 (50%)	0	3	27	up to \$100	up to \$100	No	No
#12	35	5 (14%)	0	0	30	\$0	\$0	Yes	No
#13	15	3 (20%)	0	4	8	up to \$110	up to \$60	No	No
#14	290	30 (10%)	5	5	250	up to \$150	Free Parking	No	No

Metro Private Business Partners Survey – Cont.

#	No. of Employees	No. of Employees Using Public Transit	No. of Employees Using Vanpool or Carpool	No. of Employees Biking/Walking	No. of Employees Driving Alone	Amount of Monthly Transit Subsidy	Amount of Monthly Parking Subsidy	Aware of Metro Employer Annual Pass Program	Using Metro Annual Employer Pass Program
#15	20	7 (32%)	0	2	13	up to \$100	up to \$100	No	No
#16	460	90 (20%)	50	10	308	\$0	\$0	No	No
#17	35	25 (71%)	0	5	5	Free Metro Annual Pass. Up to \$120 per month.	\$215	Yes	Yes
#18	20	0	0	0	20	\$0	\$100	Yes	No
#19	55	0	0	5	50	\$0	N/A	Yes	No
#20	50	No Data	No Data	No Data	No Data	up to \$250	Free Parking	No	No
#21	10	6 (60%)	0	1	3	up to \$50	up to \$60	No	No
#22	30	25 (83%)	0	4	1	up to \$200	Free Parking	No	No
#23	4	0	0	0	4	\$0	\$0	No	No
#24	25	0	0	0	25	\$0	\$0	No	No
#25	15,000	1,100 (7%)	3,500	970	9,430	50% up to \$80	Free Parking	Yes	No
#26	75	45(60%)	No Data	No Data	20	up to \$250	up to \$300	Yes	No

Recommendations

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1. Marketing programs for key user groups such as Metro private sector partners
2. Encourage L.A. County municipalities to increase participation in rideshare programs, review their policies, and maximize transit subsidies to be closer to monthly transit cost
3. Improvements to Metro's Employer Annual Pass Program
4. Better publicize the Guaranteed Ride Home Program
5. Encourage transit use at Metro meetings and events
6. Consider programs to address contractors' use of public transit while performing Metro transit projects



Next Steps for Metro Management

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Metro management could:

- Assign an individual to be responsible for promoting transit use with local agencies and Metro contractors
- Track success of implementation of agreed upon recommendations
- Report to Metro Board on status of actions and levels of success