



Board Report

File #: 2018-0799, File Type: Motion / Motion Response

Agenda Number: 12.

**REVISED**  
**PLANNING AND PROGRAMMING COMMITTEE**  
**MARCH 20, 2019**

**SUBJECT: TRANSPORTATION DEMAND MANAGEMENT PROGRAM UPDATE**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

RECEIVE AND FILE update report on Transportation Demand Management Program in response to Board Motion 36 approved at the October 2017 Board meeting.  
(CARRIED OVER FROM FEBRUARY)

**ISSUE**

In October 2017 the Board approved Motion 36 (Attachment A) directing staff to establish a robust and comprehensive countywide Transportation Demand Management (TDM) program in Los Angeles County. This Board Report represents the continuing progress made towards achieving the nine goals as outlined in Board Motion 36, Section C.

**DISCUSSION**

Given the comprehensive nature of the task and appreciating the complexity of existing TDM planning and the regulatory environment in the County, staff prepared a Phase One assessment. The Phase One assessment provided a detailed inventory of current Metro activities in the area of TDM. It was presented as a Board Box dated March 7, 2018 and responded to the Motion’s specific directive Section “B”.

The Phase Two analysis, which outlined TDM best practices (in response to the Motion’s specific directive Section “A”) and made recommendations on establishing a robust and comprehensive countywide TDM program (in response to the Motion’s specific directive Section “C”) was presented as a Board Box on May 16, 2018.

Both the Phase One and Phase Two analyses are referenced throughout this report and are included as Attachments B and C respectively.

**Progress made towards completing Motion 36 Goals (C 1-9)**

1. Countywide TDM guidelines to help municipalities create and implement TDM policies by

establishing best practices for TDM application, monitoring, and evaluation, and allowing for flexibility to innovate beyond countywide standards:

In order to accomplish this goal, staff is proposing the creation of a TDM Toolkit and corresponding website made available to all 88 cities in Los Angeles County with the goal of providing municipalities with the tools and support to meet the trip reduction goals for their respective communities.

As recommended in the Phase Two report, staff has solicited feedback from various municipalities to find out “what gaps exist today in the state of TDM” through a series of TDM Focus Group meetings with municipalities and Transportation Management Associations (TMAs) in the county. The feedback received from these focus groups will be used to inform a Regional TDM Survey which will be sent to all municipalities in the county, as well as group of large and small sized employers in the first quarter of 2019.

The responses to the survey will help staff to define the TDM Toolkit elements and website. Preliminary discussions in the focus group have provided insight to the following proposed TDM Toolkit elements:

- **A Plug and Play TDM program designed for cities.** This program will be a customized form of Metro’s current Regional Rideshare Trapeze Platform which will allow individual cities to track employees’ and residents’ commute trips, provide on-demand ride-matching services and promote alternative commute modes.
- **Network meetings and quarterly TDM workshops for city staff.** Metro will host network meetings and workshops for city staff to provide an opportunity for TDM staff from all municipalities to connect with each other to share resources and TDM best practices. The workshops will be TDM-specific based on the requests of the municipalities and provide TDM information and support.
- **A quarterly TDM newsletter or blog.** A quarterly TDM newsletter or blog will be created and maintained by Metro, providing municipalities with articles and links on the latest TDM and mobility information and initiatives from around the world. Municipalities will also be able to submit content to Metro for inclusion in the newsletter or blog as appropriate.
- **TDM ordinance assistance will be provided to municipalities by Metro staff.** Staff can assist in guiding municipalities who want to develop and adopt a TDM ordinance as well as those municipalities who wish to update their current TDM policies.
- **TDM Best Practices will be posted on the TDM website as a resource for municipalities.** Local municipalities can also submit their own best practices to Metro for consideration.

- **A TDM grant program will be developed.** Most recently, the County of Sacramento implemented a small grant program aimed at trip reduction. Metro staff proposes a similar grant program available to municipalities in the county for the purpose of providing a subsidy program aimed at directly changing commuter's drive alone habits.

2. Countywide TDM marketing, outreach, and engagement campaign that targets potential users through a compelling and recognizable brand available to local cities and jurisdictions to promote multi-modal travel choices such as transit, vanpooling, carpooling, walking, and bicycling:

A countywide marketing and outreach program will be developed after the TDM Toolkit is finalized and will be used in part to launch the toolkit and Metro's Countywide TDM Program.

3. Facilitating regular discussions between Transportation Management Associations (TMAs) in the region to coordinate countywide and local TDM ordinance implementation activities and share best practices:

In August 2018 the first TMA Network meeting was held at Metro. Representatives from all eleven TMAs were in attendance. Since then, the group has continued to meet bi-monthly. Currently the group is working on setting minimum data collection standards so that each TMA is collecting the same type of commute data that can then be shared as a whole.

4. Working with major trip generators, major employers, and business community representatives to develop and implement tax incentives and other state legislation necessary for Metro to effectively promote and coordinate TDM strategies in Los Angeles County:

The survey for major employers, which included both private and public sectors in Los Angeles County, will help Metro shape a plan that will assist cities and employers to engage in a partnership resulting in reduced commute trips.

5. Expanding U-Pass, the Employer Annual Pass Program (EAPP), the Bikeshare for Business Program, and other TAP purchase programs to allow TMAs, telework centers, tourism organizations, residential and other non-employer entities to purchase bulk-rate transit and bike share passes:

Staff provided a progress update in the Receive and File Board item on May 16, 2018. The group transit pass programs are an ongoing effort and are currently managed by Metro Commute Service (MCS) unit under the Marketing Department.

6. Strategies and information to promote telecommuting:

An inventory of current Telecommuting Handbooks has been completed and the best guides available for employers and employees have been identified. Links to these handbooks will be available on the TDM Website.

Marketing materials promoting telecommuting will be developed as part of the Countywide TDM marketing effort.

Additionally, once the TDM Toolkit kicks off, Metro will host telecommuting workshops for employers that focus on the benefit of telecommuting as well as a plan for implementing telecommuting at a worksite.

7. Establishing a Countywide Commuter Tax Benefit Ordinance to provide incentives for non-single occupancy vehicle travel:

On August 20, 2018, AB2548 was signed by Governor Jerry Brown, granting Metro the authority to write a Commuter Tax Benefit Ordinance for employers of 50-249 employees located in Los Angeles County.

Currently, staff is analyzing 1) the resources required to implement, administer and enforce a Commuter Benefits Ordinance, 2) what mechanism Metro would use to enforce and fine for noncompliance, and 3) the workload to collect and report commute data for the estimated 65,000 employers who would be required to comply with the ordinance.

A question about a Countywide Commuter Benefits Ordinance will be included in the city TDM survey in order to solicit feedback from all of the cities in the County.

Staff is preparing a plan for implementation of the ordinance that incorporates Metro providing education and outreach to cities, employers and users through the other TDM actions in Board Motion 36 (#1-6). The ordinance will be drafted concurrent with the education and outreach and will incorporate feedback received during that process.

8. Assist employers with compliance of the State of California's Parking Cash-Out law for worksites within Los Angeles County:

In order to support parking cash-out in Los Angeles County and ensure that all employers of fifty or more employees who fall under the purview of the Parking Cash-Out Law are informed of their requirement to comply, Metro will send a Parking Cash-Out survey to employers of fifty or more employees. This survey will ask employers if they are complying with the law and provide them with information about parking cash-out requirements and how to ensure compliance.

9. Considering consolidation of Metro's various TDM functions into a single group and/or creating a Countywide TDM Manager position tasked with coordinating Metro's TDM efforts, including identifying additional staffing needs:

As noted in the May 2018 Board item, staff recruited a person to serve the function and the position currently resides in Metro's Planning Department.

## **Equity Platform**

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By developing a regional TDM program, Metro will provide support and a user-friendly TDM toolkit for all cities in the county, allowing them to provide employees and residents in all areas of their communities access to customized commuter support.

Metro outreach and coordination for the regional TDM program has a unique opportunity to provide outreach and support directly to resource limited communities while also providing opportunities for Metro staff to discuss and answer questions about ongoing and planned initiatives in commuter benefits and congestion reduction programs with community members in the communities where they live and work.

### **FINANCIAL IMPACT**

There could be a range of financial impacts associated with implementing future actions arising from recommendations included in this Board report. Discrete actions and an assessment of their capital and/operating costs would be brought before the Board for action individually, or as part of a program of associated actions as appropriate. Since this is a multi-year program, the cost center manager and Chief Planning Officer will be responsible for budgeting the cost in future years.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommendations support Metro's Regional Transportation Demand Management Program and serve to implement the following Metro Vision 2028 Strategic Plan Goals:

- Goal 3.3: Genuine public and community engagement to achieve better mobility outcomes for the people of LA County.
- Goal 4.1: Metro will work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.
- Goal 4.2: Metro will help drive mobility agendas, discussions and policies at the state, regional and national levels.

### **ALTERNATIVES CONSIDERED**

The recommendations for further development included in this Board report could be deferred by the Board. In all cases, staff would endeavor to pursue next steps that are coordinated with existing or anticipated related initiatives, to maximize resource efficiency.

### **NEXT STEPS**

Next steps are for staff to: conduct the Regional TDM Survey; continue to facilitate the regional TMA; provide informational and strategic support on telecommuting and parking cash-out programs for municipalities, TMAs and employers; analyze the implications of adopting a countywide TDM ordinance; develop the TDM grant program and selection criteria for the Board to consider in FY20. Staff will report back to the Board in 90 days on the implementation plan for the TDM ordinance.

### **ATTACHMENTS**

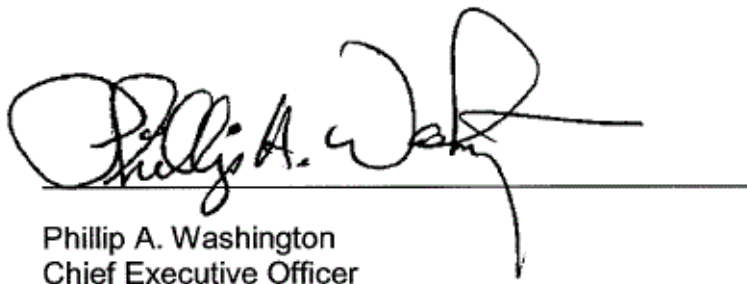
Attachment A - TDM Motion

Attachment B - Phase One Analysis

Attachment C - Phase Two Analysis

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Phillip A. Washington  
Chief Executive Officer



## Board Report

File #: 2017-0715, File Type: Informational Report

Agenda Number: 36.

### PLANNING AND PROGRAMMING COMMITTEE OCTOBER 18, 2017

Revised Motion by:

**Garcetti, Dupont-Walker and Butts**

October 18, 2017

#### Countywide Transportation Demand Management

MTA should be a national leader in working with local jurisdictions to promote transit use, active transportation, and other multi-modal travel.

MTA is leading a great expansion of mobility options in Los Angeles County, including the rail and bus transit system, bikeshare, first-last mile links, and groundbreaking technology-based new mobility services, including U-Pass and On-demand Microtransit Pilot Programs. A robust and comprehensive countywide Transportation Demand Management (TDM) program would maximize the benefits of these investments in LA County's transportation systems.

TDM focuses on reducing single-occupancy vehicle trips by making other transportation options more attractive. TDM promotes sustainable transportation options such as transit, carpooling, vanpooling, bicycling and walking. TDM strategies boost transit ridership, promote telecommuting, reduce single-occupancy vehicle trips, and reduce greenhouse gas emissions. MTA can serve as the facilitator of a countywide TDM program that encourages and supports local jurisdictions in initiating, developing, and implementing their own TDM initiatives.

Currently, there is an absence of a robust and comprehensive countywide TDM promotion and coordination program in Los Angeles County. As the countywide transportation agency, MTA is ideally suited to lead this effort. A robust TDM program will enable MTA to leverage its historic transportation investments to further change travel behavior and help the region ease congestion and meet statewide greenhouse gas emissions reduction goals. This would build on MTA's ongoing Congestion Reduction activities, including 511, promoting carpooling through ExpressLanes, creating vanpools, etc.

MTA can promote TDM strategies through many different methods--by coordinating local TDM objectives, creating a comprehensive TDM marketing strategy, measuring the effectiveness of multi-modal solutions, and other strategies. While some cities already have existing TDM programs or initiated efforts to establish TDM programs, many more cities in LA County could implement effective TDM programs with support from MTA.

Some jurisdictions, including the City of Los Angeles, have identified a need to make major updates to their TDM ordinances to incentivize sustainable transportation solutions more broadly through their development review processes and establish more robust monitoring and evaluation protocols.

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The goal of the State of California is to reduce greenhouse gas emissions to 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050. Currently, automobiles are the single largest source of emissions in Los Angeles. Los Angeles County residents approved Measure M in November 2016 to create more mobility options. MTA can do more to support local jurisdictions to meet state goals, and to create a seamless user experience throughout Los Angeles County that will create more MTA rail and bus riders, encourage carpooling and vanpooling, and boost countywide active transportation usage.

**SUBJECT: REVISED MOTION BY DIRECTORS GARCETTI AND  
DUPONT-WALKER AND BUTTS**

**TRANSPORTATION DEMAND MANAGEMENT**

WE, THEREFORE, MOVE that the Board direct the CEO to:

- A. Prepare a list of TDM best practices of California agencies and jurisdictions, including but not limited to the Bay Area Metropolitan Transportation Commission;
- B. Inventory current MTA funding sources for planning or implementing TDM programs and projects at the county or local level;
- C. Recommend how MTA can establish a robust and comprehensive countywide TDM program, including but not limited to:
  1. Countywide TDM guidelines to help municipalities create and implement TDM policies by establishing best practices for TDM application, monitoring, and evaluation, and allowing for flexibility to innovate beyond countywide standards;
  2. Countywide TDM marketing, outreach, and engagement campaign that targets potential users through a compelling and recognizable brand available to local cities and jurisdictions to promote multi-modal travel choices such as transit, vanpooling, carpooling, walking, and bicycling;
  3. Facilitating regular discussions between Transportation Management Organizations in the region to coordinate countywide and local TDM ordinance implementation activities and share best practices;
  4. Working with major trip generators, major employers, and business community representatives to develop and implement tax incentives and other state legislation necessary for MTA to effectively promote and coordinate TDM strategies in Los Angeles County;
  5. Expanding U-Pass, the Employer Annual Pass Program (EAPP), the Bikeshare for Business Program, and other TAP purchase programs to allow Transportation Management Organizations (TMOs), telework centers, tourism organizations, residential and other non-employer entities to purchase bulk-rate transit and bike share passes;



6. Strategies to promote telecommuting;
  7. Establishing a Countywide Commuter Tax Benefit Ordinance to provide incentives for non-single occupancy vehicle travel;
    - a. Seeking legislation to enable Los Angeles County to implement the nation's most aggressive commuter tax benefits program to reimburse and credit the cost of sustainable transportation options. This legislation should explore ways to provide significant tax-credit benefits for the use of transit, vanpooling, bicycling, and all other sustainable transportation modes;
    - b. Should legislation be successfully secured, a first priority for resources created by this program would be the establishment of an MTA TDM Implementation Demonstration Program. The TDM Demonstration Program would target selected jurisdictions for early implementation of best-practice TDM strategies, along with appropriate financial incentives. MTA may give special priority to any multi-jurisdictional TDM program proposal.
  8. Managing compliance with the State of California's Parking Cash-Out law for worksites within Los Angeles County;
  9. Considering consolidation of MTA's various TDM functions into a single group and/or creating a Countywide TDM Coordinator position tasked with coordinating MTA's TDM efforts, including identifying additional staffing needs;
- D. Incorporate into MTA's 2018 state legislative program for MTA to seek legislation that would strengthen MTA's ability to carry out a countywide TDM program; and
- E. Report back to the Planning and Programming Committee on all the above in 420 150 days.

KUEHL AMENDMENT: to include that the EAPP Program (which includes ATAP and BTAP) be amended to include a pay-per-boarding model similar to the U-Pass Program at a fare-per-boarding (FPB) rate approved by the Office of Management and Budget (either as a pilot program or as a new payment option under BTAP)



**Metro**

March 7, 2018

**TO: BOARD OF DIRECTORS**

**THROUGH: PHILLIP A. WASHINGTON** *PAW*  
**CHIEF EXECUTIVE OFFICER**

**FROM: THERESE W. MCMILLAN** *TW*  
**CHIEF PLANNING OFFICER**

**SUBJECT: TRANSPORTATION DEMAND MANAGEMENT:  
PREPARATORY MOTION 36 RESPONSE**

**ISSUE**

In October 2017, the Board passed Motion 36 (“Motion”, see Attachment A) that essentially directs staff to explore and implement a markedly expanded role for Metro in Transportation Demand Management (TDM). Underlying the 9 separate steps outlined in the Motion is the presumption that the Metro Board would assume a role equivalent to that of a countywide Transportation Demand Management Agency capable of effectively designing, implementing, monitoring and possibly enforcing the suite of activities outlined therein. Such an endeavor would require changes in legislation, significantly new revenues to implement, and the potential shift of legislated authorities and responsibilities among many partners including Southern California Association of Government (SCAG), the South Coast Air Quality Management District (SCAQMD), Los Angeles County and local jurisdictions, and private employers.

Respecting the essential role of TDM as part of a comprehensive and cohesive transport system, it is important to begin with a thorough understanding of a function that is, by its nature, dependent on many interlocking multiple factors. It became increasingly apparent in preparing a motion response that articulating and analyzing those factors was a key prerequisite, and had not been done prior, if ever. And it is particularly important now, as state and federal provisions affecting TDM have changed fairly significantly over the last five years.

Therefore, rather than simply respond to the Motion’s elements verbatim, Metro staff wants to ensure first that the Board has a fuller understanding of the issues that Motion 36 raises, so that it can direct staff with more clarity. This Board Box presents the first of two reports to lay that foundation. Included in the “Phase One” report here are:

- A general definition of Transit Demand Management (TDM), around which current and any future programs should be designed.
- A review of pertinent statutory provisions in state and federal law that fundamentally frame TDM requirements, and importantly, the obligations of other parties in addition to Metro. Primary among these are air quality and climate change related legislation. Local ordinances are also noted.
- An inventory of existing Metro TDM efforts and how they relate to statutory obligations. This includes an overall broad assessment of resources provided for these efforts.

The remainder of this report is organized around these three points. This provides a foundation for a “Next Steps” Phase Two Board Report in April to round out the comprehensive response we believe Motion 36 warrants.

## **DISCUSSION**

### **A. Defining Demand Management**

Transportation Demand Management is a general term for various strategies that increase transportation system efficiency and eliminate single occupant vehicle (SOV) trips. TDM often comprises a program of information, encouragement and incentives to optimize use of all modes in the transportation system. There are both traditional and innovative technology-based services to help people use transit, ridesharing, mobility on demand, vanpooling, walking, biking, shared parking and telework.

TDM is, at its core, intended to dissuade single-occupant auto driving. Among other elements, parking management is inextricably tied to any effective TDM portfolio. This element was absent from the Motion’s references, but is addressed in this Phase One evaluation, to ensure completeness.

**Parking Management and TDM.** Parking management is an important element of TDM. Unpriced and unrestricted parking encourages driving and creates single, automobile-dependent land use patterns. Many parking management programs, including Metro strategies, significantly reduce automobile travel by removing free parking at high parking demand and congested destinations.

SOV trips are sensitive to parking supply and price. By removing free parking, destination trips are typically reduced by 10-15%. For example, each 10% increase in parking charges can reduce driving by 1-3%; implementing parking incentives for carpoolers can reduce SOV commuting by another 10-30%, particularly if implemented with other commute trip reduction programs (Analytics, 1995; Shaw, 1997). Effective parking management can also help to shift SOV to alternative transportation modes. Metro’s park and ride program has experienced parking demand reduction by up to 20% at locations where a modest parking fee was implemented without any negative impact on station boarding or ridership at our transit corridors.

Shifting trips to non-SOV options via TDM programs can also support policies to reduce parking requirements for new and existing commercial and residential development. For example, parking requirements have been reduced 10-30% at sites with commute trip reduction programs. Parking Cash-Out is particularly effective at reducing parking demand. Thus, implementing TDM programs in conjunction with effective parking management and pricing programs will lead to better and more flexible land use in the long run.

## **B. TDM Statutory Provisions and Related Regulation**

### **Federal/State/Local**

The following highlights the various TDM regulations established around federal and state statutes, driven by vehicle emission reduction requirements where trip reduction is permitted as a mitigating strategy. In large part, these requirements are imposed on public and private employers, and oversight responsibility is held by the agency imposing these regulations. Outside of its responsibilities as a major employer, Metro's role is primarily a supportive one, to assist other entities to meet their regulatory requirements; its role has not been to assume or perform oversight responsibilities of other entities.

The regulations/ordinances listed below are offered as information to what may or may not impact a business and/or employer. Metro's Rideshare/Shared Mobility, as well as other Metro TDM programs/services help employers with adhering to SCAQMD Rule 2202, as well as employers regulated by local congestion reduction regulations, such as those employers within the cities of West Hollywood, Santa Monica, Burbank, Glendale and Pasadena. These programs and services also assist non-regulated employers and the general base commuter with options to avoid SOV commutes.

### **Federal**

#### **1. Federal Air Quality Requirements**

Regions that do not conform to air quality standards under the federal Clean Air Act must adopt and implement mitigating measures if they are to remain eligible for federal grant assistance, among other considerations. With an "extreme" non-conformity designation, implementing such actions is especially crucial for the Southern California region. Current practice is addressed in the State and Regional discussion below.

#### **2. Federal Tax Incentives**

TDM is encouraged by the Federal Highway Administration (FHWA) and United States Department of Transportation (USDOT) as a means of easing congestion and encouraging fewer single-occupant trips. Standards for TDM have been developed and the FHWA catalogues recommendations for best practices in a national

database and resource kit that Metropolitan Planning Organizations (MPO) and Regional Transportation Planning Agencies (RTPA) can use to establish and implement TDM strategies. Pre-tax set-asides as well as employer subsidy programs are elements of TDM strategies and are supported by Federal tax code.

Federal tax code allows the use of tax-free dollars to pay for transit commuting and parking costs through employer-sponsored programs. IRS Code Section 132(f) includes provisions that allow employers to provide fringe benefits such as transportation benefits to employees that can be excluded from gross income to encourage alternative forms of transportation/commuting. In Los Angeles this is called the Commuter Choice. Qualified parking exclusion and commuter transportation benefits are included in this statute.

After the passage of 2017 Tax Cuts and Jobs Act (signed into law on December 22, 2017), the monthly exclusion for qualified parking is \$260 and the monthly exclusion for commuter highway vehicle transportation and transit passes is \$260, an increase from the prior year. Biking as a mode of eligible transportation has been eliminated from pre-tax benefits. Commuters can receive both the transit and parking benefits. These programs can be implemented by an employer providing a subsidy or by an employee electing for a payroll deduction; both options provide tax benefits.

Employees who set aside income on a pre-tax basis for qualified transportation fringe benefits do not pay federal income or payroll taxes on the income set aside. Employers may no longer deduct tax-free benefit payments as a business expense pursuant to the tax reform provisions that were recently approved.

## **State and Regional**

### **1. SB 375 (2008)**

SB 375 creates indirect incentives for regions to create or enhance TDM programs for the purpose aiding in achieving greenhouse gas reduction targets. There is nothing in SB 375 creating any *specific* TDM or trip reduction requirements. Rather, TDM is one of the tools that MPOs can use to reduce greenhouse gasses to achieve a state-mandated target (along with transit expansion, transit/land use coordination, pricing, etc.). Most of the regional Sustainable Communities Strategies (SCS; the plan required by SB 375 and executed by the Southern California Association of Governments) prominently feature TDM as a lower cost/low-hanging-fruit way to achieve reductions. Typically this is going to be assumption-based, rather than a specific program commitment. The SCS will project a certain amount of funding available for TDM programs over the life of the plan, then attribute greenhouse gas reductions to the implementation of those programs. However, enforcement to ensure these programs are actually implemented has been unclear, and is under discussion at the state level.

## **2. SB 743 (2013)**

SB 743 reforms elements of the California Environmental Quality Act (CEQA). Among its provisions, the basis for estimating impacts on transportation system performance is shifted away from Level of Service (LOS) to Vehicles Miles Traveled (VMT). While regulations to implement this statute are still being developed, one area of relevance here is the effect such a shift will have on TDM mitigation measures. Metro, SCAG and other regions around the state are evaluating this closely.

## **3. AB 2766 (1990)**

Since 1991, local governments have received AB 2766 funds to implement programs that reduce air pollution from motor vehicles. A Motor Vehicle Registration fee surcharge of \$6 per vehicle is collected by the Department of Motor Vehicles and sent to the SCAQMD for disbursement. The SCAQMD provides funding and audits the program's performance annually.

The AB 2766 Subvention Program provides a funding source for cities and counties to meet requirements of federal and state Clean Air Acts, and for implementation of motor vehicle emission reduction measures in the SCAQMD Air Quality Management Plan (AQMP). The legislation creating this revenue source provides for oversight of the use of these monies by local governments. Air districts that receive AB 2766 monies report annually to California Air Resources Board (CARB) on the use and results of the programs funded by the fees. Cities and counties under SCAQMD's jurisdiction provide annual program and financial information to the SCAQMD. This information is compiled by the SCAQMD and forwarded as an annual report to CARB. In addition, the SCAQMD works with an independent firm to conduct audits of AB 2766 fee recipients, at least once every two years.

TDM is a project type that is eligible for funding under this program. Los Angeles County and the cities within LA County's jurisdiction are eligible applicants to receive funding to implement TDM programs. Projects that were awarded funding under this program in FY 2015-16 include: employer-based trip reduction, incentive programs for trip reduction, vanpool programs, park-n-ride lots, and transportation management agencies/organizations.

## **4. AB 728 (Lowenthal) – 2009**

AB 728 amended the State's parking cash-out provision to include penalties to enforce the provisions outlined in **AB 2109 (Katz)**. In 1992, the State of California passed AB 2109 requiring businesses with 50 or more workers that are located in areas with poor air quality and that lease parking spaces for their employees, to offer employees the cash value of the subsidized parking in lieu of the parking space. The intent of the law is to reduce vehicle commute trips and emissions by offering employees the option of "cashing out" their subsidized parking space and taking transit, biking, walking or carpooling to work.

This bill authorizes the CARB to impose a civil penalty for a violation of this requirement. The bill authorizes a city, county, and air pollution control district or air quality management district to adopt a penalty or other mechanism to ensure compliance. The bill would authorize the imposition of a penalty by the state board or the local agency, but not both.

#### **5. SCAQMD Rule 2202**

This regional ordinance, adopted in 1987, is probably the most well-known TDM regulation in Southern California. It requires employers with 250 or more employees at a worksite to reduce emissions resulting from employee commutes to comply with federal and state Clean Air Act requirements, Health & Safety Code Section 40458, and Section 182(d)(1)(B) of the federal Clean Air Act. To accomplish this, employers must identify an employee to be their Employee Transportation Coordinator (ETC), attend a training class, conduct an employee survey and compile a report for SCAQMD with the strategies an employer will implement to reduce employee trips to the worksite to meet a specific geographical target.

SCAQMD currently mandates 1,356 worksites in the air basin located in Los Angeles, Orange, San Bernardino and Riverside Counties — approximately 840 are located in Los Angeles County. SCAQMD is responsible for overseeing whether employers comply with requirements, and to impose corrective actions, including fines, in the case of non-compliance.

#### **6. SCAG Air Quality Conformity Regulatory and Related Actions**

SCAG is responsible for developing and adopting Transportation Control Measures (TCMs) that are needed to satisfy federal air quality conformity requirements. TDM strategies are included among the TCMs, and SCAG is responsible for ensuring implementation of those TCMs. This assurance is accomplished through federal Transportation Improvement Program requirements broadly governing grant eligibility.

Beyond these crucial TCM confirmation demonstrations — needed to avoid compliance penalties imposed by USDOT including withholding of all federal transportation grants — the agency develops its six constituent counties' (Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura) long-range regional transportation plans including Sustainable Communities Strategy and growth forecast components, Regional Transportation Improvement Program (RTIP), regional housing needs allocations and a portion of the South Coast Air Quality management plans. Currently SCAG is developing a TDM Strategic Plan for the six counties and a study on telecommuting and what it will look like in the future. SCAG also will be initiating a Future Communities Pilot Program which will grant funding through a competitive process to local jurisdictions to implement TDM practices/programs. Through this pilot program there will be an evaluation component included to evaluate the programs and provide data to document best practices.

## **Local Ordinances**

Local jurisdictions may elect to impose local TDM ordinances to supplement or help carry out federal, state, or regional regulatory requirements, or to advance SOV trip reduction elements on their own. In all of these cases, oversight and enforcement reside with the jurisdiction implementing the ordinance. Metro programs described in Section C below may assist in the implementation, but are not designed or intended to enforce them. **Attachment B** lists six local ordinances in the cities of Santa Monica, Burbank, Pasadena, Glendale, West Hollywood and Los Angeles.

### **C. Inventory of Existing Metro TDM Efforts**

#### **1. TDM-specific Administrative Initiatives**

Metro provides a menu of free programs and support services to employers and commuters within Los Angeles County. These efforts help employers adhere to regulatory compliance measures, improve air quality and reduce traffic congestion throughout the county. Non-regulated employers may, and do, utilize these services as well.

These programs comprise an overall regional rideshare/shared mobility commute strategy, and is an integral part of the TDM element of Metro's adopted Long Range Transportation Plan, Air Quality Action Plan, congestion reduction, and sustainability strategies. Importantly, this strategy specifically addresses mandates associated to SCAQMD's Rule 2202 Employee Commute Reduction Program (ECRP), as well as provides support for localized city rideshare/shared mobility congestion management ordinances.

This dual-focused multi-faceted rideshare program/service includes:

- Industry-standard peer-to-peer marketing classes,
- Low-cost awards/incentive programs,
- Rule 2202 follow-up training/support, as well as the overall management and training related to the latest rideshare/shared mobility software developments, data/report management processes, procedures and reporting tools needed to implement and facilitate employer on-site multimodal rideshare/shared mobility program(s) that adhere to clean air initiatives and/or congestion reduction,
- Commuter benefits and transit reduction subsidies,
- Semi-annual certification workshops: Metro marketing TDM workshops serve as one of the recognized elements by the SCAQMD for the employer-required annual ECRP (Employee Commute Reduction Program) Trip Reduction Plan (TRP), and
- Various education and promotional activities, coordinated with transportation management organizations, employers, the SCAQMD, and adjoining counties in the SCAQMD region. The Guaranteed Ride Home



(GRH) program, Metro Rewards, and Go Metro to Work Free are also a part of our platform.

To advance these efforts, the Metro Rideshare/Shared Mobility team works with over 900 worksites in Los Angeles County to help encourage employers to offer a robust TDM program to their employees and to learn about the benefits of taking public transit, carpooling, bicycling, vanpooling or walking to work, as well as other TDM resources and programs designed to promote ridesharing/shared mobility.

**Program Costs:** The above programs are offered at no cost to the employers. However, Metro currently spends approximately \$1.1 million per year on these services and programs related to air quality and congestion management regulations and ridesharing/shared mobility efforts. This is a substantial investment, for which funding comes from local Proposition C 25% funds. Any considerations to maintain, let alone expand these TDM-related activities need to assess carefully the sustainability of this current investment — a key question raised by the changes suggested in the Motion. This should include an evaluation of the costs and funding capacity associated with the programs and services offered by the employers themselves. Metro alternatives may involve some fee-based structures as part of an overall strategy to optimize contributions from the public and private sector.

## **2. TDM-Supportive Infrastructure and Programs**

TDM by its very nature cannot exist in isolation. Its success and challenges pivot from the system it is meant to optimize: a multi-modal transportation network. Adequate operation, maintenance and enhancement of that network is essential, as is the customer interface that influences its use. Below is a high-level summary of key systems and their related functions. While operation, preservation and enhancement of this system is not the focus of the Motion, that portfolio is inextricably intertwined with TDM.

- **Mass Transit** – funds, builds, maintains and oversees the third largest mass public transportation system in the nation, comprised of buses, subways, and elevated trains, that move commuters through Los Angeles County and is the most efficient and cost effective way to improve the air quality and reduce SOV congestion.
- **Bike Share** - A bicycle-sharing system, public bicycle system, or bike-share scheme, is a service in which bicycles are made available for shared use to individuals on a very short term basis for a price. This program is designed to provide a mobility option to facilitate first and last mile connections.
- **Parking Management** – Metro has developed a new comprehensive parking master plan and management program in order to retain parking resource only for transit users, put parking demand under control, streamline the parking process for their customers and most importantly, planning for the future.

- **Congestion Reduction** – All programs and services, such as Metro Express Lanes, designed to reduce traffic congestion by improving roadways, driving patterns or by converting SOV ridership to alternate modes of transportation
- **Special Transit Fare Programs** – Board approved pass programs that include the Annual Transit Access Pass (A-TAP), Discounted Business Transit Access Pass (B-TAP), College/Vocational (U-Pass) and other special/reduced fare pass programs, such as Youth on the Move (YOTM) and Juror Pass. *(Note: the Motion includes recommended modifications to these fare programs, which will be evaluated as part of the Phase Two response).*
- **First/Last Mile Strategic Plan** - An approach for planning, identifying barriers, and implementing improvements for the first/last mile portions of an individual's journey. It provides an adaptable vision for addressing first/last mile improvements in a systematic way, and results in data and information to justify taking those actions.
- **Complete Streets Policy** - A transportation policy and design approach that requires streets to be planned, designed, operated, and maintained to enable safe, convenient and comfortable travel and access for users of all ages and abilities regardless of their mode of transportation.
- **Active Transportation Strategic Plan** - A county-wide effort to identify strategies to increase walking, bicycling and transit use in Los Angeles County.
- **TOD and TOC Program** - Programs designed to spur the adoption of local land use regulations that are supportive of Transit Oriented Development, in Los Angeles County – both housing and economic development, public and private.
- **Vanpool Program** – Provides a transit option to commuters by providing a fare subsidy to vanpool providers in order to pay down a portion of the monthly vanpool lease.

## **NEXT STEPS**

A Phase Two Board Report response in April will build on the “due diligence review” outlined in Phase One by assessing how well Metro satisfies its current TDM obligations and commitments. This would provide a sound basis for determining whether and in what capacity Metro should consider adopting any additional obligations. In essence, we should first ensure that we are doing what we are supposed to do to our best capacity, before considering the assumption of other parties’ obligations, or pursuing something entirely new.

We believe the Board needs this information to fairly consider the following core directive of its Motion: “Recommend how MTA can establish a robust and comprehensive countywide TDM program, including but not limited to...” (see C.1 through C.9 in the Motion):

- The Phase One assessment provided here defines the current activities of Metro in the area of TDM, compared to the roles and responsibilities of local jurisdictions, SCAQMD, SCAG and private sector employers. That in turn raises the following questions that must be carefully answered:
  - What gaps exist in the current state of TDM in Los Angeles County?
  - What factors would compel Metro to take over local jurisdictional or private sector employer responsibilities?
  - Would Metro have the legal, regulatory, or practical/political authority to enforce a countywide TDM program, if one does not exist already? NOTE: absent enforcement powers over the actions of local jurisdictions, a countywide TDM “program” is an expensive voluntary effort, and essentially titular in nature.
  - Even if Metro answered all of the above in the affirmative, do we have the resources to implement such a program or the capacity to shift resources away from local jurisdictions and the support of local jurisdictions to do so?

Answering these questions will provide a critical context to address the discrete points in Sections C.1 through C.9 of the Motion: assess their impact in resolving perceived gaps; their value-added in doing so; and the costs that would be imposed on Metro to carry them out responsibly and well. The Phase Two report will tackle this evaluation.

## **ATTACHMENTS**

Attachment A – Board Motion 36  
Attachment B – Local TDM Ordinances



## Board Report

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File #:2017-0715, File Type:Informational Report

Agenda Number:36.

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### PLANNING AND PROGRAMMING COMMITTEE OCTOBER 18, 2017

Revised Motion by:

**Garcetti, Dupont-Walker and Butts**

October 18, 2017

#### **Countywide Transportation Demand Management**

MTA should be a national leader in working with local jurisdictions to promote transit use, active transportation, and other multi-modal travel.

MTA is leading a great expansion of mobility options in Los Angeles County, including the rail and bus transit system, bikeshare, first-last mile links, and groundbreaking technology-based new mobility services, including U-Pass and On-demand Microtransit Pilot Programs. A robust and comprehensive countywide Transportation Demand Management (TDM) program would maximize the benefits of these investments in LA County's transportation systems.

TDM focuses on reducing single-occupancy vehicle trips by making other transportation options more attractive. TDM promotes sustainable transportation options such as transit, carpooling, vanpooling, bicycling and walking. TDM strategies boost transit ridership, promote telecommuting, reduce single-occupancy vehicle trips, and reduce greenhouse gas emissions. MTA can serve as the facilitator of a countywide TDM program that encourages and supports local jurisdictions in initiating, developing, and implementing their own TDM initiatives.

Currently, there is an absence of a robust and comprehensive countywide TDM promotion and coordination program in Los Angeles County. As the countywide transportation agency, MTA is ideally suited to lead this effort. A robust TDM program will enable MTA to leverage its historic transportation investments to further change travel behavior and help the region ease congestion and meet statewide greenhouse gas emissions reduction goals. This would build on MTA's ongoing Congestion Reduction activities, including 511, promoting carpooling through ExpressLanes, creating vanpools, etc.

MTA can promote TDM strategies through many different methods--by coordinating local TDM objectives, creating a comprehensive TDM marketing strategy, measuring the effectiveness of multi-modal solutions, and other strategies. While some cities already have existing TDM programs or initiated efforts to establish TDM programs, many more cities in LA County could implement effective TDM programs with support from MTA.

Some jurisdictions, including the City of Los Angeles, have identified a need to make major updates to their TDM ordinances to incentivize sustainable transportation solutions more broadly through their development review processes and establish more robust monitoring and evaluation protocols.

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The goal of the State of California is to reduce greenhouse gas emissions to 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050. Currently, automobiles are the single largest source of emissions in Los Angeles. Los Angeles County residents approved Measure M in November 2016 to create more mobility options. MTA can do more to support local jurisdictions to meet state goals, and to create a seamless user experience throughout Los Angeles County that will create more MTA rail and bus riders, encourage carpooling and vanpooling, and boost countywide active transportation usage.

**SUBJECT: REVISED MOTION BY DIRECTORS GARCETTI AND  
DUPONT-WALKER AND BUTTS,**

**TRANSPORTATION DEMAND MANAGEMENT,**

WE, THEREFORE, MOVE that the Board direct the CEO to:

- A. Prepare a list of TDM best practices of California agencies and jurisdictions, including but not limited to the Bay Area Metropolitan Transportation Commission;
- B. Inventory current MTA funding sources for planning or implementing TDM programs and projects at the county or local level;
- C. Recommend how MTA can establish a robust and comprehensive countywide TDM program, including but not limited to:
  1. Countywide TDM guidelines to help municipalities create and implement TDM policies by establishing best practices for TDM application, monitoring, and evaluation, and allowing for flexibility to innovate beyond countywide standards;
  2. Countywide TDM marketing, outreach, and engagement campaign that targets potential users through a compelling and recognizable brand available to local cities and jurisdictions to promote multi-modal travel choices such as transit, vanpooling, carpooling, walking, and bicycling;
  3. Facilitating regular discussions between Transportation Management Organizations in the region to coordinate countywide and local TDM ordinance implementation activities and share best practices;
  4. Working with major trip generators, major employers, and business community representatives to develop and implement tax incentives and other state legislation necessary for MTA to effectively promote and coordinate TDM strategies in Los Angeles County;
  5. Expanding U-Pass, the Employer Annual Pass Program (EAPP), the Bikeshare for Business Program, and other TAP purchase programs to allow Transportation Management Organizations (TMOs), telework centers, tourism organizations, residential and other non-employer entities to purchase bulk-rate transit and bike share passes;

6. Strategies to promote telecommuting;
  7. Establishing a Countywide Commuter Tax Benefit Ordinance to provide incentives for non-single occupancy vehicle travel;
    - a. Seeking legislation to enable Los Angeles County to implement the nation's most aggressive commuter tax benefits program to reimburse and credit the cost of sustainable transportation options. This legislation should explore ways to provide significant tax-credit benefits for the use of transit, vanpooling, bicycling, and all other sustainable transportation modes;
    - b. Should legislation be successfully secured, a first priority for resources created by this program would be the establishment of an MTA TDM Implementation Demonstration Program. The TDM Demonstration Program would target selected jurisdictions for early implementation of best-practice TDM strategies, along with appropriate financial incentives. MTA may give special priority to any multi-jurisdictional TDM program proposal.
  8. Managing compliance with the State of California's Parking Cash-Out law for worksites within Los Angeles County;
  9. Considering consolidation of MTA's various TDM functions into a single group and/or creating a Countywide TDM Coordinator position tasked with coordinating MTA's TDM efforts, including identifying additional staffing needs;
- D. Incorporate into MTA's 2018 state legislative program for MTA to seek legislation that would strengthen MTA's ability to carry out a countywide TDM program; and
- E. Report back to the Planning and Programming Committee on all the above in 420 150 days.

KUEHL AMENDMENT: to include that the EAPP Program (which includes ATAP and BTAP) be amended to include a pay-per-boarding model similar to the U-Pass Program at a fare-per-boarding (FPB) rate approved by the Office of Management and Budget (either as a pilot program or as a new payment option under BTAP)

**LOCAL TDM ORDINANCES**

**City of Santa Monica Municipal Code – Chapter 9.53**

This local TDM ordinance, adopted in 1991, requires employers in the City of Santa Monica with 30 or more employees to identify an Employee Transportation Coordinator, attend training, survey employees about their commute, identify and compile a report with strategies to increase biking, walking, riding transit, and carpooling to their worksite to meet a designated vehicle reduction target. This information is provided annually to the City, and currently Santa Monica mandates approximately 600 employers.

**City of Burbank Municipal Code – Title 10, Article 25, Chapter 10-1-2501**

This local TDM ordinance, adopted in 1991, affects employers located in the Media District and Burbank Center (downtown) areas, requiring employers with 25 or more employees to monitor and report their trip reduction activities. The ordinance also requires membership in the local Transportation Management Organization (TMO), pay annual membership dues, survey employees about their commute and report on the number of trips reduced in specific peak commute times. This information is provided annually to the City through the TMO, and currently the TMO has a membership roster of 90 employers.

**City of Pasadena Municipal Code – Title 17, Article 4, Chapter 17.46**

This local TDM ordinance affects nonresidential projects which are between 25,000-75,000 square feet to provide employee transportation information services and a transportation plan. Businesses subject to this ordinance must survey employees about their commute, provide facilities that promote alternate transportation (including bike racks or lockers, bus shelters, transit display board, etc.) and submit a report that documents the activities and accomplishments for the year.

**City of Glendale – Transportation Demand Management Ordinance, Chapter 6**

This local TDM ordinance has an overall objective to reduce traffic congestion and improve access by a series of incentives and programs focusing on commuters who work in Glendale as well as new residents in larger residential developments. Go Glendale (formerly the Glendale TMA) plays a role in helping employers and developments in the City to reduce vehicle trips and improve mobility in downtown Glendale and citywide.

**City of West Hollywood – Transportation Demand Management Ordinance, Chapter 10.16**

This local TDM ordinance, adopted in 1993, applies to all businesses constructed (or changed use) after 1993 with five or more employees located in a commercial development of 10,000 or more square feet. Employers must submit a TDM plan that demonstrates that alternative modes of transportation are encouraged, and an average vehicle ridership (AVR) of 1.5 persons per vehicle is reached or exceeded.

**City of Los Angeles – Transportation Demand Management Ordinance (LAMC 12.26.J)**  
This trip reduction program requires a project applicant (project developer and/or consultant) to monitor and submit annual TDM reports to City of Los Angeles Department of Transportation (LADOT). Reports include the number of commuters using alternative transportation, average vehicle occupancy, vehicle trip reduction and vehicle miles travelled. LADOT may require applicants to analyze and evaluate project-specific transportation impacts to comply with the California Environmental Quality Act (CEQA) and/or City regulations. This edition of the City of Los Angeles Transportation Impact Study (TIS) Guidelines replaces the Traffic Study Policies and Procedures, last updated in August 2014, to identify the criteria, guidelines, objectives, and standards to be used in the preparation of a TIS in the City of Los Angeles.



..Meeting\_Body

**PLANNING AND PROGRAMMING COMMITTEE  
MAY 16, 2018**

..Subject

**SUBJECT: TRANSPORTATION DEMAND MANAGEMENT**

..Action

**ACTION: RECEIVE AND FILE**

..Heading

**RECOMMENDATION**

..Title

RECEIVE AND FILE response to Motion 36 approved at the October 2017 Board Meeting.

..Issue

**ISSUE**

In October 2017 the Board approved Motion 36, directing staff to develop a Transportation Demand Management (TDM) action plan around several elements. Given the comprehensive nature of the task, and appreciating the complexity of existing TDM planning and regulatory environment, staff prepared an assessment of current conditions as a baseline for developing recommendations that respond to the Motion's specific directives.

That Phase One analysis was presented as a Board Box and sent to Board members on March 7, 2018. It is referenced throughout this report, and can be accessed at [http://boardarchives.metro.net/BoardBox/2018/180307\\_Transportation\\_Demand\\_Management\\_Preparatory\\_Motion\\_36\\_Response.pdf](http://boardarchives.metro.net/BoardBox/2018/180307_Transportation_Demand_Management_Preparatory_Motion_36_Response.pdf). The original Motion is included as Attachment A. This Board Report represents the second phase response to the Board Motion, and addresses the elements of Motion 36.

..Discussion

**DISCUSSION**

**Structure of this report: Relationship to Phase One**

The Phase One assessment provided a detailed inventory of current Metro activities in the area of TDM. Primarily, it clarified Metro's roles and responsibilities with those of local jurisdictions, South Coast Air Quality Management District (SCAQMD), Southern California Association of Governments (SCAG), and public and private sector employers — an important step given TDM's multi-sectoral nature and dispersed authorities. Distinctions among existing authorities were mapped, as well as an understanding of both long imposed and relatively new statutory requirements that

generate TDM-related actions today. Motivating this background analysis was the need to identify the many factors impacting the Motion's directive subsection (C) to "Recommend how MTA can establish a robust and comprehensive countywide TDM program, including but not limited to:

1. Countywide TDM guidelines to help municipalities create and implement TDM policies by establishing best practices for TDM application, monitoring, and evaluation, and allowing for flexibility to innovate beyond countywide standards;
2. Countywide TDM marketing, outreach, and engagement campaign that targets potential users through a compelling and recognizable brand available to local cities and jurisdictions to promote multi-modal travel choices such as transit, vanpooling, carpooling, walking, and bicycling;
3. Facilitating regular discussions between Transportation Management Organizations in the region to coordinate countywide and local TDM ordinance implementation activities and share best practices;
4. Working with major trip generators, major employers, and business community representatives to develop and implement tax incentives and other state legislation necessary for MTA to effectively promote and coordinate TDM strategies in Los Angeles County;
5. Expanding U-Pass, the Employer Annual Pass Program (EAPP), the Bikeshare for Business Program, and other TAP purchase programs to allow Transportation Management Organizations (TMOs), telework centers, tourism organizations, residential and other non-employer entities to purchase bulk-rate transit and bike share passes;
6. Strategies to promote telecommuting;
7. Establishing a Countywide Commuter Tax Benefit Ordinance to provide incentives for non-single occupancy vehicle travel;
  - a. Seeking legislation to enable Los Angeles County to implement the nation's most aggressive commuter tax benefits program to reimburse and credit the cost of sustainable transportation options. This legislation should explore ways to provide significant tax-credit benefits for the use of transit, vanpooling, bicycling, and all other sustainable transportation modes;
  - b. Should legislation be successfully secured, a first priority for resources created by this program would be the establishment of an MTA TDM Implementation Demonstration Program. The TDM Demonstration Program would target selected jurisdictions for early implementation of best-practice TDM strategies, along with appropriate financial incentives. MTA may give special priority to any multi-jurisdictional TDM program proposal.
8. Managing compliance with the State of California's Parking Cash-Out law for worksites within Los Angeles County;

9. Considering consolidation of MTA's various TDM functions into a single group and/or creating a Countywide TDM Coordinator position tasked with coordinating MTA's TDM efforts, including identifying additional staffing needs."

The resultant Phase One analysis outlined several questions that would bear on any considerations for pursuing a more coordinated countywide TDM approach, beginning with an assessment of what gaps exist with the current status quo. Future outcomes could stretch along a broad continuum, ranging from:

- Encouraging local agencies and employers to do a better job by providing examples of TDM practices to pursue voluntary adoption and implementation, to
- Markedly changing the status quo through new legislative regulations and/or substantial financial incentives well beyond current circumstances.

Considering where to land on this continuum would be important for prioritizing actions going forward, and hinge largely on not only Metro's interests, but our partners throughout the County and its multiple cities.

The Phase Two response to Motion keeps this overarching consideration in mind in addressing the motions elements and attendant recommended next actions, and organizes Motion 36 elements (A) through (E) into groups as follows:

- Select scan of existing TDM practice
- Locally focused TDM program design and coordination
- Legislatively driven initiatives
- Metro program modifications

### **Response to Motion 36 (A) through (E)**

#### **Select scan of existing TDM practice**

A) List of "Best" practices in CA, including the Bay Area.

"Best practices" are most effectively assessed against identified performance objectives — including specific consideration of desired impact, as the outlined continuum suggests. As presented in the Phase One analysis, staff believes those objectives require more definition from the Board. Therefore, identifying "best practices" makes sense once those objectives are outlined, to be cross walked with any recommended future actions.

That said, given the Motion's specific focus on the San Francisco Bay Area, staff has prepared a side-by-side comparison of what that region and Southern California have both done in the arena of employer commute benefits, a subject of much

interest and legislative proposals including Motion elements C.7 and C.8 below. That comparison is provided in Attachment B.

## B) Inventory funding sources for planning or implementing TDM program

The Phase One report provided an extensive list of Metro TDM-related actions already in place, as well as key supporting investments upon which any successful TDM program relies. In short, the sources of funding are as varied as the TDM actions and supporting initiatives themselves, and comprise local, state, and federal funds across capital and operating needs. Staff recommends that it would be more informative for the Board to first provide direction on overall TDM future actions, if any; staff subsequently would construct a companion assessment of available fund sources that would consider new priorities alongside existing investments for Board consideration.

### Locally focused TDM program design and coordination

- C) 1. Countywide guidelines to help municipalities create and implement TDM policies/best practices beyond countywide standards
- C) 2. Countywide TDM marketing outreach to target users through branding
- C) 3. Facilitate regular discussion between transportation management organizations to coordinate countywide and local ordinances

Depending on their implementation, these three potential actions could materially change the current operating environments for TDM throughout the county. As outlined in Phase One, Metro fundamentally serves in a supporting role for a body of TDM activities carried out by:

- SCAQMD and SCAG (imposition and oversight of TDM actions that address federal air quality standards, imposed on public and private employers);
- local jurisdictions (who can elect to implement local TDM ordinances above and beyond SCAQMD Rule 2202 and other requirements); and
- the region's employers (who must comply with mandated actions, but can also elect voluntarily to do more).

Metro carries out key TDM actions as a major employer to satisfy SCAQMD's Rule 2202 requirement; supports significant activities at substantial cost that allow and facilitate mode shift away from single occupant driving (transit, parking management at stations, vanpool, subsidized fare instruments, to name a few); and, at no cost to employers, provides supportive activities to assist in employer Rule 2202 compliance, at roughly \$1 million a year.

Shifting this paradigm could require reassigning responsibilities among the parties noted, depending on a) what and why certain situations need to change; and b) who

would be responsible for owning those changes. Therefore, staff recommends that Metro conduct a survey of all cities, Los Angeles County, SCAG and SCAQMD to drill down into

- what is—or isn't—performing effectively within the large realm of TDM activities in LA County;
- what options exist to improve that performance; and
- what resources, authorities and accountabilities would need to be in place to ensure performance is improved.

Particularly when addressing the question of “What gaps exist today with the current state of TDM”, it is essential to solicit feedback directly from cities and the County. For example, while there may be opportunities relative to TDM ordinances adopted at a local level, not many cities have done so, and it would be important to understand reasons why. As well, any countywide TDM marketing program may entail substantial resources if it is going to be effective. Before a marketing program would be launched, it would be necessary to first define a potential new TDM program.

Staff recommends that a survey of local partners at the County and included cities within the County be targeted for the first half in FY19. This effort would be especially timely given the proposed recommendations of the agency's Strategic Plan that will be brought forward for adoption this quarter. The survey should be designed to not only address the Motion's original intent, but inform and align with complementary initiatives ultimately included in the Strategic Plan. This approach would inform any future recommended action related to C) 1 and C) 2.

As a parallel effort to gain insights from the many parties that would be involved in any substantial redesign of TDM activities, Metro staff shall convene existing TDM partners to discuss current actions to respond to C) 3. To support these efforts, a new TDM manager position has been added to the Shared Mobility team to facilitate future dialogue and direction. A schedule and plan for implementation that pivots from current forums will be sent to the Board separately, with a target launch within the first quarter of FY 19.

#### Legislatively driven actions

- C) 4: Work with major trip generators, employers, and business community to develop tax incentives and other state legislation to enable Metro to promote/coordinate TDM strategies in the county.
- C) 7: Commuter tax benefit ordinance
- C) 8: Assume compliance of Parking Cash Out program.
- D) Incorporate into 2018 state legislative program enhanced Metro countywide TDM program capacity.

In the weeks since Motion 36 was adopted, a state legislative program was adopted in January 2018 that addressed all of the above points. Relevant excerpts from that

legislative program are outlined in Attachment C. Response to those efforts will be reported through the Agency's State and Federal Legislation reporting mechanisms.

#### Metro program modification actions

C) 5. Expanding U-Pass, the Employer Annual Pass Program (EAPP), the Bikeshare for Business Program, and other TAP purchase programs to allow Transportation Management Organizations (TMOs), telework centers, tourism organizations, residential and other non-employer entities to purchase bulk-rate transit and bike share passes

The group transit pass programs detailed below are currently managed by Metro Commute Services (MCS) under the Marketing Department:

#### Universal Pass Pilot Program (U-Pass) and GradPass Pilot Program

Under partnership agreements with individual schools, students are issued U-Pass TAP chip stickers that adhere to their student identification cards and function like regular TAP cards. The schools are responsible for verifying enrollment and tracking participation and are invoiced \$0.75 per boarding for all boardings during the quarter or semester on all Metro services and individual municipal operators approved by both the school and the operator. The schools may not charge the students more than \$10.03 per week per participant for the duration of the pass period, which is the equivalent of the \$43/month College/Vocational fare and may not charge the students more than they are being billed by Metro for the actual boardings. This is a two-year pilot program, which expires in August 2018. MCS Staff will be coming back to the Board in May 2018 to seek approval on establishing a permanent U-Pass Program. There are currently fourteen (14) schools and three (3) municipal operators participating in the pilot program. In the first 16 months of the pilot program, there were 31,312 U-Passes sold, 3.9 million boardings, \$2.95 million in revenue collected, and a 21% increase in participants year-over-year from fall 2017 (9,137 passes sold) to fall 2018 (11,044 passes sold).

The Employer Annual Pass Program (EAPP) includes the ATAP, BTAP, E-Pass Pilot Program, and PEPP as detailed below. Metro's Bike Share for Business Program is currently marketed to businesses who are participating the EAPP Programs.

#### Annual Transit Access Pass (ATAP) Program

Under the ATAP program, employers may convert any type of Metro monthly or EZ Regional pass to an annual pass by paying the full fare cost for twelve months, plus a \$5.00 card fee for a custom card with the employee's photo. A Regular Metro ATAP is good on all Metro bus and rail services, including Freeway Express services that would normally charge zone fees (such as the Silver Line, 400-499 Express buses, and 577x from Long Beach to El Monte) for the flat rate of \$1200 per year, plus card fee. An EZ Regional ATAP is \$1320 and is good for local travel on 23 different public transit carriers throughout the greater Los Angeles region. In FY 17, thirty-six (36) businesses participated in this program, generating \$1.3 million in revenue.

### Business Transit Access Pass (BTAP) Program

Under the BTAP Program, employers are required to purchase reduced fare annual passes for all employees at a worksite. A small percentage of employees may be exempted for approved reasons, such as using Metrolink or a vanpool to commute to work, or working a graveyard shift. BTAP passes cost \$132 to \$276 per year, plus a \$5.00 card fee for a custom card with the employee's photo. Pricing is based on the level of transit service at the worksite. In FY 17, there were 556 businesses participating in this program, generating \$4.13 million in revenue.

### Employer Pass Pilot Program (E-Pass)

Commuter Services Staff is currently working with the Office of Management and Budget (OMB) on a Pilot Program which will be based on a per-boarding cost and administered through partnership agreements, similar to the U-Pass Program. The approved per-boarding charge of \$1.40 is equivalent to the current average fare per boarding that Metro is collecting under the ATAP Program. As a marketing incentive, the maximum cost per participant will be capped at \$80 per month. Sixteen businesses have been approved by OMB for participation in this program, including the City of Santa Monica, NBC Universal, and all fourteen (14) U-Pass schools. Commuter Services will work with OMB on any additional participants.

### Promotional Employer Pass Program (PEPP)

As an introduction to the EAPP programs, the Promotional Employer Pass is open only to new businesses who are not currently participating in an EAPP program. Employers may make a one-time purchase of discounted passes at 50% of cost for a 3-month pass (\$150 each) and must purchase passes for 10% of their employees, with no exemptions. In FY 17, three (3) businesses participated in the PEPP program and one of those converted to BTAP at the end of the promotional program, generating \$6,088 in revenue.

### Residential Transit Access Pass (RTAP)

Based on past practice, the current Residential TAP (RTAP) program offers discounted passes to official Metro Joint Development projects under the Business Transit Access Pass (BTAP) program. Metro Joint Development projects can purchase BTAP passes at \$276 per year + \$5.00 card fee, and they are required to buy one pass for each residential unit in the development. Currently, there are two (2) developments participating in this program.

All other Transit Oriented Development (TOD) and affordable housing projects must purchase Annual Transit Access Passes (ATAPs), which are priced at the full fare for 12 months + a \$5.00 card fee, and can include regular Metro Passes, EZ Regional passes, or Senior Passes. Affordable housing developments are required to buy one pass for each affordable housing unit in the project, but they are not required to buy passes for additional units in the development. All other developments are required to buy one pass per unit in the development. A regular Metro ATAP is \$1200 per year, an EZ Regional ATAP is \$1320 per year, and a Senior ATAP is \$240 per year, not including

the card fee. There is one (1) affordable housing project and one (1) TOD project participating in this program for 2018.

The FY17 revenue for the RTAP program is included above in the ATAP and BTAP program totals. The Planning Department is currently working with OMB on modifications to this program.

KUEHL AMENDMENT: To include that the EAPP Program (which includes ATAP and BTAP) be amended to include a pay-per-boarding model similar to the U-Pass Program at a fare-per boarding (FPB) rate approved by OMB (either as a pilot program or as a new payment option under BTAP).

See Employer Pass Pilot Program (E-Pass) above.

#### C) 6: Strategies to promote telecommuting

Telecommuting has become a widely accepted practice, and most organizations that do permit it develop metrics to track their employees' productivity. Telecommuting can be a valuable tool to complement strategies to reduce vehicle miles travelled (VMT) and reduce traffic congestion even if only practiced one day a week. Telework is best suited for jobs that require independent work, little face-to-face interaction, concentration, a measurable work product and output-based (instead of time-based) monitoring, but it may be used in other jobs as well. Typically organizations consider telecommuting to be a viable alternative work arrangement in cases where individual, job and supervisor characteristics are best suited to such an arrangement. Telecommuting allows employees to work at home, on the road or in a satellite location for all or part of their regular workweek. Telecommuting is a voluntary work alternative that may be appropriate for some employees and some jobs. Two local examples for illustration are:

- Metro's policy allows for telecommuting only for special circumstances that is temporary in nature and cannot extend past 6 months. The policy requires detailed documentation including an agreement to ensure all work hours are accounted for. Currently language is not included for telecommuting for purposes of reduction of VMT or peak hour congestion.
- Cal State LA's policy allows for telecommuting based on a work plan established by the employee and the institution. The policy requires an agreement to be executed and is less restrictive in regards to when an employee is eligible to telecommute and allows for the agreement to be effective for one year. The type of work conducted at the educational institutional which requires extensive research and grant writing make a telecommuting program feasible and is reflected in the policy.

#### C) 9: Establish TDM Coordinator position/consolidate functions

Staff has already hired a person to serve as a coordinator for TDM activities targeted to employer support. The position resides in Metro's Planning Department.



..Determination\_Of\_Safety\_Impact  
**DETERMINATION OF SAFETY IMPACT**

There is no safety impact associated with the planning and administrative activities contemplated in this Board report.

..Financial\_Impact  
**FINANCIAL IMPACT**

There could be a range of financial impacts associated with implementing future actions arising from recommendations included in this Board report. Discrete actions and an assessment of their capital and/operating costs would be brought before the Board for action individually, or as part of a program of associated actions as appropriate.

..Alternatives\_Considered  
**ALTERNATIVES CONSIDERED**

The recommendations for further development included in this Board report could be deferred by the Board. In all cases, staff would endeavor to pursue next steps that are coordinated with existing or anticipated related initiatives, to maximize resource efficiency.

..Next\_Steps  
**NEXT STEPS**

Suggested next steps are outlined for each of the elements under "Response to Motion 36". Staff will move forward as directed by the Board to carry out those recommendations.

..Attachments  
**ATTACHMENTS**

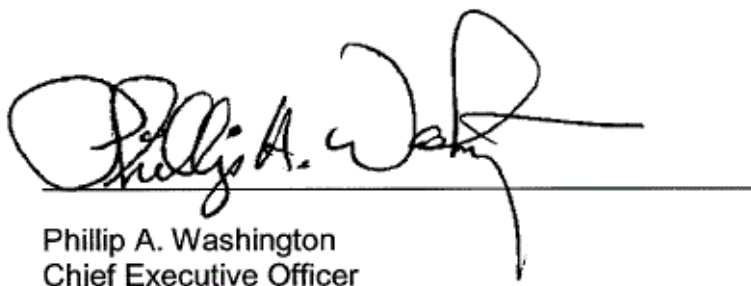
Attachment A – Board Motion 36

Attachment B – Regional Commuter Benefit Program: Los Angeles County/San Francisco Bay Area

Attachment C – Excerpts: 2018 Metro State Legislative Program

..Prepared\_by  
Prepared by: Therese W. McMillan, Chief Planning Officer, (213) 922-7077

..Reviewed\_By  
Reviewed by: Phillip A. Washington, Chief Executive Officer, (213) 922-7555

A handwritten signature in black ink, appearing to read "Phillip A. Washington". The signature is written in a cursive style with a large initial "P" and a long horizontal stroke extending to the right. A solid horizontal line is drawn across the page, positioned just below the signature.

Phillip A. Washington  
Chief Executive Officer



# Overview: Goals of Board Motion #36

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- Develop a Countywide TDM Toolkit and Branded Marketing
- Create a Transportation Management Association Network
- Promote Telecommuting
- Assist with Parking Cash Out Compliance
- Establish Countywide Commuter Tax Benefit Ordinance (AB2548)

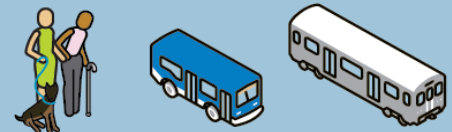


# Regional TDM Survey and Focus Groups

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Surveys and Focus Groups will help Metro develop a TDM Toolkit that will be an effective tool enabling cities to meet and maintain their trip reduction goals.

- Two focus groups were held at Metro in 2018
  - Twenty cities were represented
- Regional TDM surveys will be sent to all 88 cities in March, 2019
- Results of the surveys will be analyzed and used to form a TDM Toolkit



# Proposed TDM Toolkit Elements

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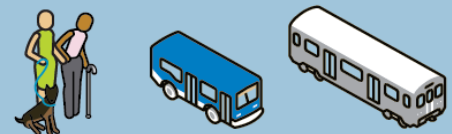
- TDM Website
- Plug and Play TDM Program
- Network Meetings and Workshops for City Staff
- Quarterly Newsletter or Blog
- Branded Marketing Countywide Campaign
- TDM Ordinance Assistance
- TDM Resources (Best Practices)
- TDM Mini Grant Program



# TMA Network Meetings

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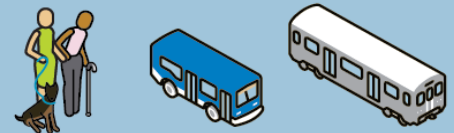
- Hold regular TMA Network Meetings
  - Since August, 2018 three meetings have been held
  - All eleven TMAs located in the County attended
  - Discussions included TMA challenges, specific target marketing and data collection standards



# Telecommuting and Parking Cash Out

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- Promote Telecommuting Policies and Parking Cash Out Compliance Among County Employers
  - Provide “How To” resource materials for employers
  - Hold workshops for employers
  - Provide direct assistance and support to employers

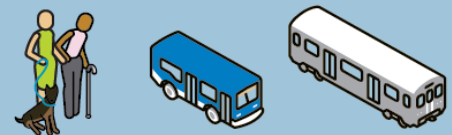




# Establish Countywide Commuter Tax Benefit Ordinance

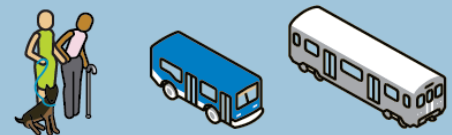
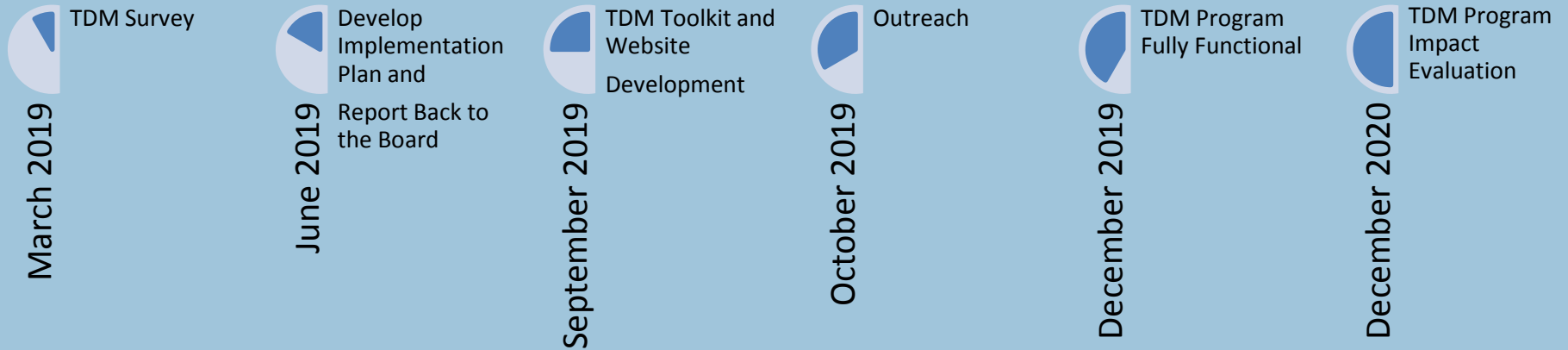
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- AB 2548 Signed by Governor Brown August, 2018
  - Grants Metro the authority to write and implement a Commuter Benefits Ordinance
  - Applies to all employers in the County with 50-249 employees (Approximately 65,000 employers Countywide)
  - Analyzing resources and develop a plan to implement, administer and enforce a Commuter Tax Benefits Ordinance
  - Ordinance will be developed concurrently with education and outreach efforts and will incorporate feedback from those efforts.



# Regional TDM Program Timeline

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## Next Step

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- Provide cities with tools and resources in the TDM Toolkit that will enable and support the specific TDM goals of each city in Los Angeles County
- Provide informational and strategies to support telecommuting and parking cash-out programs for municipalities, TMAs and employers.
- Develop the TDM grant program and selection criteria for the Board to consider in FY20
- Develop a plan for implementation of the TDM initiatives (including Commuter Tax Benefit Ordinance) Report back to the Board in 90 days

