



Board Report

File #: 2023-0526, File Type: Program

Agenda Number: 18.

PLANNING AND PROGRAMMING COMMITTEE SEPTEMBER 20, 2023

SUBJECT: AWARD RECOMMENDATIONS FOR VISIONARY SEED FUND COMPETITIVE GRANT PROGRAM

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING the recommended Visionary Seed Fund competitive grant program funding awards totaling \$2,559,090 (Attachment A);
- B. AUTHORIZING the Chief Executive Officer (CEO) or her designee to negotiate and execute all necessary agreements for approved projects; and
- C. AUTHORIZING the CEO or her designee the authority to administratively approve minor changes to the scope of work of approved Visionary Seed Fund awards.

ISSUE

Measure M allocates \$20 million over 40 years to the Visionary Seed Fund (VSF), and the Measure M Final Guidelines give Metro authority to make \$1.5 million available every three years through a competitive grant process to fund Metro, Municipal Operator, and Local Operator pilot projects that "help spark and develop innovative mobility concepts in Los Angeles County." In March 2023, Metro launched the first competitive grant cycle. Since unused VSF funds had rolled over from 2017, Metro released \$3 million for grant awards.

BACKGROUND

On November 15, 2022, at CoMotion LA, Metro announced that the first VSF grant cycle would seek pilots that test and assess strategies that demonstrate through measurable outcomes how to grow ridership to pre-COVID levels and beyond. Staff briefed the Policy Advisory Council (PAC), Bus Operations Subcommittee (BOS), Local Transit Systems Subcommittee (LTSS), and local transit General Managers about the grant program. Further, staff hosted two Metro internal webinars, and on March 8, 2023, Metro hosted a VSF Innovation Forum, attended by local operators, community-

based organizations, and private companies interested in learning more about the program. Staff released a Notice of Funding Opportunity (NOFO) following the Forum.

DISCUSSION

The first VSF grant cycle made three million available using accumulated unspent funds from 2017. Eligible applicants are Metro, Municipal Operators, and Local Operators. Applicants were encouraged to team with private, public, and/or non-profit partners to deliver their proposed pilot project. Applicants were required to team with at least one research partner to evaluate the effectiveness of the pilot. Project eligibility was broad, with requirements that projects be visionary, innovative, and provide a clear solution for addressing transit ridership.

Metro received four applications from eligible applicants: two applications from Metro, one from Torrance Transit, and one from the City of West Covina. A matrix of applications received from eligible applicants is included in this report as Attachment A. (Metro received eight applications in total; however, four applications were received from ineligible applicants, meaning an application that did not include an LA County-based public transit operator.) The evaluation criteria are included in this report as Attachment B.

Recommended Awards

The evaluation committee, comprised of three Metro staff and two external evaluators, recommended Torrance Transit, the City of West Covina, and Metro TEAMSUN to be awarded the full amount of requested funds.

Torrance Transit - Connect Torrance

Microtransit service that delivers first-last mile connections to Old Town Torrance, Giordano Transit Center, and El Camino College, as well as citywide service for targeted populations (e.g. Seniors and Dial-A-Ride Program participants). Staff recommend awarding the project a full award of \$1,000,000.

City of West Covina - West Covina On-Demand

Microtransit service to supplement city shuttle service as well as provide a first-last mile connection to Metrolink. Staff recommend awarding the project a full award of \$659,090.

Metro - Transit Entrepreneurship Arts Mobility & Safety Uplift Network (TEAMSUN)

A multi-pronged approach to station intervention at Westlake / MacArthur Park, Leimert Park, and Willowbrook / Rosa Parks Stations. The evaluation committee requested clarifications on the scope and project partner roles and responsibilities. Given Metro TEAMSUN's compliance with this request, staff recommend awarding the project a full award of \$900,000.

The evaluation committee did not recommend awarding funds to the Metro Call Point application as it did not sufficiently demonstrate how the project would increase transit ridership. Unallocated available funds will roll over to future grant cycles.

Administrative Scope Changes

Grant recipients may request minor amendments to their project after the Board approves this item. The proposed recommendation will delegate to the CEO or her designee the authority to administratively approve minor changes to the scope of work. Minor changes include those which meet all the following criteria: 1) The scope change is consistent with the defined project limits as approved by the Board; 2) the scope of work, as modified, continues to meet the original intent of the approved project scope; and 3) the parties shall maintain the original grant to grantee funding commitment ratio.

Program Participation, Evaluation, and Recommendations

Staff engaged in informal outreach to LA County-based transit agencies to understand why they did not apply to the program. Feedback from local agencies suggests that the 40% local match requirement was too high, and the administrative burden on staff for the available funds was too great. Staff will further explore what future changes to VSF activities would result in making more funds accessible to local transit operators. Staff will return to the Board before the next grant cycle with recommendations for suggested program improvements.

DETERMINATION OF SAFETY IMPACT

There is no direct safety impact associated with the recommended action.

FINANCIAL IMPACT

Adoption of Award Recommendations for the Visionary Seed Fund competitive grant program would have a not-to-exceed \$3 million impact on the agency over the 30-month grant period of performance.

Impact to Budget

Measure M allocates \$20 million over 40 years for VSF. The first grant cycle made three million available for eligible applicants. The FY24 Budget includes funds to disburse to award recipients. Awarded projects agree to a 30-month period of performance, and the Office of Strategic Innovation will be responsible for budgeting funds in future years.

EQUITY PLATFORM

The recommended action awards funds to three eligible projects. VSF applications were scored on a 100-point scale, with up to 15 points awarded for projects that benefit riders and communities, especially Equity Focus Communities (EFCs), and improve system accessibility. Applicants were also required to submit an Equity Statement describing how the project addressed equity, accessibility, and/or environmental justice concerns within the community.

The Torrance Transit project will establish a new microtransit zone that connects with six Torrance Transit fixed-route bus lines that serve 15% of Metro EFCs. 70% of Metro EFCs served by these lines are identified as Very High Need. Metro EFCs comprise nearly one-quarter of the West Covina microtransit zone and SB 535 Disadvantaged Communities comprise nearly one-third. Metro

TEAMSUN will provide multiple resources aimed at delivering a positive equity impact in the communities surrounding West Lake / MacArthur Park, Leimert Park, and Willowbrook / Rosa Parks Stations. All three stations are located within EFCs, two of which are designated as Very High Need. All three projects test and assess strategies that demonstrate through measurable outcomes how to grow ridership to pre-COVID levels and beyond.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The selected projects advance several Strategic Plan goals, including the following:

- Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. Awarded projects will deliver new mobility options for riders as well as enhance stations areas and multimodal connections.
- Goal 3: Enhance communities and lives through mobility and access to opportunity. Awarded projects will increase community connectivity as well as generate new opportunities for economic empowerment.

ALTERNATIVES CONSIDERED

The board could elect not to approve the recommended project awards for funding; however, this is not recommended as Visionary Seed Fund is a Measure M multi-year subregional program that aims to increase transit ridership in LA County.

NEXT STEPS

With Board approval, Staff will negotiate and execute grant agreements with awardees and work with award recipients to ensure their projects comply with VSF program requirements and Measure M Guidelines. Staff will return to the Board before the next grant cycle with recommendations to improve the VSF program and increase accessibility to program funds.

ATTACHMENTS

Attachment A - Visionary Seed Fund Competitive Grant Program Award Recommendations

Attachment B - Visionary Seed Fund Competitive Grant Program Evaluation Criteria

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Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

Visionary Seed Fund Competitive Grant Program Award Recommendations

| Applicant | Project Name | Evaluation Score | Funding Request | Award Recommendation |
|--|--|------------------|-----------------|----------------------|
| City of Torrance | Connect Torrance | 77.9 | \$1,000,000 | \$1,000,000 |
| <p>Microtransit service that delivers first-last mile connections to Old Town Torrance, Giordano Transit Center, and El Camino College, as well as citywide service for targeted populations (e.g. Seniors and Dial-A-Ride Program participants). The project would deploy seven fully electric shuttles, three of which are wheelchair accessible. Torrance will operate wheelchair accessible vehicles (WAVs) at an equivalent level of service as non-WAV. The service is designed to support community anchors as well as regional Torrance Transit bus lines that connect to surrounding cities. Torrance Transit estimates that the service will result in approximately 36,500 unlinked passenger trips for local travel and 33,500 first-last-mile trips in connection with the Mary K. Giordano Regional Transit Center. Torrance fixed-route service carried approximately two million riders in 2022, which was approximately 60% of pre-pandemic levels. The proposed service area is comprised of several SB 535 Disadvantage Communities and connecting bus routes serve 15% of Metro's Equity Focused Communities (EFCs). Staff recommend awarding the project a full award of \$1,000,000.</p> | | | | |
| City of West Covina | West Covina On-Demand | 70.0 | \$659,090 | \$659,090 |
| <p>Microtransit service to supplement city shuttle service as well as provide a first-last mile connection to Metrolink. The project would deploy five shuttles, one of which is wheelchair accessible. The project seeks to further address equity by increasing access to employment opportunities as well as accessibility for residents who do not own a car or who choose to drive. West Covina fixed-route ridership in FY21 was 19% of FY16 and 30% of FY19. The applicant seeks to use Microtransit to foster community connections. West Covina estimates the service will generate 1,470 rides per week (6,000 rides per month). If successful, the City anticipates the service will surpass current annual fixed-route ridership. Nearly one-third of the proposed service area is considered an SB 535 Disadvantaged Community. Staff recommend awarding the project a full award of \$659,090.</p> | | | | |
| LA Metro | Transit Entrepreneurship Arts Mobility & Safety Uplift Network (TEAMSUN) | 68.5 | \$900,000 | \$900,000 |
| <p>A multi-pronged approach to station intervention at Westlake / MacArthur Park, Leimert Park, and Willowbrook / Rosa Parks Stations. The application proposes to increase transit ridership by fostering a people-connected transit system that strengthens the local economy through cultural tourism, micro-entrepreneurism, and support for local small businesses. The evaluation committee requested clarifications on the scope and project partner roles and responsibilities. Given Metro TEAMSUN's compliance with this request, staff recommend awarding the project a full award of \$900,000.</p> | | | | |
| LA Metro | Metro Call Point (MCP) | 66.2 | \$1,800,000 | \$0 |
| <p>Call point units to replace P-TELS, E-TELS, and G-TELS. Staff do not recommend awarding funds to the project.</p> | | | | |

ATTACHMENT B

Visionary Seed Fund Competitive Grant Program Evaluation Criteria

Impact (50 Points)

- Project contributes to ridership growth (25 Points)
- Project demonstrates innovation (10 Points)
- Project benefits riders and local communities, especially Equity Focus Communities, and improves system accessibility (15 Points)

Scalability & Collaboration (50 Points)

- Project demonstrates readiness and/or feasibility (10 Points)
- Project demonstrates realistic and achievable schedule (10 Points)
- Project demonstrates scalability and potential for wider adoption (10 points)
- Project team demonstrates experience and expertise for implementing the project (10 Points)
- Project demonstrates alignment with [Vision 2028](#) and other regional transportation goals (10 Points)

TOTAL: 100 Points

◆ Award Recommendations for Visionary Seed Fund Competitive Grant Program

Planning and Programming Committee
September 20, 2023



Visionary Seed Fund (VSF) Background

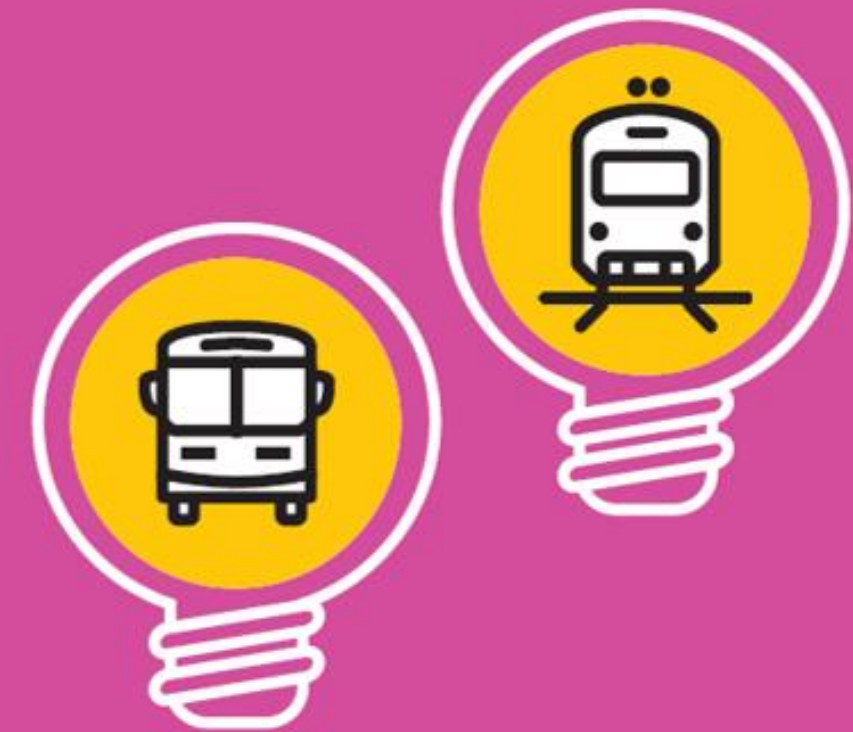
- Measure M makes \$20 million available over 40 years (FY2018-2057)
 - Multi-year Subregional Program
 - Measure M Final Guidelines makes \$1.5 million available every three years through a competitive grant process and unused funds roll over
- Goal to “help spark and develop innovative mobility concepts for Los Angeles County.”
- Eligible applicants include Metro, Municipal Operators, and Local Operators



Visionary Seed Fund (VSF) Background

- Hosted Innovation Forum and released NOFO in March
 - \$3 million available for projects focused on ridership recovery
- Four applications from eligible applicants
 - Metro (2), Torrance Transit, and City of West Covina
- ~\$5 million requested from eligible applicants
- Three project themes:
 - Microtransit (2)
 - Rail station / community activation
 - Safety / communications equipment replacement

Visionary Seed Fund *Innovation Forum*



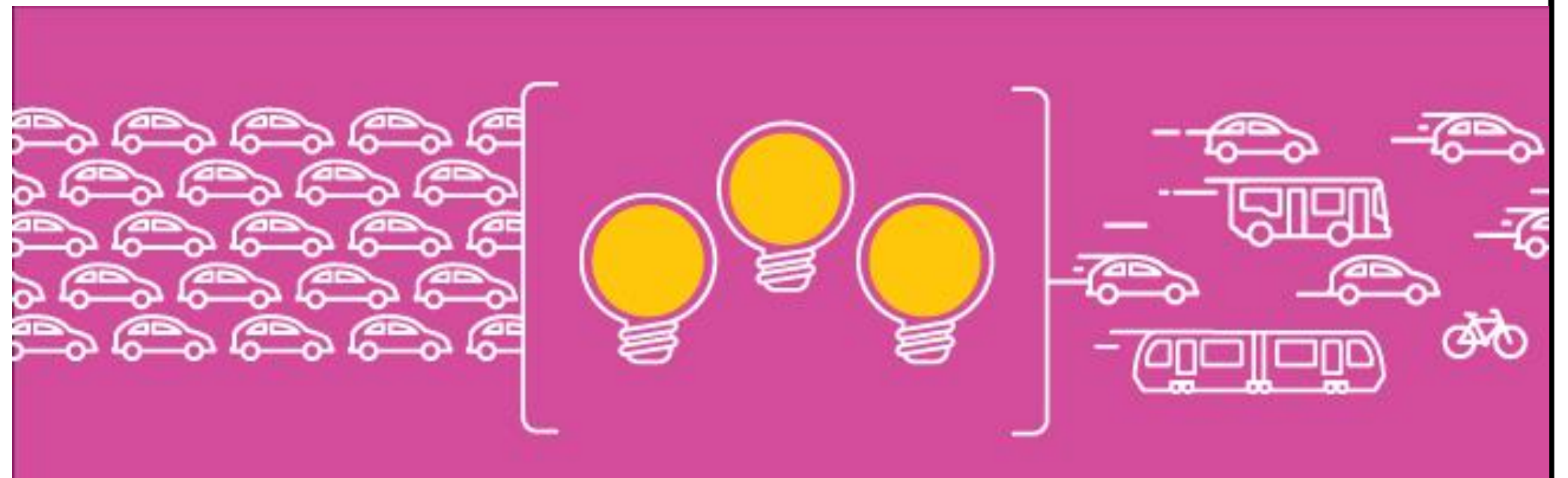
Recommended Awards

- Connect Torrance Microtransit
 - Microtransit service that delivers first-last mile connections to Old Town Torrance, Giordano Transit Center, and El Camino College and citywide service for targeted populations
 - \$1 million awarded (full amount requested)
- West Covina On-Demand
 - Microtransit service to supplement city shuttle service as well as first-last mile connection to Metrolink
 - \$659,090 awarded (full amount requested)
- Metro Transit Entrepreneurship Arts Mobility and Safety Uplift Network (TEAMSUN)
 - A multi-pronged approach to station intervention at Westlake/MacArthur Park, Leimert Park, and Willowbrook/Rosa Parks Stations that includes cultural tourism, micro-entrepreneurism, and support for local small businesses
 - \$900,000 awarded (full amount requested)



Next Steps

- Staff to negotiate and execute grant agreements with awardees
 - Work with award recipients to ensure their projects comply with VSF program requirements and Measure M Guidelines
- Staff will return to the Board before the next grant cycle with recommendations to improve the VSF program and increase accessibility to program funds



Recommendations

- APPROVING the recommended Visionary Seed Fund competitive grant program funding awards totaling \$2,559,090.
- AUTHORIZING the Chief Executive Officer (CEO) or her designee to negotiate and execute all necessary agreements for approved projects; and
- AUTHORIZING the CEO or her designee the authority to administratively approve minor changes to the scope of work of approved Visionary Seed Fund awards.

