



Board Report

File #: 2024-0331, File Type: Program

Agenda Number: 8.

PLANNING AND PROGRAMMING COMMITTEE JULY 17, 2024

**SUBJECT: FUNDING AWARD RECOMMENDATION FOR THE STATE ACCESS FOR ALL
GRANT PROGRAM**

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

CONSIDER:

- A. APPROVING the recommended Access for All Program funding award to ButterFLi Technologies, Inc. totaling \$1,584,814 (Attachment A); and
- B. AUTHORIZING the Chief Executive Officer (CEO), or their designee, to negotiate and execute funding agreements with the entities receiving awards.

ISSUE

The State of California's Access for All Program provides funding to increase the availability of on-demand wheelchair accessible vehicle (WAV) service. Metro is the administrator of these funds for Los Angeles County. Following a competitive solicitation for project proposals, a recommended funding award is presented.

BACKGROUND

Senate Bill (SB) 1376 requires the California Public Utilities Commission (CPUC), as part of its regulation of Transportation Network Companies (TNCs), to establish a program to improve the accessibility of persons with disabilities to on-demand transportation services requested through online-enabled applications or platforms. Through this program, TNCs pay a fee of \$0.10 to the CPUC for each passenger trip originating in each county statewide that their providers complete. From the fees collected, the CPUC created an "Access Fund" to deposit the revenue, which is then redistributed to Local Access Fund Administrators (LAFAs) to pay for services of competitively selected Access Providers to operate on-demand WAV service in their counties. The CPUC also approved allowing LAFAs to use up to 15 percent of the amount it allocates to each county each year to cover administrative expenses.

In June 2021, the Metro Board of Directors authorized Metro to serve as the Los Angeles County

LAFAs. Subsequently, Metro developed a countywide Access for All Program to guide the planning, distribution, management, and oversight of funds for each annual funding cycle (until the SB 1376 sunset date in 2027 unless extended).

In 2023, Metro released the inaugural solicitation with two years of program funding totaling \$7.5M available for the competitive funding opportunity (For this solicitation, CPUC allowed Metro to combine funding from the first two years of the program. All future solicitations are anticipated to occur yearly per CPUC program guidelines). Metro received six applications and evaluated projects based on criteria such as project readiness and serving areas not already covered by complementary paratransit (i.e. Access Services). Staff recommended five projects that scored highest. These projects had the most potential to achieve the goals of the program as measured by increasing the number of WAV trips completed, improving the trip completion rate, and reducing response times. In addition, since these funds are awarded annually, the highest scoring proposals demonstrated readiness to expend funds and produce measurable results.

The proposed project that scored the lowest did not receive funding. The proposed project did not demonstrate an intention to specifically provide on-demand WAV service for persons with disabilities, as indicated, among other things, by including bike racks on the proposed vehicles.

Two of the Access Providers that received funding in 2023 have had notable success achieving the goals of the program. ButterFLi Technologies, Inc. has provided over 10,000 on-demand rides for persons requiring mobility devices, and Administrative Services Cooperative, Inc. (Yellow Cab) has deployed 44 new wheelchair accessible taxis throughout Los Angeles County. The other three projects are in varying stages of implementation, and data is not yet available.

During the previous Access for All application solicitation in 2023, Metro staff received requests from the Board to increase awareness of the program and funding opportunity, with assistance from the Access Providers where possible. Before and during the FY 2024 solicitation, staff took multiple actions to ensure that information about the program was effectively disseminated. Details of these actions are outlined below. For Access Providers, the primary goal of their outreach is to promote their transportation service and attract riders, but their marketing also generally increases program awareness.

DISCUSSION

Los Angeles County received \$1,864,487 in funding from cycle three of the Access for All Program funding (FY 2023). Of these funds, 15% is set aside for administrative expenses, leaving a total of \$1,584,814 for eligible projects.

Metro released a competitive solicitation for project proposals on March 5, 2024, per CPUC Guidelines. In preparation for the FY 2024 solicitation, Metro convened an ad hoc advisory working group, comprised of ten stakeholders. Working group members include representatives from non-profits such as Independent Living Center, Metro sub-committees, the Aging and Disability Transportation Network, and Access Services. This group contributed insights shaping the FY 2024 AFA solicitation. Government, non-profit, and for-profit organizations were eligible to apply if they could provide direct WAV transportation service that could be promptly launched and sustained

despite yearly funding variability and otherwise meet the CPUC program requirements for Access Providers.

Metro staff, in support of this current solicitation, emphasized staff availability to provide technical assistance and actively engaged with stakeholders. Outreach and marketing activities included:

- Monitoring the dedicated email, AccessForAll@metro.net, for direct program-related inquiries.
- Updating Metro's Access for All webpage, <https://www.metro.net/about/access-for-all/>, including information on past awards and application instructions.
- Continued collaboration with current Access Providers to learn and develop the program's budding success.
- Phone calls to approximately 70 Metro subrecipients and forwarding the notice of funding availability to ensure their awareness of the funding opportunity and respond to questions.
- Circulating information to Metro's subcommittees including the Bus Operations Subcommittee (BOS), the Local Transit Systems Subcommittee (LTSS), and the Accessibility Advisory Committee (AAC).
- Collaborating with Metro Community Relations to notify cities, Councils of Governments, and other public, non-profit, and for-profit entities within Los Angeles County.
- Providing technical assistance to applicants during the solicitation period (including multiple productive exchanges with the applicant not recommended for funding)
- Hosting a webinar for interested parties and potential applicants on March 6, 2024, and posting a recording of the webinar on Metro's Access for All webpage.

The efforts to broaden the Access for All program's reach helped generate significant interest for the program and two viable applications, one from a new potential Access Provider. The reduced amount of funding available for FY 2024 compared to FY 2023 (\$1.58M vs. \$7.87M) resulted in fewer applicants interested in pursuing grants. The applicant response rate is consistent with the rate seen in other Counties with similar funding availability. Metro anticipates an increase in funding availability for 2025, which we expect to result in additional applications.

In addition, over the past year, the Access Providers marketed their services to individuals with disabilities as required by the program guidelines. These efforts included: email campaigns, flyer distribution to healthcare facilities, post-secondary schools, and other community resources. A notable example includes a current Access Provider, ButterFLi Technologies, Inc. conducting extensive marketing and outreach for their grant-funded on-demand transportation service. They rolled out an innovative user-centric website and multi-channel digital marketing campaign that helped generate 15,000+ website visits, 13,000+ social media impressions, and 10,000+ rides booked. This effort earned ButterFLi a 2024 Netty Award. These digital efforts were supplemented by a series of roundtable discussions ButterFLi hosted in 2023 and 2024 that included guest speakers and extensive social media reach. While this outreach primarily benefited the target rider population of persons with disabilities, it also raised awareness generally throughout the County as evidenced by comments heard through our ongoing work with the ad hoc working group and other advocacy groups.

Preliminary Funding Recommendation

Two eligible applications requesting \$2,182,000 were received by the April 2, 2024, deadline. Metro formed a panel of internal staff and external volunteers to evaluate the proposals. The final project rankings are included in Attachment A.

Metro issued preliminary funding recommendations on May 6, 2024, for 95% of the funding (\$1,505,574). The remaining 5% of available funds (\$79,240) were set aside for Metro's Technical Advisory Committee (TAC) appeals process in accordance with Metro's standard practice.

As with past solicitations, Metro directly notifies the non-recommended applicants of the opportunity for the Metro TAC appeal and the availability of Metro staff to debrief and answer any applicant questions.

In the preliminary funding recommendation, staff recommended that the first ranked project (ButterFLi Technology, Inc.'s Access for All Program), which requested \$1.6M, be partially funded up to the 95% cap. While the funding available is not sufficient to provide WAV service countywide, ButterFLi's service model allows them to provide service across jurisdictions in the South Bay, Gateway, and Westside/Central areas.

Staff representing the non-recommended project (City of Glendora's Go Glendora On Demand Project) has been in communication with Metro staff throughout the solicitation process. Metro anticipates receiving a request for a debriefing and will assist the applicant in preparing for the next solicitation anticipated in 2025.

Current information from the CPUC indicates that Metro will have approximately \$5.7M available for the competitive solicitation in 2025.

Technical Advisory Committee Appeals

On June 5, 2024, TAC heard one appeal from the applicant recommended for award. After hearing the presentation, TAC approved a motion recommending that the 5% set aside (\$79,240) be awarded to the first-ranked project, ButterFLi Technologies, Inc., a current Access Provider. Metro staff concurs with this recommendation as reflected in Attachment A. This award will allow for a seamless continuation of the on-demand WAV service launched by ButterFLi last year.

DETERMINATION OF SAFETY IMPACT

Approval of the recommended actions will not impact the safety of Metro's customers and employees.

FINANCIAL IMPACT

In FY 2025, \$2.7 million is budgeted in Cost Center 0441 (Subsidies to Others) for the Program (Project #405508). Since these are multi-year projects, the cost center manager for 0441 (Planning - Subsidies to Others) and the Chief Planning Officer will be responsible for budgeting in future years.

Impact to Budget

Access for All Program funds will fully fund the recommended action. No other Metro funds will be required to manage, administer, and oversee the program. The Access for All funds are not eligible for Metro's bus and rail operating and capital expenditures.

EQUITY PLATFORM

The primary objective of the Access for All Program is to enhance and expand WAV on-demand transportation services throughout Los Angeles County, particularly for individuals with disabilities. This demographic faces significant challenges in accessing suitable mobility options, and the program aims to mitigate these disparities. For example, according to one study, people with disabilities make twice as many Transportation Network Company (TNC) and taxi trips as non-disabled persons per capita. Yet, per the CPUC's recent statewide report to the Legislature on the Access for All program, there remain significant disparities between WAV and non-WAV TNC services.

As an integral part of Metro's Access for All Program Development, staff actively engaged with individuals with disabilities, seniors, and other stakeholders to discuss funding requirements and priorities. Metro conducted similar targeted outreach for the 2021-2024 Coordinated Plan Update. This update, required for Metro to receive FTA Section 5310 funds, lays the groundwork for understanding the critical needs of seniors and persons with disabilities and identifies countywide investment priorities for projects and programs supporting this target group. Currently, Metro is updating this plan for 2025-2028 and continuing to engage stakeholders in identifying needs and priorities. A recurring theme in these discussions was and continues to be the pressing need for increased WAV on-demand services. There is a lack of a curb-to-curb on-demand WAV transportation service, and the available funding from this opportunity will play a crucial role in meeting this demand on a countywide scale.

Moving forward, as the Access for All program evolves and data becomes available, Metro aims to evaluate ridership data and assess demographic priorities to ensure that the on-demand WAV services in place due to Access for All funds are effectively servicing Equity Focus Communities and other locations with high concentrations of people with disabilities with poor access to on-demand WAV services. The cost and affordability of on-demand WAV services is also an ongoing consideration. Access for All Program requirements states that fares should be on par, or less, with current TNC operators. ButterFLi Technologies, Inc. launched the program last year free of fare, but based on feedback from working group members, the current proposed project will charge a fare of \$3.00 per ride to support the sustainability of the program - which is substantially less than current TNC operators. Another access provider, Yellow Cab, has fares based on the meter rates set by Los Angeles County.

Metro will leverage project location information in future Coordinated Plan updates to define areas or populations of higher need within the target population to inform future funding opportunities and ensure sufficient coverage of Equity Focus Communities. The overarching goal is to create an inclusive and accessible transportation system that addresses the unique challenges faced by individuals with disabilities in the region.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following goals of the Vision 2028 Strategic Plan:

Goal 1: Provide high-quality mobility options that enable people to spend less time traveling; and

Goal 3: Enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board could elect not to approve the recommended action. Staff do not recommend this alternative because, without Board approval, Metro cannot fulfill its responsibilities as the Local Fund Administrator for Access for All Program funds. Metro could also risk losing program funding if no action is taken to use the program funds for achieving program goals. The Board could approve a partial award to the recommended applicant, using the remaining funds to fully or partially fund the non-recommended applicant. However, Metro's standard approach is to allocate funds "according to the ranking of projects to the maximum amount made available for the fiscal year," (Section VI, Access for All Solicitation, 2024). Additional factors supporting the award to the highest-scoring applicant include the limited funding available, the better readiness of the ButterFLi proposal, and the higher potential to achieve the goals of the program.

NEXT STEPS

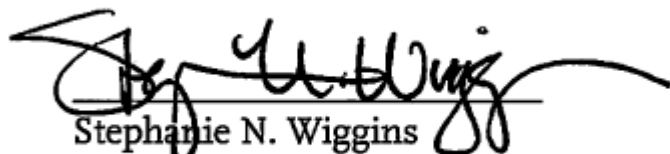
With Board approval, staff will execute a funding agreement with the successful applicant and will monitor project implementation.

ATTACHMENTS

Attachment A - FY 2024 Access for All Funding Award Recommendations

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METRO FY24 ACCESS FOR ALL COMPETITIVE SOLICITATION

AWARD RECOMMENDATION

RANK	ORGANIZATION	PROJECT DESCRIPTION	FUNDING REQUESTED	FUNDING AWARD RECOMMENDED	UNFUNDED AMOUNT
1	Buterfli Technologies	Operating funds to provide WAV assisted transportation services	\$ 1,600,000	\$ 1,584,814	\$ 15,186

Total

NOT RECOMMENDED FOR AWARD

RANK	ORGANIZATION	PROJECT DESCRIPTION	FUNDING REQUESTED
2	City of Glendora	Capital purchase of two wheelchair-accessible vehicles and on-demand software.	\$582,000



Access for All Grant Program FY 2024 Award Recommendation

**Planning and Programming Committee
July 17, 2024**



Metro

File# 2024-0331

Program Overview

- SB 1376 (2018) directed CPUC to establish a program to increase on-demand WAV availability
- A \$0.10 Access Fee is collected on each TNC ride
- Local Access Fund Administrators (LAFA) distribute funds through annual competitive solicitations
- Access Providers selected through a competitive process provide WAV service
- Metro Board of Directors authorized Metro to serve as the Los Angeles County LAFA (2021)

Funding Year (Six Cycles)	Collection Source (Calendar Year)	Funding Available (Los Angeles County)
2021	Q3 2019 – Q2 2020	\$5,634,699
2022	Q3 2020 – Q2 2021	\$2,231,134
2023	Q3 2021 – Q2 2022	\$1,584,814
2024	Q3 2022 – Q2 2023	TBD
2025	Q3 2023 – Q2 2024	TBD
2026	Q3 2024 – Q2 2025	TBD

- First two years of funding awarded following competitive solicitation in FY 2023, current funding award recommendation is year three, with three more years of funding ahead

FY 2024 Solicitation

- \$1,584,814 available for eligible projects, including 5% set aside for TAC appeals (\$79,240)
- Metro released a competitive solicitation for project proposals on March 5, 2024
- Two eligible proposals received by the April 2, 2024 deadline

Eligible Proposals			
Rank	Proposer	Project Description	Funding Requested
1	Buterfli Technologies	Operating funds to provide WAV assisted transportation services	\$1,600,000
2	City of Glendora	Capital purchase of two WAVs and on-demand software.	\$582,000

Award Recommendation

- Preliminary funding recommendation on May 6, 2024, of the first-ranked project funded up to 95% cap.
- On June 5, 2024, TAC approved a motion recommending that the set aside be awarded to the first-ranked project
- Recommend awarding \$1,584,814 to ButterFLi Technologies, Inc.
- ButterFLi Technologies, Inc. is a current Access Provider, this award will allow for a seamless continuation of on-demand WAV service

Next Steps

- Execute Funding Agreement with ButterFLi Technologies, Inc.
- Monitor project implementation
- Continue quarterly data collection and reporting to the CPUC
- Conduct solicitations in the future for the remaining funding years