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Agenda - Final

Thursday, February 18, 2021

11:30 AM

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Executive Management Committee

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Hilda Solis, Vice Chair

Ara Najarian, 2nd Vice Chair

James Butts

Paul Krekorian

Sheila Kuehl

Tony Tavares, non-voting member

Phillip A. Washington, Chief Executive Officer

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(ALSO APPLIES TO BOARD COMMITTEES)

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Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

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- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

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x2 *Español (Spanish)*

x3 *中文 (Chinese)*

x4 *한국어 (Korean)*

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The Committee Meeting begins at 11:30 AM Pacific Time on February 18, 2021; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-251-2949 and enter
English Access Code: 8231160#
Spanish Access Code: 4544724#

To give public comment on an item, enter #2 (pound two) when that item is taken up by the Board. Please note that the live video feed lags about 30 seconds behind the actual meeting. There is no lag on the public comment dial-in line.

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La Reunion de la Junta comienza a las 11:30 AM, hora del Pacifico, el 18 de Febrero de 2021. Puedes unirse a la llamada 5 minutos antes del comienzo de la junta.

Marque: 888-251-2949 y ingrese el codigo
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Los Angeles, CA 90012

CALL TO ORDER**ROLL CALL****APPROVE Consent Calendar Items: 36 and 37.**

Consent Calendar items are approved by one vote unless held by a Director for discussion and/or separate action.

CONSENT CALENDAR**36. SUBJECT: VIDEO PRODUCTION SERVICES [2020-0885](#)****RECOMMENDATION**

A. AUTHORIZE the Chief Executive Officer to execute the following bench contracts for video production services to the following firms, for a cumulative not-to-exceed amount of \$3,541,000 for the four (4) year term, effective March 1, 2021, through February 28, 2025, subject to resolution of protests, if any:

- a) Contract No. PS68458000 with ALAS Media
- b) Contract No. PS68458001 with Bubba's Chop Shop
- c) Contract No. PS68458002 with Clockwork Media
- d) Contract No. PS68458003 with Dreamseeker Media
- e) Contract No. PS68458004 with Friendly Filmworks
- f) Contract No. PS68458005 with MainSpring Business Video
- g) Contract No. PS68458006 with Sanchez Media
- h) Contract No. PS68458007 with Zero1 Agency

B. AWARD AND EXECUTE task orders for an aggregate not-to-exceed amount of \$3,541,000.

Attachments: [Attachment A - Procurement Summary](#)
[Attachment B - Recommended Firms by Video Style Category](#)
[Attachment C - DEOD Summary](#)

37. SUBJECT: METRO MEDICAL CLINIC SERVICES [2020-0876](#)**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. AWARD six, nine-year, firm fixed unit rate Contract Nos. PS70268000 through PS70268005, to the following firms, for **Medical Clinic Services**, for a not-to-exceed amount of \$6,833,016 for the five-year base term, effective March 1, 2021 through February 28, 2026, plus \$2,384,203 for the first, two-year option and \$2,436,542 for the second,

two-year option, for a combined total amount not-to-exceed \$11,653,761, subject to resolution of protest(s), if any.

Contract No.	Contractor
PS70268000	ProHealth Glendale Occupational Medical Group, Inc.
PS70268001	ProHealth Valley Occupational Medical Group, Inc.
PS70268002	CareOnSite, Inc.
PS70268003	Concentra Medical Centers - Los Angeles
PS70268004	Concentra Medical Centers - Commerce
PS70268005	Concentra Medical Centers - Van Nuys

- B. EXECUTE individual task orders under these Contracts for medical clinic services for an aggregate not-to-exceed amount of \$11,653,761.

Attachments: [Attachment A - Procurement Summary](#)
[Attachment B - DEOD Summary](#)

NON-CONSENT

38. **SUBJECT: STATE AND FEDERAL REPORT** [2020-0909](#)

RECOMMENDATION

RECEIVE AND FILE State and Federal Legislative Report.

39. **SUBJECT: METRO'S COVID-19 VACCINE DISTRIBUTION PLAN** [2021-0034](#)

RECOMMENDATION

RECEIVE oral report on Metro's COVID-19 vaccine distribution plan.

Attachments: [Presentation](#)

40. **SUBJECT: COMMERCIAL SPONSORSHIP AND ADOPTION POLICY** [2020-0888](#)

RECOMMENDATION

CONSIDER:

ADOPT the Commercial Sponsorship and Adoption Policy (Attachment B) in order to create a Commercial Sponsorship and Adoption Program with the goals of generating revenues to support agency programs and initiatives.

Attachments: [Attachment A - LACMTA Asset Valuation Study \(Legistar File # 2020-0387\)](#)
[Attachment B - Metro Commercial Sponsorship and Adoption Policy Sponsorship Presentation](#)

41. SUBJECT: SEPULVEDA TRANSIT CORRIDOR PROJECT[2020-0889](#)**RECOMMENDATION**

RECEIVE AND FILE staff recommendation for the award of up to two contracts to furnish all goods and services required for the performance of pre-development work for the Sepulveda Transit Corridor Project, for future consideration.

Attachments: [Attachment B - Procurement Summary](#)
[Attachment C - DEOD Summary](#)

42. SUBJECT: FEBRUARY 2021 EQUITY AND RACE PROGRAM UPDATE[2020-0907](#)**RECOMMENDATION**

RECEIVE AND FILE February 2021 status report on the Equity and Race Program.

Attachments: [Attachment A - Equity and Race Program Update 8.20.2020](#)
[Attachment B - Mid-Year FY 20-21 Budget Equity Assessment](#)
[Attachment C - Motion 31.1 Response - Assembly Constitutional Amendment 5](#)

43. SUBJECT: FARELESS SYSTEM INITIATIVE UPDATE[2021-0013](#)**RECOMMENDATION**

RECEIVE Oral report on Fareless System Initiative.

44. SUBJECT: TRAFFIC REDUCTION STUDY[2020-0913](#)**RECOMMENDATION**

RECEIVE oral report on Traffic Reduction Study.

Attachments: [Presentation](#)

45. SUBJECT: RECOVERY TASK FORCE FINAL REPORT[2020-0841](#)**RECOMMENDATION**

RECEIVE AND FILE Metro Recovery Task Force Final Report

Attachments: [Attachment A - Recovery Task Force Final Report](#)
[Attachment B - Summary of and Response to Public Feedback on Draft Final Report](#)
[Presentation](#)

SUBJECT: GENERAL PUBLIC COMMENT[2021-0021](#)

RECEIVE General Public Comment

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST WITHIN COMMITTEE'S SUBJECT MATTER JURISDICTION

Adjournment



Board Report

File #: 2020-0885, File Type: Contract

Agenda Number: 36.

EXECUTIVE MANAGEMENT COMMITTEE FEBRUARY 18, 2021

SUBJECT: VIDEO PRODUCTION SERVICES

ACTION: APPROVE METRO VIDEO BENCH CONTRACTS AWARD

RECOMMENDATION

A. AUTHORIZE the Chief Executive Officer to execute the following bench contracts for video production services to the following firms, for a cumulative not-to-exceed amount of \$3,541,000 for the four (4) year term, effective March 1, 2021, through February 28, 2025, subject to resolution of protests, if any:

- a) Contract No. PS68458000 with ALAS Media
- b) Contract No. PS68458001 with Bubba's Chop Shop
- c) Contract No. PS68458002 with Clockwork Media
- d) Contract No. PS68458003 with Dreamseeker Media
- e) Contract No. PS68458004 with Friendly Filmworks
- f) Contract No. PS68458005 with MainSpring Business Video
- g) Contract No. PS68458006 with Sanchez Media
- h) Contract No. PS68458007 with Zero1 Agency

B. AWARD AND EXECUTE task orders for an aggregate not-to-exceed amount of \$3,541,000.

ISSUE

Metro Marketing produces public-facing information to support the goals of the Vision 2028 Strategic Plan. The Marketing Department has traditionally used a bench of small business video production firms to supplement staff capacity in video development and production. Video is an important medium in the digital space and this small business video production bench contract allows Metro to have capacity for video production projects. Awarding this contract again will allow the department to maintain the amount of video content it can produce, which will enhance Metro's ability to provide clear information for riders and capture attention online about Metro projects and initiatives. To allow the agency to produce videos tailored to the agency's increasingly sophisticated digital advertising placements, social media targeting and web/mobile presence, Metro Communications staff recommends awarding a bench contract to 8 local video production companies. To ensure equitable distribution of work and ample work opportunities for each firm, projects will be assigned to contractors on an as-needed rotational basis.

DISCUSSION

Through a small business set aside procurement, 26 firms submitted proposals. The proposal evaluation team selected eight (8) small business video production firms with a variety of competencies and areas of expertise to produce video content that can assist the Marketing department in pursuing the agency's marketing communication goals. This gives Metro flexibility in utilizing a wide range of video production capabilities. Similar to past video bench procurements, the selected firms' competencies build on Metro's current in-house production abilities, providing additional capacity and proficiencies.

Staff evaluators have verified these contractors' skills in producing digital ad units, and video content to enhance information on the agency's website, blog and social media channels, all of which are growing as public engagement tools.

Considerations

Continuing to structure Metro's video capacity with a stable of contractors, as recommended, builds on existing in-house video production capabilities with a flexible arrangement that will allow for more production activity and larger-scale productions as needed. Contracting with multiple small businesses allows Metro to leverage the plentiful local talent from the entertainment industry, without commitment of full-time staff or purchased equipment, to help the agency compete in the increasingly sophisticated digital space. Metro's Strategic Marketing Plan recognizes the importance of video content, and award of this contract helps position the agency to better implement this plan.

FINANCIAL IMPACT

Metro's estimated budget for the life of the Contract, which is four (4) years, is \$3,541,000.

Impact to Budget

Funding for video production costs will parallel allocated project funding and may include sources like fares, sales tax, federal and state funds. The impact will vary year-to-year based on project and advertising budgets to support Metro projects, programs and initiatives. Because this is a multi-year contract, the budget will be allocated as needed by project managers in future years.

In FY20, \$693,645 was spent for video services across various categories, including project and construction status, NextGen, Eat Shop Play and safety videos.

\$72,000 has been budgeted for video services in FY21, focusing on high-priority projects such as NextGen and established Bucket 1 agency priorities. The FY22 video services budget is still currently in development but will be based on agency needs including continued support of Bucket 1 projects, as well as upcoming project openings, ridership efforts, the newly established Customer Experience plan and rider information related to the NextGen rollout.

SAFETY IMPACT

Contractors may be required to shoot footage on Metro property if the scope of a project warrants it. Metro Communications will continue to follow all Metro Operations' safety requirements, including rail safety training for contractors and coordinating all shoots through established protocols.

ALTERNATIVES CONSIDERED

Alternatives to Board approval include building an in-house video production team, which would require at least four additional full-time employees with expertise in video production and ongoing procurement of professional-level video production equipment, editing computers and software, as well as potential real estate rental to house all of it. This route would also require Metro to continually purchase new equipment, as technology is rapidly changing, to remain competitive. Furthermore, the agency would not be able to benefit from learnings and experience that outside video producers bring from working on a variety of high-concept productions outside of Metro.

NEXT STEPS

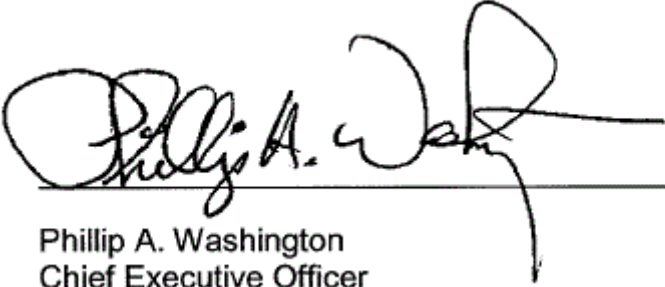
Upon Board approval, staff will execute contract numbers PS68458000 through PS68458007 to the listed firms above and award individual task orders as needed for Metro video bench services.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Recommended Firms by Video Style Category
- Attachment C - DEOD Summary

Prepared by: Amanda Penalosa, Senior Marketing and Communications Officer, (213) 922-6999
Ana Vallianatos, Communications Manager, (213) 922-2248
Glen Becerra, Executive Officer, Marketing, (213) 418-3264

Reviewed by: Yvette Rapose, Chief Communications Officer, (213) 418-3154
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

METRO VIDEO BENCH / PS68458000 through PS68458007

1.	Contract Numbers: PS68458000 through PS68458007	
2.	Recommended Vendors: PS68458000 ALAS Media; PS68458001 Bubba's Chop Shop; PS68458002 Clockwork Media; PS68458003 Dreamseeker Media; PS68458004 Friendly Filmworks; PS68458005 MainSpring Business Video; PS68458006 Sanchez Media; PS68458007 Zero1 Agency	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> RFP <input type="checkbox"/> IFB <input type="checkbox"/> IFB-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: April 13, 2020	
	B. Advertised/Publicized: April 22, 2020	
	C. Pre-proposal Conference: April 22, 2020	
	D. Proposals Due: June 22, 2020	
	E. Pre-Qualification Completed: December 15, 2020	
	F. Conflict of Interest Form Submitted to Ethics: August 13, 2020	
	G. Protest Period End Date:	
5.	Solicitations Picked up/Downloaded: 31	Proposals Received: 26
6.	Contract Administrator: Antwaun Boykin	Telephone Number: (213) 922-1056
7.	Project Manager: Ana Vallianatos	Telephone Number: (213) 922-2248

A. Procurement Background

This Board Action is to approve the award of bench Contract numbers PS68458000 through PS68458007 issued in support of video production services for Metro Communications Marketing Department for a four-year term. The contracts will be effective March 1, 2021 with a cumulative total amount not-to-exceed \$3,541,000. Staff will issue task orders on an as-needed rotational basis to allow work opportunities for each firm on the bench. Board approval of contract awards are subject to resolution of any properly submitted protest

Request for Proposals (RFP) No. PS68458 was issued in accordance with Metro's Acquisition Policy and the contract type is task order based, firm fixed unit rate.

Five amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on April 17, 2020 provided documents and the conference call information for the virtual pre-bid conference;
- Amendment No. 2, issued on April 23, 2020 provided documents from the virtual pre-bid conference;
- Amendment No. 3, issued on May 4, 2020 extended the bid due date and time and revised Contract Article IV: Ordering.
- Amendment No. 4, issued on May 29, 2020 provided Disadvantaged Business Enterprise (DBE) "Good Faith Effort" Forms.
- Amendment No. 5, issued on June 15, 2020 extended the bid due date and time.

A total of 26 proposals were received on the due date of June 22, 2020.

B. Evaluation of Proposal

A total of 26 proposers responded to this solicitation. The firms are listed below in alphabetical order:

1. 24VR Productions
2. Agbohworks
3. ALAS Media
4. Avenida Productions
5. Blu Fable
6. Boatright-Simon Picture+Sound
7. Bubba's Chop Shop
8. Clockwork Media
9. Communications Lab
10. Conceptive
11. Dakota Communications
12. Dreamseeker Media
13. Duck Punk Productions
14. Firestarter Studios
15. Friendly Filmworks
16. Heromade Productions
17. Klein Creative Media
18. L.A. City Films
19. Lux Virtual
20. MainSpring Business Video
21. MBI Media
22. Midnight Hour Studios
23. MV MNT Productions
24. Producto Studios
25. Sanchez Media
26. Zero1 Agency

A Proposal Evaluation Team (PET) consisting of staff from Metro Communications Marketing department was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|---------------------------------------|-----|
| • Sample Video(s) | 50% |
| • Degree of The Proposer's Experience | 20% |
| • Degree of The Proposer's Skills | 20% |
| • Cost | 10% |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar service procurements. Several factors were considered when developing these weights, giving the greatest importance to sample videos of previous video production work.

Proposers were required to submit sample videos for the various video production categories for evaluation. Proposers could propose and submit sample videos for any category of their choosing. The categories are as follows:

1. Video Ad Unit
2. Instructional
3. Webisode
4. Documentary or News Magazine
5. Corporate Video

Of the 26 proposals received, 15 firms were determined to be outside the competitive range after failing to meet the scoring requirement of at least one video content category as stated in the RFP and were not included for further consideration of their written Technical Proposal or Cost Proposals. The 11 firms within the competitive range are listed below in alphabetical order:

1. Alas Media
2. Boatright-Simon Picture+Sound
3. Bubba's Chop Shop
4. Clockwork Media
5. Dreamseeker Media
6. Friendly Filmworks
7. MainSpring Business Video
8. Midnight Hour Studios
9. Producto Studios
10. Sanchez Media
11. Zero1 Agency

On June 26, 2020 the members of the Proposal Evaluation Team (PET) were given copies of all the sample video proposals to begin their evaluation. On October 5, 2020 the PET met to discuss the evaluations of all submitted sample videos, determine competitive range and distribute the 11 written technical proposals of the proposers determined to be within the competitive range. Finally, on November 17, 2020 the PET met for final evaluations of all submitted written technical proposals.

Of the 11 proposers within the competitive range, eight were determined to be technically acceptable and are being recommended for the bench contracts in various categories (Attachment B). They are listed below in alphabetical order:

No.	Contract No.	Firm
1	PS68458000	ALAS Media
2	PS68458001	Bubba's Chop Shop
3	PS68458002	Clockwork Media
4	PS68458003	Dreamseeker Media
5	PS68458004	Friendly Filmworks
6	PS68458005	MainSpring Business Video
7	PS68458006	Sanchez Media

8	PS68458007	Zero1 Agency
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C. Price Analysis

The recommended fixed professional rates from all firms have been determined to be fair and reasonable based upon adequate competition, historical rates and technical analysis. Each individual task order will comply with all requirements of Metro Acquisition Policy and the terms of the contract.

D. Background on Recommended Contractors

ALAS Media

ALAS Media is a Los Angeles based video production company with over 9 years of globally recognized experience helping organizations and companies find, cultivate and share their stories. They offer complete video production services and specialize in marketing, documentary and corporate video. ALAS Media has created marketing videos for businesses, schools and education organizations, corporate training videos, fundraising videos for non-profits and event coverage for domestic and international clients. Alas Media has been providing video production services since 2017 under the previous Metro Video Bench and performance has been satisfactory.

Bubba's Chop Shop

Bubba's Chop Shop's (Bubba's) in-house team is proficient in a multitude of areas of video production and marketing strategy. The team also brings to every project diverse perspective, as staff comes from various backgrounds in front of and behind the camera. Bubba's Chief Executive Officer and Executive Producer Ian Nelson is the founder of Bubba's Chop Shop. He has worked in various roles in the film industry for more than 15 years with a primary focus on film editing. Ian is currently enrolled in Goldman Sachs' prestigious 10,000 Small Businesses Program, focused on helping entrepreneurs create jobs and economic opportunity by providing greater access to education, capital, and business support services. Bubba's Chop Shop has grown exponentially since its launch in 2012, having worked with some of the most recognizable brands and organizations. Bubba's Chop Shop has been providing video production services since 2017 under the previous Metro Video Bench and performance has been satisfactory.

Clockwork Media

Clockwork Media has extensive relevant experience production services. Clockwork Media has 10 years of experience and provides such services as production logistics, permitting, high quality cameras, aerial cameras, chase camera car, voiceovers, studio, graphics, and animation. Previously, Clockwork Media has contracted with NBC Sports, LAPD and Toyota USA.

Dreamseeker Media

Dreamseeker Media brings 20 years of industry experience in providing video production services. Dreamseeker is well-versed in a variety of film and video formats including documentary film, corporate/government video, web-based video and television PSAs. Dreamseeker Media has worked with companies like PBS SoCal previously.

Friendly Filmworks

Friendly Filmworks runs every aspect of productions in-house, their full-service capabilities handle the entire process, from preproduction to post-production. Friendly Filmworks has produced several videos for Metro under the previous Video Bench. Friendly Filmworks draws on industry professionals to serve client productions. Their approach is hands-on, creative and professional. Friendly Filmworks has a team that is experienced and driven and has been providing video production services to Metro since 2014 and performance has been satisfactory.

MainSpring Business Video

MainSpring Business Video has 20 years of experience producing video content. Their focus is collaboration and communication to present client's messages in a straightforward and easy-to-understand way. The firm's goal is to utilize their methodologies, technologies, and programs to create videos with high-level graphics that create an added value to video productions.

Sanchez Media

Established in 2018, Sanchez Media has collaborated with universities, government organizations, non-profits, and brands across California, to create videos that educate, empower and reflect local communities. Over the last two years, Sanchez Media LLC, has worked with a variety of clients on projects that range from ads, news/documentary, corporate, as well as explainer/instructional videos. Sanchez Media's past clients include Starbucks, Gap Inc. and Verizon.

Zero1 Agency

Zero1 Agency is a minority owned advertising, marketing, & consulting agency. The firm's services include video production, creative, logistics, casting, permitting, editing, animation, motion graphics. With over 18 years of experience, Zero1 Agency has provided video production services for both Red Bull and Spotify.

ATTACHMENT B

METRO VIDEO BENCH / PS68458000 THROUGH PS68458007

RECOMMENDED FIRMS BY VIDEO STYLE CATEGORY

1. VIDEO AD UNIT
BUBBA'S CHOP SHOP
CLOCKWORK MEDIA
FRIENDLY FILMWORKS

2. INSTRUCTIONAL
BUBBA'S CHOP SHOP
CLOCKWORK MEDIA
MAINSRING BUSINESS VIDEO

3. WEBISODE
BUBBA'S CHOP SHOP
CLOCKWORK MEDIA
DREAMSEEKER MEDIA
FRIENDLY FILMWORKS

4. DOCUMENTARY OR NEWS MAGAZINE
ALAS MEDIA
DREAMSEEKER MEDIA
FRIENDLY FILMWORKS
SANCHEZ MEDIA

5. CORPORATE VIDEO
ALAS MEDIA
CLOCKWORK MEDIA
FRIENDLY FILMWORKS
MAINSRING BUSINESS VIDEO
ZERO1 AGENCY

DEOD SUMMARY

METRO VIDEO BENCH / PS68458

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 32% Disadvantaged Business Enterprise (DBE) goal for this Task Order Contract. Eight (8) firms were selected as prime consultants: Alas Media, Bubbas Chop Shop, Clockwork Media, Dreamseeker dba Seeker Films, Friendly Filmworks, MainSpring Business Video, Sanchez Media LLC, and Zero1 Agency. Each firm committed to or exceeded the 32% DBE goal for this Task Order Contract.

In response to a specific Task Order request with a defined scope of work, prime consultants will be required to identify DBE subcontractor activity and actual dollar value commitments for that Task Order. Overall DBE achievement in meeting the commitments will be determined based on cumulative DBE participation of all Task Orders awarded.

Small Business Goal	32% DBE	Small Business Commitment	32% DBE
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ALAS Media

	DBE Subcontractors	Ethnicity	% Committed
1.	ALAS Media (DBE Prime)	Hispanic American	100%
Total Commitment			100%

Bubba's Chop Shop

	DBE Subcontractors	Ethnicity	% Committed
1.	Sanchez Media	Hispanic American	30.75%
2.	Friendly Filmworks	Hispanic American	18.43%
3.	Midnight Hour	Asian Pacific American	19.87%
Total Commitment			69.05%

Clockwork Media

	DBE Subcontractors	Ethnicity	% Committed
1.	Clockwork Media (DBE Prime)	Asian Pacific American	100%
Total Commitment			100%

Dreamseeker Media

	DBE Subcontractors	Ethnicity	% Committed
1.	Dreamseeker Media dba Seeker Films (DBE Prime)	African American	52.91%
Total Commitment			52.91%

Friendly Filmworks

	DBE Subcontractors	Ethnicity	% Committed
1.	Friendly Filmworks (DBE Prime)	Hispanic American	100%
Total Commitment			100%

MainSpring Business Video

	DBE Subcontractors	Ethnicity	% Committed
1.	Little Dipper Productions	Caucasian Female	11.00%
2.	Brass Ring Enterprises	African American	11.00%
3.	McGhee Broadcasting	African American	11.00%
Total Commitment			33.00%

Sanchez Media

	DBE Subcontractors	Ethnicity	% Committed
1.	Sanchez Media (DBE Prime)	Hispanic American	68%
Total Commitment			68%

Zero1 Agency

	DBE Subcontractors	Ethnicity	% Committed
1.	Zero1 Agency (DBE Prime)	Hispanic American	100%
Total Commitment			100%

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.



Board Report

File #: 2020-0876, File Type: Contract

Agenda Number: 37.

EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021

SUBJECT: METRO MEDICAL CLINIC SERVICES

ACTION: AWARD BENCH CONTRACTS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD six, nine-year, firm fixed unit rate Contract Nos. PS70268000 through PS70268005, to the following firms, for **Medical Clinic Services**, for a not-to-exceed amount of \$6,833,016 for the five-year base term, effective March 1, 2021 through February 28, 2026, plus \$2,384,203 for the first, two-year option and \$2,436,542 for the second, two-year option, for a combined total amount not-to-exceed \$11,653,761, subject to resolution of protest(s), if any.

Contract No.	Contractor
PS70268000	ProHealth Glendale Occupational Medical Group, Inc.
PS70268001	ProHealth Valley Occupational Medical Group, Inc.
PS70268002	CareOnSite, Inc.
PS70268003	Concentra Medical Centers - Los Angeles
PS70268004	Concentra Medical Centers - Commerce
PS70268005	Concentra Medical Centers - Van Nuys

- B. EXECUTE individual task orders under these Contracts for medical clinic services for an aggregate not-to-exceed amount of \$11,653,761.

ISSUE

Metro conducts medical fitness examinations and drug and alcohol specimen collections for employees and job candidates. These medical fitness examinations and specimen collections are mandated by various regulatory agencies, including the Department of Transportation (DOT), Federal Transit Administration (FTA), California Department of Motor Vehicles (DMV) and Cal-OSHA.

The current medical services contracts will expire on February 28, 2021.

BACKGROUND

Metro is dedicated to ensuring that employees and job candidates are fit for duty and are able to perform their essential job duties without posing a health or safety risk to themselves, co-workers, or the public. Employees and job candidates are therefore required to undergo medical fitness examinations and drug and alcohol testing at prescribed times as well as when on-duty observations raise concerns regarding fitness. The medical fitness examinations and the drug and alcohol-testing programs are managed by the Talent Acquisition Department.

DISCUSSION

Under Metro's Fitness for Duty Policy (HR 29), Metro conducts medical fitness examinations to ensure employees can fully and safely perform their essential job duties and meet the applicable commercial driver license holder requirements.

Metro requires medical examinations for employees and job candidates under specified situations or in response to evidence indicating a lack of fitness. All inquiries and examinations are specifically job-related and consistent with business necessity. Commercial driver's license holders are required by law to have periodic physical examinations to recertify their medical examiner's certificate. The maximum certification period is two years, but drivers with medical conditions such as hypertension, diabetes or sleep apnea, to name a few, are required to recertify on a more frequent basis. This recertification can range anywhere from one month to one year.

Under Metro's Drug and Alcohol-Free Work Environment Policy (HR 46), Metro conducts substance abuse testing of its safety-sensitive employees and job candidates in accordance with Federal Transit Administration (FTA) regulations 49 CFR Part 655. Collections and testing are performed using the procedures outlined in Department of Transportation (DOT) regulations 49 CFR Part 40. Metro also administers incident-based drug and alcohol testing for non-safety-sensitive employees under its own authority following using the same procedures.

DETERMINATION OF SAFETY IMPACT

The medical clinics provide the capability for Metro to meet federal requirements for fitness for duty examinations ensuring improved safety for our employees and patrons.

FINANCIAL IMPACT

The funding for medical clinic services is included in cost center 6240, Talent Acquisition Department under project 100001, General Overhead.

In FY21 there is \$602,776 budgeted for these services. Since this is a multi-year contract, the cost center manager and Chief, Human Capital & Development Officer will be responsible for budgeting the cost in future years, including any options exercised.

Impact to Budget

The source of funds for this contract is General Overhead funds, comprised of Federal, State and local funds. These funds are eligible for bus and rail operating costs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports Strategic Plan Goal #5: To provide responsive, accountable, and trustworthy guidance within the Metro Organization; Initiative 5.6: As Metro will foster and maintain a strong safety culture for all. By approving this recommendation Metro will be able to ensure the safety for Metro's patrons and employees.

ALTERNATIVES CONSIDERED

The Board of Directors may decline to approve the award of these bench contracts. This alternative is not recommended because Metro does not have specialized staff that can perform these examinations, nor does Metro have the facility and equipment that meet regulatory and certification standards. Non-compliance with mandatory requirements of regulatory agencies such as FTA, DOT, DMV, and Cal-OSHA, will result in loss of federal funding. Further, this will adversely affect Metro's recruitment process.

NEXT STEPS

Upon Board approval, staff will execute these medical clinic services bench contracts, effective March 1, 2021 and work will be assigned based on need, availability, type of testing, and the response time required.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

Prepared By: Patrice McElroy, Executive Officer, Talent Management
(213) 418-3171

Reviewed By: Joanne Peterson, Chief Human Capital & Development Officer
(213) 418-3088

Debra Avila, Chief Vendor/Contract Management Officer
(213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

METRO MEDICAL CLINIC SERVICES / PS70268000 - PS70268005

1.	Contract Number: PS70268000 through PS70268005	
2.	Recommended Vendor: (Various - See Below)	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: July 31, 2020	
	B. Advertised/Publicized: July 31, 2020	
	C. Pre-Proposal Conference: None	
	D. Proposals Due: September 8, 2020	
	E. Pre-Qualification Completed: Pending	
	F. Conflict of Interest Form Submitted to Ethics: December 2, 2020	
	G. Protest Period End Date: February 22, 2021	
5.	Solicitations Picked up/Downloaded: 27	Bids/Proposals Received: 7
6.	Contract Administrator: Marc Margoni	Telephone Number: (213) 922-1304
7.	Project Manager: Leticia Felix	Telephone Number: (213) 418-3122

A. Procurement Background

This Board Action is to establish multiple award medical clinic service contracts for a nine-year term inclusive of two, two-year options. The contracts will be effective March 1, 2021 with a cumulative total amount not-to-exceed \$11,653,761. The purpose of these contracts is to provide various medical fitness examinations and drug and alcohol collections for employees and job candidates. These services will be performed on an “as-needed” basis. Board approval of contract awards are subject to resolution of any properly submitted protests.

Request for Proposal (RFP) No. PS70268 was issued in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed unit rate. Twenty-seven questions were received, and Metro provided responses prior to the proposal due date.

One amendment was issued during the solicitation phase of the RFP:

- Amendment No. 1 was issued on August 27, 2020 to extend the Proposal Due Date from August 31, 2020 to September 8, 2020.

A total of 27 firms downloaded the RFP and were included on the planholders list. A total of seven proposals from four medical groups were received by the due date of September 8, 2020 and are listed below in alphabetical order:

1. CareOnSite, Inc.
2. Concentra Medical Centers - Los Angeles

3. Concentra Medical Centers - Commerce
4. Concentra Medical Centers - Van Nuys
5. ProHealth Glendale Occupational Medical Group, Inc.
6. ProHealth Valley Occupational Medical Group, Inc.
7. Temple Medical Center (TMC)

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Transportation Operations and Talent Acquisition departments was convened and conducted a comprehensive technical evaluation of the proposals received.

On September 25, 2020, the PET met to review the evaluation criteria package, process confidentiality and conflict of interest forms and take receipt of the seven proposals to initiate the evaluation phase.

Proposals were evaluated based on the following evaluation criteria stated in the RFP:

Phase 1 Evaluation – Minimum Qualification Review: This is a pass/fail criteria. The criteria focused on the experience of the proposer in the field of occupational/industrial medicine providing medical fitness examinations and drug and alcohol collections, number of key personnel assigned to the contract and their qualifications, and the capacity and capabilities of the proposed facility/ies.

The PET reconvened and determined that of the seven proposals received, one failed to meet all minimum qualification requirements, and was excluded from further consideration. The remaining six proposals were further evaluated in accordance with the following evaluation criteria and weights:

- | | |
|--|------------|
| • Qualifications of the Proposer/Team | 20 percent |
| • Qualifications of Key Personnel | 20 percent |
| • Understanding the Scope of Services and Proposed Methodology | 15 Percent |
| • Operations of Medical Facility | 30 Percent |
| • Price | 15 Percent |

The evaluation criteria are appropriate and consistent with criteria developed for similar medical clinic services' procurements. Several factors were considered in developing these weights, giving the greatest importance to the operations of the medical facility.

Evaluations were conducted from November 10 through November 24, 2020. After evaluation of proposals, including site visits of proposed facilities, it was determined that all six firms are qualified to provide medical clinic services and were suitable to provide medical fitness examinations and drug and alcohol collections for Metro employees and job candidates. The six firms are listed below in alphabetical order:

1. CareOnSite, Inc.
2. Concentra Medical Center – Commerce
3. Concentra Medical Center - Los Angeles
4. Concentra Medical Center - Van Nuys
5. ProHealth-Glendale Occupational Medical Group
6. ProHealth-Valley Occupational Medical Group

Qualifications Summary of Firms

CareOnSite, Inc.:

CareOnSite, Inc. (CareOnSite), formerly Long Beach Medical Clinic, was established in 1979 in Long Beach, California. It has been providing occupational medical services in the Long Beach and surrounding communities for over 41 years and offers a broad range of healthcare services to employers. CareOnSite is certified as a minority and woman-owned business enterprise through the Southwest Minority Supplier Development Council, Southern California Minority Business Development Councils, and National Women's Business Enterprise Certification. It currently provides medical clinic services to Metro and performance has been satisfactory.

Occupational Health Centers of California, A Medical Corporation dba Concentra Medical Centers

Occupational Health Centers of California, A Medical Corporation dba Concentra Medical Centers (Concentra) is a health care provider established in Addison, Texas specializing in health clinics/centers. Concentra has been in business since 1979. It is one of the largest urgent care and occupational health care providers in the United States. Concentra has 239,000 clients, more than 520 medical centers, and 30+ community-based outpatient clinics nationwide representing 60 percent of the nation's workforce. It currently provides medical clinic services to Metro and performance has been satisfactory.

ProHealth Glendale Occupational Medical Group, Inc.

ProHealth Glendale Occupational Medical (ProHealth Glendale) is an urgent care clinic/center located in Glendale, California. It has been providing occupational medicine and pre-employment services for about 20 years. ProHealth Glendale currently provides medical clinic services to Metro and performance has been satisfactory.

ProHealth Valley Occupational Medical Group, Inc.

ProHealth Valley Occupational Medical (ProHealth Valley) is an occupational medical clinic/center located in Mission Hills, California. It is a sister clinic to ProHealth Glendale. ProHealth Valley has been providing a variety of occupational

medical services to Southern California municipalities, police, fire, schools, and large employers for at least 20 years. It has well trained and experienced groups of physicians, physician assistance, medical assistants, and X-ray technicians.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	ProHealth Glendale				1
3	Qualifications of the Proposer/Team	93.35	20.00%	18.67	
4	Qualifications of Key Personnel	92.50	20.00%	18.50	
5	Understanding the Scope of Services and Proposed Methodology	88.67	15.00%	13.30	
6	Operations of Medical Facility	95.23	30.00%	28.57	
7	Price	100.00	15.00%	15.00	
8	Total		100.00%	94.04	

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	CareOnSite				2
3	Qualifications of the Proposer/Team	95.35	20.00%	19.07	
4	Qualifications of Key Personnel	92.50	20.00%	18.50	
5	Understanding the Scope of Services and Proposed Methodology	96.00	15.00%	14.40	
6	Operations of Medical Facility	93.80	30.00%	28.14	
7	Price	84.47	15.00%	12.67	
8	Total		100.00%	92.78	

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	ProHealth Valley				3
3	Qualifications of the Proposer/Team	88.65	20.00%	17.73	
4	Qualifications of Key Personnel	90.00	20.00%	18.00	
5	Understanding of the Scope of Services and Proposed Methodology	88.67	15.00%	13.30	
6	Operations of Medical Facility	93.30	30.00%	27.99	
7	Price	100.00	15.00%	15.00	
8	Total		100.00%	92.02	

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Concentra - Commerce				4
3	Qualifications of the Proposer/Team	90.00	20.00%	18.00	
4	Qualifications of Key Personnel	86.65	20.00%	17.33	
5	Understanding the Scope of Services and Proposed Methodology	86.67	15.00%	13.00	
6	Operations of Medical Facility	95.23	30.00%	28.57	
7	Price	90.07	15.00%	13.51	
8	Total		100.00%	90.41	

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Concentra – Van Nuys				5
3	Qualifications of the Proposer/Team	90.65	20.00%	18.13	
4	Qualifications of Key Personnel	87.50	20.00%	17.50	
5	Understanding the Scope of Services and Proposed Methodology	84.67	15.00%	12.70	
6	Operations of Medical Facility	93.80	30.00%	28.14	
7	Price	90.07	15.00%	13.51	
8	Total		100.00%	89.98	

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Concentra – Los Angeles				6
3	Qualifications of the Proposer/Team	85.35	20.00%	17.07	
4	Qualifications of Key Personnel	86.65	20.00%	17.33	
5	Understanding the Scope of Services and Proposed Methodology	86.00	15.00%	12.90	
6	Operations of Medical Facility	94.27	30.00%	28.28	
7	Price	90.07	15.00%	13.51	
8	Total		100.00%	89.09	

C. Cost/Price Analysis

Each proposer submitted fully burdened service rates and the rates have been determined to be fair and reasonable based upon adequate price competition, technical evaluation, price analysis and independent cost estimate.

D. Background on Recommended Contractor

All six clinics listed above are recommended for award. These clinics have been evaluated and are determined to be responsive and responsible to perform the services as outlined in the Statement of Work on as needed basis.

DEOD SUMMARY

METRO MEDICAL CLINIC SERVICES / PS70268000 - PS70268005

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Disadvantaged Business Enterprise (DBE) goal for this Task Order Contract due to the lack of subcontracting opportunities. Six (6) firms were selected as prime consultants: CareOn Site, Inc., Occupational Health Centers of California dba Concentra Medical Centers (8th Street), Occupational Health Centers of California dba Concentra Medical Centers (Commerce), Occupational Health Centers of California dba Concentra Medical Centers (Van Nuys), ProHealth Glendale Occupational Medical Group, Inc., and ProHealth Valley Occupational Medical Group, Inc.

The selected prime consultants did not list any DBE subcontractors, nor did they commit to any DBE participation. It is expected that the selected prime consultants will perform these services with their own workforces

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.



File #: 2021-0034, File Type: Oral Report / Presentation

Agenda Number: 39.

**EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021**

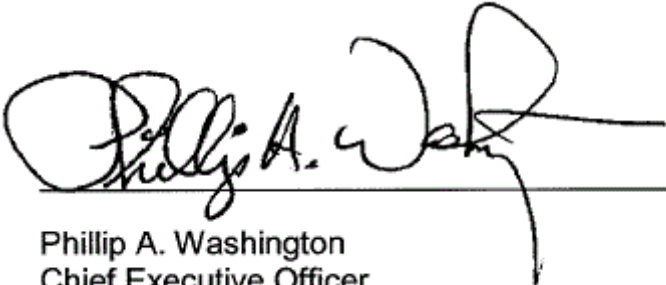
SUBJECT: METRO'S COVID-19 VACCINE DISTRIBUTION PLAN

ACTION: ORAL REPORT

RECOMMENDATION

RECEIVE oral report on Metro's COVID-19 vaccine distribution plan.

Prepared by: Ken Hernandez, Chief Risk, Safety and Asset Management Officer, (213) 922-2990
Patrice McElroy, Interim Chief Human Capital and Development Officer, (213) 418-3171



Phillip A. Washington
Chief Executive Officer

METRO'S COVID-19 VACCINE DISTRIBUTION PLAN

EXECUTIVE
MANAGEMENT
COMMITTEE

FEBRUARY 18, 2021

VACCINE DISTRIBUTION PLAN

Established an internal working group who initially determined the order that vaccines would be provided throughout the agency:

- ✓ Prioritization to be based on risk of exposure within each job classification
- ✓ Age to be a sub-category under each classification
- ✓ Use a Medical Point of Dispensing (MPOD) approach which ensures Metro employees who elect to be vaccinated receive their vaccine on an expedited schedule
- ✓ Use LACDPH medical staff resources to administer vaccinations

Vaccine Distribution Report

Category Summary

- Group 1 - Bus & Train Operators, Signal Inspectors, Track Inspectors, Custodians, Service Attendants, Security Personnel
- Group 2 - Bus & Rail Supervisors, Division Supervisors & Managers, Mechanics, Plumbers, FSTs, Painters, Laborers, ECI
- Group 3 - Customer Service, CCTV, Admin Staff (Majority of NC)

Note: For a complete list of the job titles, please see the job reference tab

10,890
Total Employee Count

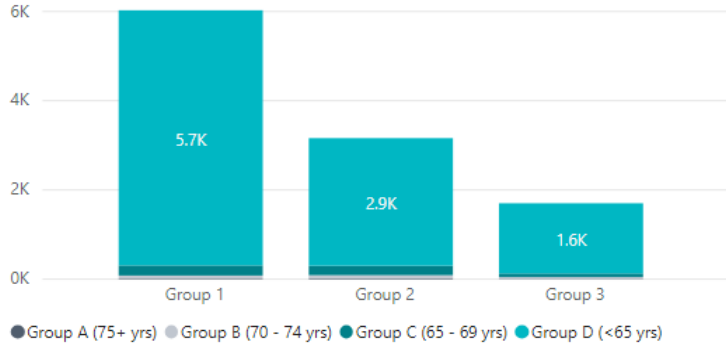
1/29/2021
Data as of

- Group 1**
6,027
Total Employee Count
- Group 2**
3,161
Total Employee Count
- Group 3**
1,702
Total Employee Count

Vaccine Group	Group A (75+ yrs)	Group B (70 - 74 yrs)	Group C (65 - 69 yrs)	Group D (<65 yrs)	Total
Group 1	16	66	228	5,717	6,027
BUS OPERATOR (F/T)	4	36	137	3,294	3,471
BUS OPERATOR (P/T)	2	13	14	705	734
SR SERVICE ATTENDANT	2	5	20	403	430
TRAIN OPERATOR (F/T)		1	13	396	410
CUSTODIAN	4	1	16	288	309
TRACTION POWER INSPCTR		2	6	63	71
TRANSIT SECURITY OFCR II		3	3	65	71
SERVICE ATTENDANT				68	68
TRANSIT SECURITY OFCR I				66	66
MICROTRANSIT OPERATOR				55	55
SIGNAL INSPECTOR	1	1	1	50	53
SR SERVICE ATTENDANT LDR			3	40	43
TRACK INSPECTOR		1	1	35	37
LEAD CUSTODIAN	1		1	27	29
SCHEDULE CHECKER			1	25	26
GENERAL SVCS SUPV		1	1	21	23
TRACTION POWER INSPCTR LDR			2	14	16
SERVICE ATTENDANT LDR	1		3	10	14
SR TRANSIT SECURITY OFCR		1	1	11	13
SIGNAL INSPECTOR LDR				12	12
TRACK INSPECTOR LDR				12	12
SR CONSTRUCTION INSPECTOR	1		1	8	10
TRANSIT SECURITY SGT			1	9	10
SIGNAL INSPCTR (JAC)				9	9
TRACK INSPCTR (JAC)			2	4	6
MOPPER WAXER			1	4	5
Total	51	172	518	10,149	10,890

Employee Count by Priority Group & Age Group

Vaccine Group	Group A (75+ yrs)	Group B (70 - 74 yrs)	Group C (65 - 69 yrs)	Group D (<65 yrs)	Total
Group 1	16	66	228	5,717	6,027
Group 2	25	65	212	2,859	3,161
Group 3	10	41	78	1,573	1,702
Total	51	172	518	10,149	10,890



VACCINE DISTRIBUTION PLAN – STATUS TO DATE

- Vaccinations are underway in Los Angeles County for those in phase IA (healthcare workers) and IB (only those 65 years of age and older)
- Metro has developed a plan to get staff, especially frontline staff, vaccinated as soon as possible
- California Governor issued a vaccination plan on January 25, 2021 establishing a single statewide standard to distribute vaccines based on age instead of job classification
- Our CEO has reached out to the Governor's office to consider a vaccine distribution plan that prioritizes transit workers, alongside healthcare workers and other essential workers
- Metro staff are working with our medical provider partners to determine if medical providers can assist with vaccination efforts for Metro employees



Board Report

File #: 2020-0888, File Type: Policy

Agenda Number: 40.

REVISED
EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021

SUBJECT: COMMERCIAL SPONSORSHIP AND ADOPTION POLICY

ACTION: ADOPT NEW BOARD POLICY

RECOMMENDATION

CONSIDER:

ADOPT the Commercial Sponsorship and Adoption Policy (Attachment B) in order to create a Commercial Sponsorship and Adoption Program with the goals of generating revenues to support agency programs and initiatives.

ISSUE

The financial impact of the COVID-19 pandemic - loss of sales tax funding and loss of ridership fare revenues - has driven the agency into a budget shortfall and financial crisis. Various reports and studies call for exploring alternative revenue sources and expanding revenues programs. Commercial sponsorship is estimated to generate up to \$665M over twenty-five years in long-term revenues for Metro.

The adoption of a Commercial Sponsorship and Adoption Policy (“Sponsorship Policy”) would set the guidance and structure to take advantage of the system’s future commercial revenue opportunities. Metro has the fiscal responsibility to maximize the utilization of available resources effectively and efficiently to create long-term, consistent, agency-generated revenues. Furthermore, diversifying Metro’s revenue sources prepares the agency for future economic shortfalls and unexpected agency impacts.

This report provides the history and conditions leading to the development of a Commercial Sponsorship and Adoption Policy.

BACKGROUND

2020 saw unprecedented stress upon Metro and the entire world in coping with the impact of COVID-19 - the snowball effects of pandemic trauma, economic uncertainty, and social unrest pushed the agency to re-evaluate all aspects of service, funding, safety, and operating. As noted below, the call

to diversify and expand Metro's revenue opportunities has never been more appropriate and timely than now.

May 2020 - Metro CEO presents the report, *Call to Action to Control Costs Pertaining to COVID-19*. The Call to Action details the agency's financial crisis due to COVID-19 pandemic and loss of critical agency funding from state and local sales tax, transit ridership, fare revenues, tolls, advertising and other system generated revenues. The Call to Action calls for strong fiscal discipline along with exploring additional activities the agency may conduct to diversify and grow additional agency-generated revenues.

June 2020 - Office of Inspector General presents the report, *Metro's Asset Valuation for Advertising, Sponsorship, and Other Revenue Opportunities*. The report was a result of a third party sponsorship and advertising specialist commissioned to audit Metro's transit system and provide a valuation report - the specialist valued Metro's sponsorship opportunity at \$665M over twenty five years. The specialist's valuation included Metro's entire rail system (lines and stations), bus system, parking facilities, and various programs (bike share, rideshare, and freeway service patrol). The specialist employed an impressions-based calculus that accounts for media and other exposure value, qualitative variables and industry benchmarking to generate fair market valuations which may form the opening negotiating position with target companies during a sales process. The forecasted revenue of \$665M is valued over 25 years, and the entire report is attached for reference (ATTACHMENT B).

August 2020 - Metro CEO presents the report, *Fareless System Initiative (Operation FSI)*. The report calls for a task force to explore the feasibility of Metro operating without charging fares for transit service - in response to social swell, economic uncertainty, and dramatic drops in transit ridership. Among costs, impact, racial profiling, homelessness, and implementation, alternative funding sources is called out as a study priority.

November 2020 - Office of Extraordinary Innovation presents the final report, *Coronavirus Recovery Task Force Final Recommendations*. Metro's annual budget for the 2020-2021 fiscal year fell by approximately 16 percent due to lower local sales tax revenues. The report recommends exploring new revenue sources, include expanding commercial and lease opportunities, and federal and state funding for incentives to reduce car ownership. Report calls for future RFIs to determine market support and implementation strategies.

DISCUSSION

A Sponsorship Policy will provide guidance and structure to execute a new revenue-generating sponsorship program. While important points and highlights are called out in this report, the full Sponsorship Policy is subject to Board review and adoption (ATTACHMENT B).

Commercial Sponsorship Policy - Highlights

Key Points - Interoperability and Eligible Assets

- The Sponsorship Policy is a stand-alone policy but will work in concert with Metro's Property

Naming Policy (COM 11) and System Advertising Policy (COM 6).

- Agency assets including stations, stops, hubs, facilities, transit services, various programs, agency events, and amenities are eligible for sponsorship opportunities.

Policy Goals - The Sponsorship Policy Establishes the Following Overarching Principles

- REVENUE - Generate long-term revenues to support agency programs and initiatives; and seek additional revenue sources to prepare for future economic shortfalls and unexpected agency impacts.
- CUSTOMER EXPERIENCE - Enhance service and/or amenities that improve customer experience by partnering with local business and entities that may offset costs of desired amenities.
- EQUITY OPPORTUNITY - Position corporate social responsibilities towards equity focused communities by creating opportunity to promote small, local business, and providing equity opportunities through this program.

Program Models - The Two Types of Sponsorship Methods

- ADOPTION - A partnership between Metro and a 3rd party which provide benefit to Metro riders in the form of sponsored amenities, services, equity opportunities, and customer experience improvements. In an Adoption, 3rd parties may provide resources and/or financing, payment-in-kind, or value-in-kind to develop operating or new facilities, services, programs, or events. Examples: providing free wifi to a particular station, funding additional maintenance to a particular station.
- SPONSORSHIP - A partnership between Metro and a 3rd party which provide benefit to Metro in the form of financial payments - revenues from sponsorships may be directed towards Metro programs and initiatives. In a Sponsorship, 3rd party may provide resources and finance, payment-in-kind, or value-in-kind to develop operating or new facilities, services, programs, or events. Examples: temporary station name take-over, long-term media buyouts of a particular station or facility.

Terms and Durations - Sponsorships May Take on These Various Time Limits

Any contract lasting within six months and/or under \$500,000 is within the CEO's authority. Any contract valued over \$500,000 or extending greater than six months requires Board approval; additionally, any Sponsorships/Adoptions affecting facility/station/service names - regardless of contract value - requires Board approval.

- **Temporary Sponsorship** - Partnerships lasting a maximum of six months for assets such as transit services, programs, events, and amenities. or temporary station name take-overs.
- **Short-term Sponsorship** - Partnerships lasting a minimum of six months with a maximum length of two years for agency assets such as facilities, transit services, programs, events, and amenities.

- **Long-term Sponsorship** - Partnerships lasting greater than two years with a maximum length of ten years for agency assets such as facilities, transit services, programs, events, and amenities may be considered for long-term sponsorships.

Sponsor Eligibility - Criteria for Consideration into the Program

In line with Metro's System Advertising Policy (COM 6), business entities selling products or services in the prohibited categories will not be considered for participation in the sponsorship and adoption program including Alcohol, Tobacco and Electronic Cigarettes, Adult Entertainment and Content, Arms/Guns and Weapons, Political Parties, Political Groups, Political Organizations, and Political Candidates or Campaigns, causes (including Religious Groups and Religious Associations, social advocacy groups, lobbyist, etc).

Businesses must be in good financial standing, conduct ethical business, and demonstrate satisfactory contractual performance for the last 5 years to participate.

Corporate Responsibilities - Financial and Equity Opportunity

As this is a revenue program, sponsors will bore the cost of all deliverables and activities associated with a sponsor package and no capital costs associated with a sponsorship should be warranted from Metro. Staff will work with each proposal to itemize hard and soft costs such as operational changes, administrative support, and miscellaneous costs associated with each implementation.

Sponsors will participate in Metro's Equity Platform for the duration of their sponsorship by including Equity Opportunity in each proposal. Equity Opportunity will be scored in each proposal evaluation, however, qualitative engagement rather than the quantitative engagement is encouraged. While Metro sponsorships will vary, all sponsorships will advance Metro's mission to increased access to opportunities, removal of barriers to access, and partnership with local communities.

Proposal Process

A sponsorship specialist may help interested parties create and prepare long-term and larger value proposals (\$500,000 and greater). The proposals will be submitted to the *Proposal Review Committee* for vetting, at which time the Committee may respond with inquiries, concerns, and recommendations. After the proposal has been finalized and scored by the *Proposal Review Committee*, the proposal will be presented to the Metro Board for final review and consideration. Board approvals equate to new license / sponsorship contract with Metro and sponsor.

Proposal Review Committee

A Proposal Review Committee will be established to review and vet each proposal submitted to the agency. The Proposal Review Committee will be managed by Marketing with concurrence from the Chief Communications Officer and will be composed of stakeholder departments to provide feedback and advisory recommendations for Board review and approval. Panel and Committee members may include, but not limited to:

- **Compliance Panel** - The Compliance Panel ensures interested sponsors are in compliance with Metro policies and do not discriminate nor pose a conflict of interest. The Compliance Panel does not score on a proposal, but provides input into the recommendation, thus, enabling proposals to be reviewed by the Advisory Panel. The Compliance Panel includes:
 - Civil Rights
 - Ethics
 - Legal Counsel
 - Office of Inspector General
 - Vendor/Contract Management

- **Advisory Panel** - The Advisory Panel reviews and scores each sponsorship proposal based on the Evaluation Criteria. The Advisory Panel may be composed of scoring and non-scoring members that provide comments but do not participate in scoring. The Advisory Panel provides comments and recommendations for proposals requiring Board review and approval. The Advisory Panel includes:
 - Communications (Art & Design, Community Relations, Marketing, Public Relations)
 - Countywide Planning (Real Estate, Station Wide Design)
 - Customer Experience
 - Equity & Race
 - Respective Asset or Program Owner

Evaluation Criteria

If a business meets all Eligibility and Criteria, Metro will take into consideration the financial offers and implementation proposals. The Review Committee will score proposals based on the following evaluation criteria:

- Financial offer, including total value and duration, payment options, and package offerings
- Alignment with Metro's existing brand and agency mission, themes, and priorities
- Innovative sponsorship and business plan(s) that address value-transfers and potential customer experience enhancements
- Reach of cross promotion between Metro and Sponsor/Adoptee, providing Equity Opportunity activities for Metro communities and riders
- Determination of conflicts of interest based on other business activities with Metro

Administrative Support

Contract Support

Staff anticipates outsourcing a sponsorship specialist to achieve long-term revenue objectives. The

specialists will concentrate on long-term and larger revenue sponsorships. Similar to revenue advertising and filming services, sponsorship consultants will operate on a cost neutral financial model - consultants will earn commission from each approved and operational sponsorship contract.

However, staff will also explore the feasibility of expanding current commercial advertising contracts to expedite services and prevent overlap and/or conflict of authorized Metro media assets.

Labor Support

The commercial sponsorship program will be managed by the Revenue Generation group within Marketing, this group currently manages Communications' other revenue programs including revenue advertising and commercial filming. The bulk of the sales, labor, and production services is outsourced to the two advertising contractors, Outfront and Intersection. There are currently two FTEs directly assigned to manage the revenue advertising and filming program - Director of Communications, who provides program management, contract and business management, financial administration, and internal coordination; and Project Manager (Project FTE), who provides installation management of digital equipment rollout, and internal coordination among departments.

As this is a new program, there are no designated FTEs, temporary employees, interns, or trainees for commercial sponsorship. Three additional full-time employees (FTEs) will be necessary to begin a sponsorship program. FTE responsibilities include shepherding the proposal process, internal coordination and collaboration, troubleshooting and resolving concerns, finalizing licenses and contracts with Legal Counsel for each sponsorship, managing various partner contracts, and continuing to manage relationships as sponsorships are formed.

Additionally, staff may also create and execute smaller sponsorship packages and provide support to expand all revenue projects and programs. Anticipated FTEs needed to support the program include:

- 1 FTE Communications Manager (FY21)
- 2 FTE Senior Communications and Marketing Officer (FY22)

FINANCIAL IMPACT

APPROVAL of this policy will have no direct financial impact other than the additional FTE requests.

The forecasted revenue of \$665M is valuated over 25 years. There are no anticipated revenues for FY22 as the year would be used to start-up the program, establish administrative processes, and procure service contracts needed to support implementation.

Impact to Budget

Commercial sponsorship revenues are eligible for bus and rail operating and capital expenditures.

Funding for the 3 FTEs will be provided by revenues generated from existing commercial advertising and future commercial sponsorship contracts to fully deliver this initiative.

-
- 1 FTE, Communications Managers, will be pursued through the mid-year 2021 budget process
 - 2 FTEs, Senior Communications and Marketing Officer, will be pursued in fiscal year 2022 budget process

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The commercial sponsorship policy and program will support the Strategic Plan by fulfilling:

Goal 5.2 Exercising good public policy judgement and sound fiscal stewardship by monetizing Metro's capital assets and services to generate revenues and explore private investment in Metro's system improvement.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the commercial sponsorship policy, however, this is not recommended. By delaying or not adopting a commercial sponsorship policy, the agency is turning away up to \$665M in revenue opportunity.

Metro's current transit system is generating significant revenues from commercial advertising, and as the system expands, the commercial opportunities will also grow. The agency should place the guidance and structure to take advantage of the system's future commercial revenue opportunities.

Metro has the fiscal responsibility to maximize the utilization of available resources effectively and efficiently to create long-term, consistent, agency-generated revenues. Furthermore, diversifying Metro's revenue sources prepares the agency for future economic shortfalls and unexpected agency impacts.

NEXT STEPS

With the adoption of the Sponsorship Policy and approval of FTEs:

- Staff will work with HC&D to begin the hiring process to fully deliver this initiative;
- Develop a commercial revenue strategy that encompasses recommendations by the Coronavirus Recovery Task Force, Operations FSI, OIG Asset Valuation Report, and COVID-19 Call to Action;
- Explore contract and procurement options to attain an experienced sponsorship agent or broker;
- and will report back to the Board of program progress.

ATTACHMENTS

Attachment A - LACMTA Asset Valuation Study ([Legistar File # 2020-0387](#))

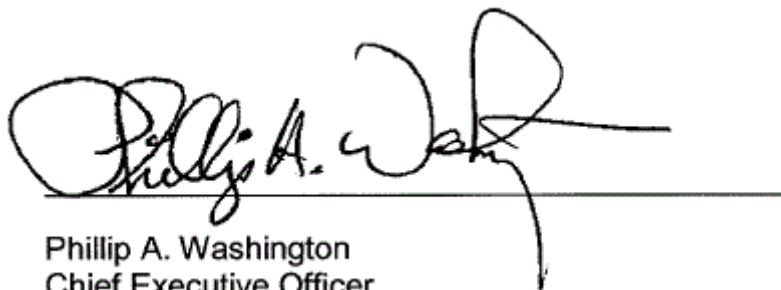
<http://metro.legistar1.com/metro/attachments/978c41a7-a5df-46c3-91a8-e4a6cf41202a.pdf>)

Attachment B - Metro Commercial Sponsorship and Adoption Policy

Attachment C - Amendment by Director Butts

Prepared by: Lan-Chi Lam, Director of Communications, (213) 922-2349
Glen Becerra, Executive Officer of Marketing, (213) 418-3264

Reviewed by: Yvette Rapose, Chief Communications Officer, (213) 418-3154



Phillip A. Washington
Chief Executive Officer

**Los Angeles County
Metropolitan Transportation Authority
Office of the Inspector General**

**Metro Asset Valuation Study
Advertising, Sponsorship, and Other
Revenue Opportunities**

Report No. 20-AUD-10

June 9, 2020





Metro

DATE: June 9, 2020

TO: Metro Board of Directors

FROM: Karen Gorman, Inspector General, Office of the Inspector General

SUBJECT: Final Report on Metro Asset Valuation Study for Advertising, Sponsorships and Other Revenue Opportunities (Report No. 20-AUD-10)

The Office of the Inspector General (OIG) commissioned a consultant, The Superlative Group, to perform a study and assessment of (1) potential use of Metro resources to obtain revenue through sponsorship and advertising on fare media TAP cards; and (2) an asset inventory and valuation of Metro controlled lines, facilities and other assets that could be made available to generate revenue through naming rights, corporate sponsorships or other methods for the Board's consideration. The estimated values in the study are based on pre Covid-19 pandemic circumstances.

The study Consultants made recommendations such as:

1. Metro should consider a holistic sponsorship program for TAP Card assets in lieu of individual advertising campaigns.
2. An advertising and sponsorship program should bundle assets. Benefits could include recognition on:
 - TAP cards;
 - physical ticket vending machines and assets (e.g., digital screens, readers);
 - Metro website, social media accounts and mobile app (once launched),
 - maps and schedules, bus and rail vehicles, Freeway Service Patrol vehicles, stations, bikeshare vehicles, and parking lots; and
 - public toilets, open real estate holdings, and fare media wear.
3. TAP Card personalization could be offered for a fee. TAP Cards are already personalized for a fee but revenue is captured by third parties.
4. Metro Board should consider if it wishes to monetize system assets via naming rights and/or corporate sponsorships. Due to the number of potential opportunities, there will be a need to prioritize opportunities, based on the estimated revenue potential and most saleable opportunities. The Consultant recommends that Metro prioritize opportunities as follows:

Priority Opportunities:

- 1) Metro rail lines;
- 2) Metro bus lines;
- 3) Freeway Service Patrol;
- 4) Metro stations; and
- 5) Metro Bike Share.

Second Tier Opportunities:

- 6) Passageway at Union Station;
- 7) Public restrooms; and
- 8) Parking garages.

A Program to monetize through advertising and naming sponsorships could generate as much as \$665 million over 25 years for Metro (based on pre Covid-19 era economy and assumed post Covid-19 era recovery).

Any proposed Program from Metro management should temper monetization with the concerns of the Board about such a program such as appearance, confusion on branding, and negative customer responses as well as risks including costs, reputation, and legal impacts.

We appreciate the assistance provided by Metro staff during this review. I am available to answer any questions the Board Directors may have regarding this report.

CC: P. Washington, Metro Chief Executive Officer



Metro

Interoffice Memo

Date June 4, 2020

To Karen Gorman, Inspector General

From Yvette Rapose, Chief Communications Officer

Subject LACMTA Asset Valuation Study – Communications Response

This memo serves as Communication's response to the Office of Inspector Generals' report: *LACMTA Asset Valuation Study, section C Schedule of Report Findings and Recommendations, Recommendation #6:*

Draft asset list that Metro and its leadership would be willing to monetize via Naming Rights and/or Corporate Partnerships. Assets could include:

- *Metro Rail*
 - *Metro Bus*
 - *Stations*
 - *Freeway Service Patrol*
 - *Metro Bike Share*
 - *Passageway at Union Station*
 - *Public restrooms*
 - *Parking garages*
1. Marketing will reach out to stakeholder departments and executive management for each asset type to gauge interest, feasibility and provide a comprehensive asset list.
 2. Staff will also provide an overview of the administrative process and needs in order for the agency to execute a corporate sponsorship program, including but not excluding – a new or revised agency policy, evaluate business models and contract options, program timeline and staff support.
 3. Marketing will report to the Board in August 2020 with asset report and program update.

From: Sutton, David <SuttonD@metro.net>

Sent: Friday, June 5, 2020 3:50 PM

To: Rapose, Yvette <RAPOSEY@metro.net>; Zheng, Yvonne <ZhengY@metro.net>; Lee, Nadine <LeeN@metro.net>; Ahuja, Nalini <AhujaN@metro.net>

Cc: Washington, Phillip <WashingtonP@metro.net>; Schank, Joshua <SchankJ@metro.net>; Gallagher, Jim <GallagherJ@metro.net>; Becerra, Glen <BecerraG@metro.net>; Lam, Lan-Chi <LAML@metro.net>; Dimaculangan, Asuncion <DimaculanganA@metro.net>; Maycott, George II <MAYCOTTG@metro.net>; Dimaculangan, Asuncion <DimaculanganA@metro.net>; OHara, Robin <OHARAR@metro.net>

Subject: Re: Correction of Report Number: Report on LACMTA Asset Valuation Study 05.28.2020

Hi Yvonne, here are the comments from Finance:

Response to Audit Report on Advertising at Metro:

- There are many opportunities to consider in this audit. To move forward with the recommendations, Metro should conduct a cost/benefit analysis that include internal costs and program management.
- Since the TAP card is good for 10 years all ads should be evergreen. Topical ads with promotional dates are not appropriate.
- The TAP card is regional and the 25 Municipal Operators must be included in advertising policies, approvals and revenue opportunities.
- TAP has a vendor network of about 1400 stores that sell TAP, including, many large grocery, drug and chain stores. Advertising by sponsors that are rivals to these stores is problematic.
- TAP has already planned for sponsorship within the TAP app. It is a joint sponsorship agreement at no cost to Metro that was built into our contract with the mobile app vendor.
- TAP produces commemorative cards that have a 100% sell-out. The audit compared this favorable sales history to advertising sales, however, these commemorative cards are not commercially-branded and typically celebrate holidays or other public events that Metro supports.
- Several times the audit states that there is no current benchmark for a program like this. In TAP's dialog with sister transit agencies, the reason is because the costs exceed the benefits.

THE SUPERLATIVE GROUP



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Los Angeles County Metropolitan Transit Authority (LACMTA)

Asset Valuation Study Advertising and Sponsorships

TAP CARDS, STATIONS AND OTHER REVENUE OPPORTUNITIES

Contents

1	Executive Summary	2
2	Introduction	7
3	Background & Methodology	12
4	Asset Overview	17
5	TAP Card Advertising (Tasks 1 – 3)	43
6	TAP Card Personalization (Task 4)	61
7	TAP Vending Machine Advertising (Task 6)	62
8	Metro Bus System Valuation (Task 7)	71
9	Metro Rail System Valuation (Task 7)	81
10	Metro Bike System Valuation (Task 7)	102
11	Metro Property Valuation (Task 7)	105
12	Microtransit and Non-Revenue Vehicles Valuation (Task 7)	118
13	Risks & Contractual Issues	121
14	Conclusions & Next Steps	127
 Appendices		
A	References	130
B	Transit Naming Rights Branding Examples	134
C	Schedule of Report Findings and Recommendations	141
D	LACMTA System Map	143
E	Transit Naming Rights Benchmarks	144

1 Executive Summary

1.1 Introduction

In December 2019, the Office of the Inspector General (“OIG”) for the Los Angeles County Metropolitan Transit Authority (“LACMTA” or “LA Metro”) commissioned The Superlative Group (“Superlative”) to conduct an LA Metro assets valuation study that would comprehensively assess the potential revenue to be realized through sponsorship, advertising and card personalization campaigns related to its Transit Access Pass (“TAP”) program, in addition to a full asset inventory and valuation of LACMTA-controlled lines, facilities and other assets that could be made available to generate revenue through Naming Rights and Corporate Sponsorships. This report, subject to review and approval by LACMTA personnel, OIG and the agency’s Board of Directors, presents the detailed results from Parts I and II of Superlative’s assignment:

- I. To determine the feasibility of a TAP Card advertising and personalization program, including relevant industry benchmarks, further modified following Superlative’s initial site visit(s) to include sponsorship or underwriting program revenue potential at the direction of OIG; and
- II. To evaluate LA Metro’s expansive transit system and develop a monetary valuation and strategy for sponsorship revenue generation.

Superlative’s assets valuation study determined that Naming Rights and sponsorship opportunities for LACMTA assets have the potential to generate up to \$687.5 million in total revenue over a period of 25 years (individual contract terms range between 10 and 25 years depending on the asset), assuming all assets are sold at the high end of the Fair Market Value ranges presented in this report.

1.2 Strategic Objectives of this Study

The following report satisfies Superlative’s agreement to evaluate the feasibility and potential revenue from selling advertisements on LA Metro TAP Cards and/or personalization on the TAP Card for a fee to generate revenue for LACMTA. Specifically, the objectives of Part I are to:

- A. Determine the feasibility of selling advertisements on TAP Cards and/or personalization of TAP Cards for a fee. TAP cards have specific information on the back of the cards for information and serial numbers.
- B. Research industry best practices, both in the United States and internationally, for selling advertisements or personalization on TAP Cards for a fee, including but not limited to best practices for transit card advertising and payment options (e.g., mobile applications, “pay wallets”, etc.).
- C. Estimate the revenue potential through the sale of TAP Card advertisements and/or card personalization for a fee.
- D. Determine next steps needed to implement the sale of advertisements and/or personalization on LA Metro TAP Cards.
- E. Research industry best practices for selling advertising on LA Metro Tap Card vending machine screens.
- F. Research best practices for selling advertising on the LA Metro mobile application for use with TAP Cards.
- G. Provide guidance on whether LA Metro would likely encounter dissatisfaction from customers, create confusion or experience other negative aspects of selling advertising on TAP cards, and how Metro might mitigate these circumstances.

This report also satisfies Superlative’s agreement to evaluate the feasibility and potential revenue from corporate sponsorships on LA Metro’s expansive transit system. Specifically, the objectives of Part II are to conduct asset reviews and develop monetary valuations of potential sponsorship revenue. This report focuses on the potential Naming Rights revenue for the assets on the following page:

1. Metro bus system;
2. Metro rail system;
3. Metro bike system;
4. Property; and
5. Microtransit and other non-revenue vehicles.

1.3 Background & Methodology

Sports and entertainment venues have traditionally attracted the highest value Naming Rights and sponsorship agreements, because they allow corporate partners to reach substantial markets beyond venue attendees. However, the revenue-generating benefits of Naming Rights and corporate sponsorships have become increasingly prevalent in a wide range of sectors:

- Public transit systems;
- Bike share programs;
- Roadside assistance programs; and
- Adopt-a-highway programs.

Naming Rights and other corporate partners can benefit from greater awareness, wider reach and better engagement through sponsorship marketing as compared to traditional advertising; Naming Rights in particular provides the opportunity for the partner's name to be featured anywhere and everywhere that the venue and its activities are mentioned (e.g., on exterior signage and within the venue, but also through newspapers, posters, schedules, magazines and websites). Activation of Naming Rights and corporate partnership programs serves a dual purpose by merging private and public funds to create new revenue streams while building private and public sector brands in a manner that reflects the stability and values of the community, its people and its goals for the future.

The Superlative Group Valuation Methodology has been developed over time and through our experience of securing revenue-generating opportunities for clients across the United States and Europe. Superlative uses a combination of impressions-based valuation of media exposure and benchmarking to generate valuations that will form the opening negotiating position with target companies during the sales process.

1.4 Revenue Potential

A wide range of factors impact the revenue potential from a sponsorship agreement, including:

- Signage size and design;
- Signage location and visibility;
- Demand and competition for advertising space;
- Population and demographics; and
- Restrictions placed on signage by City, County and/or State Ordinances.

These factors are discussed in further detail in Section 3. This section also provides an overview of the proposed quantitative benefits and valuation assumptions for consideration by the LACMTA project team.

TAP Card Revenue Potential

Table 1.4.1 on the following page provides an overview of the key findings from the TAP Card sponsorship and advertising valuation:

Table 1.4.1

Asset	TAP Card Program
Annual Value	Option A (Recommended): Primary Sponsor: \$1.5 million - \$2.0 million Option B: Advertising Program: \$400,000 - \$750,000
Terms	10 years for Primary Sponsor Four weeks for advertisers
Total Revenue Potential ¹	Primary Sponsor: \$22.5 million Advertising Program: \$7.5 million
Target Categories	All categories: identified by size and marketing budget

Option A: Sponsorship Revenue Potential (Recommendation 1)

The Superlative Group proposes a value range of \$1.5 million to \$2.0 million per annum for Primary Sponsorship of the TAP Card program. Superlative recommends LACMTA pursue this option and target entities at the top of this value range, over a proposed term of 10 years. Assuming inclusion of a CPI escalator of 2.6%, this opportunity could generate between \$16.9 million and \$22.5 million over the life of the term. **(Recommendation 5)**

Option B: Advertising Revenue Potential

Alternatively, The Superlative Group estimates a four-week TAP advertising campaign could generate \$100,000 to \$125,000 for LACMTA. Assuming an estimated four to six campaigns per year, this opportunity could generate between \$400,000 and \$750,000 per annum, or maximum revenues of \$7.5 million over a period of 10 years.

Please refer to Section 1.5 below for more details on Superlative's recommended course of action.

Naming Rights and Sponsorship Revenue Potential

Table 1.4.2 below and on the following page provides an overview of the key findings of the transit valuations, all including a 2.6% CPI escalator over the life of the term²:

Table 1.4.2

Rail and Bus Lines	Value Per Annum		Total Over Term (25 years)	
	Low	High	Low	High
A Line	\$750,000	\$1,250,000	\$25,952,758	\$43,254,597
B Line	\$1,000,000	\$1,750,000	\$34,603,677	\$60,556,435
C Line	\$2,000,000	\$2,750,000	\$69,207,355	\$95,160,113
L Line	\$1,000,000	\$1,750,000	\$34,603,677	\$60,556,435
D Line	\$500,000	\$1,000,000	\$17,301,839	\$34,603,677
E Line	\$750,000	\$1,250,000	\$25,952,758	\$43,254,597
G Line	\$500,000	\$1,000,000	\$17,301,839	\$34,603,677
J Line	\$500,000	\$1,000,000	\$17,301,839	\$34,603,677
Dodger Stadium Express	\$250,000	\$500,000	\$8,650,919	\$17,301,839
LAX FlyAway	\$150,000	\$300,000	\$5,190,552	\$10,381,103
TOTALS	\$7,400,000	\$12,550,000	\$256,067,213	\$434,276,150

¹ Revenue potential shows the top of each value range over the proposed term, assuming an annual CPI escalator of 2.6%

² For rail and bus lines the suggested term is 25 years. For stations and other assets, the suggested term is 10 years. In regard to Los Angeles hosting the 2028 Summer Olympics, a potential sponsorship agreement would include that year in its term. The Los Angeles area will see a large increase in visitors, and it is safe to assume LACMTA ridership will rise accordingly. However, when looking at a 10 to 25-year term, the approximately one-month spike in impressions is not a major factor when developing the value over that length of time.

Rail and Bus Stations	Value Per Annum		Total Over Term (10 years)	
Metro Station	Low	High	Low	High
Civic Center/Grand Park	\$250,000	\$500,000	\$2,813,732	\$5,627,464
Pershing Square	\$250,000	\$500,000	\$2,813,732	\$5,627,464
7th Street/Metro Center	\$1,500,000	\$2,000,000	\$16,882,393	\$22,509,857
Pico	\$250,000	\$500,000	\$2,813,732	\$5,627,464
TOTALS	\$2,250,000	\$3,500,000	\$25,323,589	\$39,392,249

Additional Stations	Value Per Annum	Value Over Term (10 years)	Quantity	Grand Total Potential
Tier 1: Highway Stations	\$250,000	\$2,813,732	21	\$59,088,372
Tier 2: Gold (Stations near Major Roadways)	\$100,000	\$1,125,493	24	\$27,011,832
Tier 3: Silver (Stations near Smaller Roadways)	\$50,000	\$562,746	70	\$39,392,220
TOTALS	\$400,000	\$4,501,971	115	\$125,492,424

Other Metro Assets	Value Per Annum		Total Over Term (10 years)	
Metro Asset	Low	High	Low	High
Freeway Service Patrol	\$2,000,000	\$3,000,000	\$22,509,857	\$33,764,786
Metro Bike Share	\$500,000	\$1,000,000	\$5,627,464	\$11,254,929
Passageway at Union Station	\$200,000	\$300,000	\$2,250,986	\$3,376,479
Public Restrooms	\$150,000	\$250,000	\$1,688,239	\$2,813,732
Sierra Madre Villa Parking	\$250,000	\$500,000	\$2,813,732	\$5,627,464
Atlantic Parking	\$75,000	\$125,000	\$844,120	\$1,406,866
Irwindale Parking	\$75,000	\$125,000	\$844,120	\$1,406,866
APU/Citrus Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Arcadia Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
La Cienega/Jefferson Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Monrovia Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Willow Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Expo/Sepulveda Parking	\$25,000	\$50,000	\$281,373	\$562,746
TOTALS	\$3,525,000	\$5,850,000	\$39,673,621	\$65,841,333

1.5 Conclusions and Recommendations

TAP Card Program

Transit ticketing technology is evolving rapidly on an industry-wide scale. As such, Superlative was able to find current benchmarks that demonstrate advertising on physical transit passes, but which are not a significant source of revenue for any transit agency, and therefore not a viable means of generating substantial revenue from corporate partners for LACMTA.

More importantly, LACMTA's TAP Operations Department, operations and other personnel have expressed concern about the perception of over-branding or corporatizing LACMTA assets from the general public. Therefore, a TAP Card advertising program is not the recommended solution. One of Superlative's best practices for transit pass advertising revenue generation, which can be found in Section 5 of the following report, states that in order to achieve financial success from an advertising program, LACMTA would need to launch multiple campaigns per year with various partners.

The limited revenue potential, complicated logistics and risk of negative public perception justify our recommendation that Primary Sponsorship of the TAP Card program is a simpler and more valuable approach to monetization of the asset (**Recommendation 1**).

Naming Rights and Sponsorship

Due to the number of potential opportunities, should LACMTA decide to pursue Naming Rights and corporate sponsorship to transit assets, there will be a need to prioritize opportunities, based on the estimated revenue potential and most saleable opportunities. Superlative recommends that LACMTA prioritize opportunities as follows (**Recommendation 6**):

Priority Opportunities

- i. Metro Rail Lines;
- ii. Metro Bus Lines;
- iii. Freeway Service Patrol;
- iv. Metro Stations; and
- v. Metro Bike Share.

Second Tier Opportunities

- vi. Passageway at Union Station;
- vii. Public Restrooms; and
- viii. Parking Garages.

2 Introduction

2.1 LACMTA³

General Overview

Founded in 1993, the Los Angeles County Metropolitan Transit Authority (“LACMTA”, “LA Metro”) serves as the transportation planner and coordinator, designer, builder and operator for Los Angeles County. LACMTA’s service area encompasses more than 1,433 square miles and more than 9.6 million residents, nearly one-third the entire population for the State of California. LA Metro’s annual operating budget exceeded \$6.6 billion in FY2019; agency staff included nearly 10,000 full-time employees. System-wide, LACMTA served more than 29 million riders in 2019.

Mission, Vision and Values

LACMTA’s mission is “to provide a world-class transportation system that enhances quality of life for all who live, work and play within LA County”. LACMTA’s vision is comprised of three main elements:

- Increased prosperity for all by removing mobility barriers;
- Swift and easy mobility throughout LA County, anytime; and
- Accommodating more trips through a variety of high-quality mobility options.

Values identified by LA Metro include the following:

- **Safety.** LA Metro commits to ensure that its employees, passengers and the general public’s safety is always its first consideration.
- **Service Excellence.** The agency commits to provide safe, clean, reliable, on-time, courteous service for its clients and customers.
- **Workforce Development.** LA Metro commits to making the agency a learning organization that attracts, develops, motivates and retains a world-class workforce.
- **Fiscal Responsibility.** LA Metro commits to manage every taxpayer and customer-generated dollar as if it were coming from its own pocket.
- **Innovation and Technology.** The agency actively participates in identifying best practices for continuous improvement.
- **Sustainability.** LA Metro commits to reduce, re-use and recycle all internal resources and reduce greenhouse gas emissions.
- **Integrity.** LACMTA commits to rely on the professional ethics and honesty of every employee.
- **Teamwork.** LA Metro commits to actively blend individual talents to achieve world-class performance and service.

Transit Infrastructure

The following tables provide an overview of LA Metro’s bus, rail, vehicle and other service assets, including relevant metrics for each, where available.

Figure 2.1.1: Bus Service

Feature/Asset	Amount
Bus Stops	13,978
Square Miles in Service Area	1,479
Number of Bus Routes (Directly Operated and Contracted)	165
Total Metro Bus Fleet	2,308

³ Source: www.metro.net. Retrieved February 7, 2020. This data may have changed since the publishing of this report.

Figure 2.1.2: Rail Service

Feature/Asset	Amount
Stations	93
Miles of Service	98
Service Lines	4 Light Rail, 2 Subway

Figure 2.1.3: Bicycle Assets (Miles)

Feature/Asset	Amount
Bike Routes/Signage	609 miles
Bike Lanes	1,053 miles
Bike Paths	346 miles

Figure 2.1.4: Car Service

Feature/Asset	Amount
High Occupancy Vehicles - Carpool Lanes	
Length in miles	219
Lane miles in both directions	539
Metro Freeway Service Patrol	
Number of Tow Truck Beats	43
Number of Tow Trucks on Patrol	149
Number of Freeway Miles Served	475
Number of Motorists Assisted Monthly (Average)	25,000
Number of Motorists Assisted Annually	300,000
Motorists hours saved annually from sitting in traffic	9.4 million
Gallons of fuel savings annually	16.2 million
Emissions reductions annually	150 million kilograms
Annual Budget	\$33 million

2.2 Los Angeles County

Introduction

Established in 1850, Los Angeles County is one of California's original 27 counties. It is one of the largest counties in the United States, covering a geographic area of 4,084 square miles, and has the largest population of any U.S. county in the nation: more than 10 million residents who account for approximately 27 percent of California's population. As a subdivision of the state, the County is charged with providing numerous services that affect the lives of all residents, including law enforcement, tax collection, public health protection, public social services, elections and flood control.

Contextual Relevance to Rail Transportation

Historically, Los Angeles County played an important role in coast-to-coast railroad development. The Southern Pacific completed its Los Angeles route in 1880, followed by the Santa Fe Railroad in 1886. The railroads' long-term growth plan included acquiring sizeable Los Angeles land holdings and subsequently promoting tourism and city development to attract investment, raise land values and increase the value of railroad shipments in the wake of the "Go West" campaign collapse toward the end of 19th century, during which many landowners went broke and fled the area at a rate of nearly 3,000 people per day. As a result, the population of Los Angeles increased fivefold from about 11,000 in 1880 to around 60,000 in 1890.

Demographic Information

In 2020, more than 10.4 million people live in Los Angeles County, residing in 88 cities and approximately 140 unincorporated areas. The County maintains its reputation as an industrial and financial giant and is one of the most cultural and ethnically diverse communities in the world.

Los Angeles County demographics are based on 2018 U.S. Census Bureau statistics:

Sex:

Male:	49.3%
Female:	50.7%

Age by Year:

Under 15:	18.0%
15 – 19:	6.2%
20 – 24:	6.9%
25 – 34:	16.3%
35 – 44:	13.6%
45 – 54:	13.3%
55 – 64:	12.0%
65+:	13.6%

Annual Household Income:

Below \$10,000:	6.1%
\$10,000 – 24,999:	15.1%
\$25,000 – 49,999:	20.9%
\$50,000 – 74,999:	16.4%
\$75,000 – 99,999:	11.8%
\$100,000 or above	29.7%

Ethnic Background:

Caucasian/White:	25.9%
Af. American/Black:	7.8%
Hispanic/Latino:	48.6%
Am. Indian/Alaska Native	0.2%
Asian:	14.6%
Hawaiian/Pacific Islander:	0.3%
Other:	0.3%
Two or more races:	2.4%

2.3 Key Statistics⁴

- Los Angeles County Population: 10.4 million
- Metro.net Total Page Views (SimilarWeb): 14.3 million
- LACMTA Social Media Followers: 279,098
 - Twitter: 105,400
 - Facebook: 85,894
 - Instagram: 50,700
 - YouTube: 19,200
 - LinkedIn: 17,904
- GoMetro Monthly App Users: 37,300
 - iOS: 28,000
 - Android: 9,300
- Number of Metro Employees: 10,000
- Number of LACMTA TAP Cards produced annually: 1,000,000
- Number of Ticket Vending Machines (entire system): 487
 - A Line: 73
 - B Line: 91
 - C Line: 58
 - E Line: 74
 - G Line: 69
 - J Line: 18
 - L Line: 98
 - Customer Centers: 4
 - Regional Ticket Vending Machines: 2
- LACMTA Annual Ridership (2019, Bus and Rail): 370,480,743
 - Major Service Lines:
 - A Line: 8,905,140
 - B Line: 41,775,490
 - C Line: 9,131,806
 - G Line: 15,090,394
 - E Line: 18,269,068
 - G Line: 6,714,108
 - J Line: 5,209,169
 - Dodger Stadium Express: 377,180
- LACMTA Internal Email List: 11,000
- LACMTA External Emails sent in 2019: 4,000,000
- Metro Bus
 - Bus Stops: 13,978
 - Service Area: 1,479 square miles
 - Number of Bus Routes: 165
 - Total Fleet: 2,308
- Metro Rail
 - Stations: 93
 - Miles of Service: 98
 - Number of Lines: 6
 - Annual Service Miles: 8,601,897
- Freeway Service Patrol
 - Number of Tow Truck Beats: 43
 - Number of Tow Trucks on Patrol: 149
 - Number of Freeway Miles Served: 475
 - Number of Motorists Assisted (monthly): 25,000

⁴ Circa May 2020. Obtained through information provided by LACMTA, public LACMTA-owned assets (e.g., www.metro.net) and through original research. A full list of these sources, including dates and other information, can be found in Appendix A.

- Metro Bike Share
 - Ridership: 2,500,000
 - Members: 20,000
 - Stations: 274
 - Bicycles: 4,000

3 Background & Methodology

3.1 Introduction

History of Naming Rights

Sports and entertainment venues and organizations have historically attracted the highest values for sponsorship agreements because of the potential for Corporate Partners (see “Definitions” in Appendix A) to reach millions of people over and above venue attendees. In recent years, Superlative has been working to expand the traditional scope of Naming Rights and Corporate Sponsorships to include a large number of new industries and organizations. Transit agencies, convention centers, theatres and municipalities are increasingly turning to the private sector to help fund public services and overcome shrinking budgets via Naming Rights sales.

Naming Rights and Sponsorship in the Transport Sector

As Corporate Partners have realized that they are able to reach millions of people through naming transit stations and lines, the concept for Naming Rights in a transit context has become increasingly common. Transit Authorities routinely turn to Naming Rights of either stations or entire transit systems as a means of maximizing non-fare revenue opportunities.

In 2008, the Greater Cleveland Regional Transit Authority (GCRTA), through The Superlative Group, secured a 25-year Naming Rights agreement with two local hospitals for the Bus Rapid Transit Line (Euclid Corridor). Subsequently, in 2014, GCRTA secured a 28-year Naming Rights agreement with Cleveland State University for a new Bus Rapid Transit Line that opened in the fall of 2014, and in 2017, secured a 25-year Naming Rights agreement with Metro Health for another new BRT line. Streetcar systems in Tampa, Seattle and Portland have all benefitted from Naming Rights sales. In 2009, Barclays Bank agreed to purchase the Naming Rights to a Brooklyn subway station for \$4 million over 20 years in conjunction with a sporting arena development. Transit authorities in Los Angeles, Chicago, Oakland, Dallas, Buffalo, San Diego, Sacramento and Richmond have all commissioned Superlative to produce Naming Rights valuation reports with the intent to begin actively marketing the opportunities.

3.2 Valuation Measurement Strategies

Despite the growth of title sponsorship and Naming Rights agreements in both sporting and non-sporting contexts, establishing an objective method to value sponsorships is difficult due to the fact that many of the benefits associated with sponsorships, such as public image, do not have a physical presence and are therefore intangible. Sponsorship and Naming Rights agreements frequently differ in terms of duration, breadth of benefits available, reach and value. This is largely due to the bespoke nature of each contract and the need to predict present and future benefits, quantified in present-day dollar terms.

The most common—but insufficient—methods used to calculate Naming Rights and sponsorship valuations are:

- The Cost Method;
- The Income Method; and
- The Market Method

These are explained in further detail below.

The **Cost Method** is a time-sensitive calculation of the amount of money that must be spent to replicate the exact bundle of benefits available through a Title Sponsorship Naming Rights agreement by some other means. This approach suggests that Naming Rights can be divided into specific and separate benefits and that a quantification of their cost of purchase, external to the Naming Rights Agreement, will help both buyer and seller arrive at a mutually acceptable valuation. However, there are four issues with this method:

- i. Many of the replicated benefits will occur in the future, but individual forecasts about the present-day value of future costs or revenue cash flows are subjective and can vary widely.
- ii. No allowance or dispensation is made for the uncertainty of the future.
- iii. The Cost Method always treats the impact of impressions in the same way, regardless of their source. It does not address the variable impact of impressions from different media. To overcome this problem, conversion ratios are used, but a significant number of variables often remain.
- iv. Accounting for duplication of impressions can create variability in the valuation. The number of impressions generated is almost always higher than the total number of people reached because a percentage of individuals will receive multiple impressions, such as word of mouth impressions.

The **Income Method** compares the projected nominal income (present and future) expected to be earned from Naming Rights with the economic life or length of time that the intangible assets can expect to command a given price. An internal rate of return is then calculated to analyze the impact of alternative future scenarios upon the level and value of benefits accrued by the buyer. Hence, the income method deals more accurately with the uncertainty of the future but remains just as susceptible as the Cost Method to the subjectivity of forecasting and duplication of impressions.

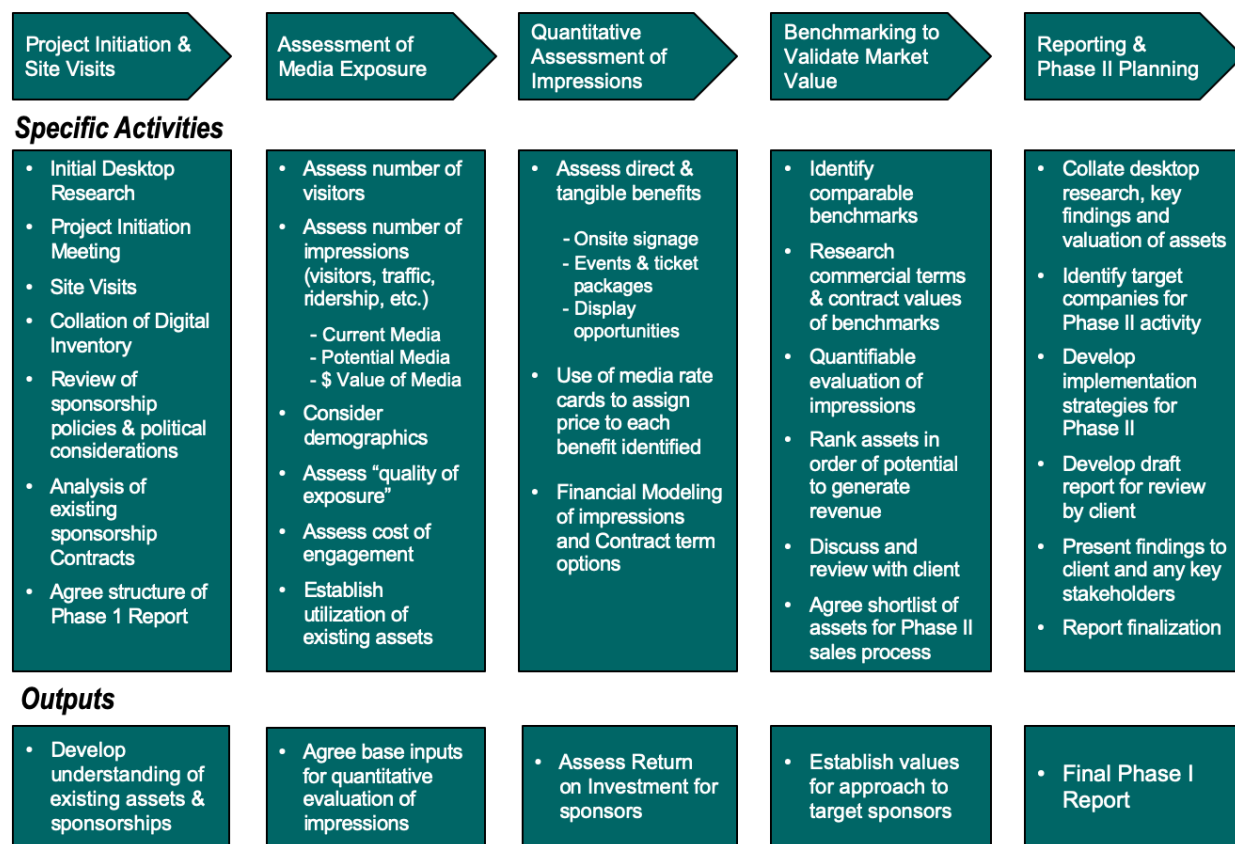
The **Market Method** assumes that a Naming Rights proposition can be valued by reference to similar transactions of Naming Rights bundles within equivalent sets of local area demographic characteristics, comparable points in time and equivalent features. This is described as the most common approach to Naming Rights valuations as the nature of Naming Rights agreements immediately calls into question the search for similar transactions. It is also considered to be a less subjective means of valuing Naming Rights agreements as it makes fewer assumptions than the Cost or the Income Method. Academic study also advocates making adjustments to valuations in order to account for comparative analysis against current market rates.

3.3 The Superlative Valuation Methodology

Due to the lack of a universally accepted valuation methodology for Naming Rights and Sponsorship valuation, The Superlative Group developed the following valuation methodology – a combination of facets of the three methods described above – based on its experience in negotiating Naming Rights Agreements.

The valuation of Naming Rights and Sponsorship opportunities is one step in The Superlative Group's marketing strategy. The diagram on the following page shows the key stages, specific activities and outputs during development of this marketing strategy:

Figure 3.3.1

Valuation Report – Key Activities**Project Initiation & Desktop Research**

The Superlative Group carried out its initial desktop research to review relevant documentation, such as financial statements and strategic plans, to gather contextual information such as major capital projects in the locality, specifics of the existing facilities, and key statistics, such as visitor numbers, drive-by traffic, media publications and hits on websites/communication channels. Our research team maintains a database that is used to compile key pricing and contractual data for all relevant Naming Rights initiatives.

Site visits were undertaken where relevant to view the assets being valued. A digital inventory of photographs and renderings is compiled for each location that is used during the valuation process and, subsequently, during development of promotional materials during the sales process. The Superlative Group gathered site maps to document key details such as number of existing signage and facility specifications. This information was used to identify commercial opportunities as part of the Phase I valuation process.

In order to understand existing sponsorship partnerships, The Superlative Group also undertook a review of all major sponsorship contracts to consider the term of existing agreements, gain an understanding of the key commercial terms and identify opportunities where existing arrangements could be improved.

Assessment of Media Exposure

Assessment of media exposure requires an understanding of the number of impressions (see “Definitions” in Appendix A) that a Corporate Sponsorship would deliver. This involves gathering traffic statistics for specific venues and consideration of impressions from roadside signage, aerial views and naming on radio

traffic updates or other media channels. Local rates were gathered in order to establish accurate local benchmarks.

With the gathered data, The Superlative Group generated an initial model of impressions. Superlative takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

- **Size** – Has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence your cost.

Sponsorship Rates

A Naming Rights buyer will typically invest in a naming opportunity based on a cost per thousand (CPM) basis (see "Definitions" in Appendix A). CPMs for Naming Rights or advertising programs vary due to location, type of media exposure and position of sponsorship space. While an average CPM for a national television advertisement may be \$28, a 30-second advertisement during the Super Bowl typically costs more than \$5 million, with CPMs in the range of \$60 - \$80. CPM values can vary considerably across the nation. As a result, The Superlative Group applies local media rates to each project.

The CPM value includes assessment of the demographics of the target audience and the quality of exposure to that audience. For example, sporting venues tend to be patronized by 18-34-year-old males, which is a "premium audience" in terms of the potential revenue for sponsors generated by this audience. Accordingly, sponsors wishing to gain exposure to this audience would target sports venues. The target demographic for other venues may be considerably different and hence, this must be taken into consideration as part of the valuation.

Unlike traditional advertising, the quality of sponsorship exposure is determined by how prevalent the sponsor's branding is during the exposure period and the impact that this placement will have on the target demographic. The Superlative Group weighs the strength of a sponsor's exposure against these CPMs when assigning values and applies reasonable discounts because most sponsorship branding contains a sponsor's name or logo, but not straight advertising messages.

Quantitative Evaluation of Impressions

The Superlative Group uses financial modeling to assess the dollar value of impressions from the Sponsorship and Naming Rights opportunities offered by LACMTA (e.g. signs at facilities, vehicles, and collateral). Superlative assigns a CPM-based value to each saleable asset available for naming rights or sponsorship, based on the strength and reach of exposure for a possible sponsor associated with each branding opportunity.

In developing these values, The Superlative Group uses a template financial model it has developed over time and adjusted the model to fit the saleable components. Superlative's values assume alternative contract terms and incorporate assumptions that the payments for Naming Rights would escalate annually in proportion to changes in the Consumer Price Index (CPI), which is assumed to rise at 2.6% in the state of California; these values are presented in Section 5 of this report. After calculating the media value as described above, Superlative is able to build a profile of the sponsorship value for each site.

Benchmarking to Validate Market Value

In order to negate the short falls identified above in academic commentary with regard to Naming Rights valuation, The Superlative Group identifies sector benchmarks (or comparables) for each opportunity, researching commercial and contract values.

In order to confirm that an impression-based valuation is appropriate and accurate, The Superlative Group investigated the prices paid for Naming Rights for similar properties and assets in similar markets. When evaluating benchmark comparisons, Superlative considers the prestige of each asset, likely sponsor interest, and geographic reach of each sponsorable asset. Superlative takes into account the geographic reach of a sponsorship opportunity as a whole, on a local, regional and/or national basis, but also the geographic reach of each individual asset. For example, an individual piece of signage within the interior of a property would have a local reach, while recognition on publications and/or signage within a vehicle would reach a far broader audience. Assets are then ranked in order of potential to generate revenue to establish priorities for the Phase II sales process.

4 Asset Overview

4.1 Introduction

This section of the Advertising and Feasibility Study will provide a brief overview of the LACMTA transit system and TAP Card program, in order to identify the main assets that should be considered for Naming Rights, sponsorship and advertising revenue potential. Please refer to Sections 5.2 and 8 - 12 for the Asset Database, which provides detail of the value and proposed sponsorship terms.

4.2 TAP Card Program

Overview

In February 2008, the LACMTA began to implement its contactless fare system, known as the Transit Access Pass (TAP), a plastic card imbedded with smart-chip technology that would completely replace tokens by December 2019. Both the card and the fare collection systems are manufactured by Cubic Transportation Systems, and currently account for 24 million monthly transactions (288 million annually) from more than 1.5 million passholders as of September 2018, making it one of the largest smart card systems in the United States.

In 2019, TAP Cards were sold at more than 450 retail locations across Los Angeles County and will surpass more than 2,000 locations by the end of 2020 through a partnership with InComm, a payments technology company, according to press release obtained by Superlative. TAP Cards can be used to purchase fares on LACMTA bus, rail and Metro Bike Share transportation, with plans to expand to Microtransit, Scooters, Ride-Hailing, E-Bikes, Parking and Electric Vehicle services as part of a system-wide program roll-out.

TAP Cards are accepted on 25 public transit systems in LA County, including LACMTA, the largest transportation agency in Los Angeles. This includes 99 light rail stations and 3,800 buses. A complete list of these systems can be found below.

- Angels Flight Railway
- Antelope Valley Transit Authority (AVTA)
- Baldwin Park Transit
- Beach Cities Transit
- Burbank Bus
- Carson Circuit
- Compton Renaissance Transit System
- Culver CityBus
- Foothill Transit
- Gardena GTRANS
- Glendale Beeline
- Huntington Park Transit Unlimited
- LA County Department of Public Works
- LADOT Transit
- Los Angeles World Airports (LAWA)
- Long Beach Transit
- **LACMTA**
- Montebello Bus Lines
- Monterey Park Spirit Bus
- Norwalk Transit
- Palos Verdes Peninsula Transit Authority
- Pasadena Transit
- Santa Clarita Transit
- Santa Monica Big Blue Bus
- Torrance Transit

Fees

Purchase of each TAP Card includes a \$2 new card acquisition for riders. The program offers daily, weekly and monthly passes as well as the option for stored value to consumers that ride infrequently. TAP Card balances are protected for a \$5 administrative fee if they are lost or stolen, and value can be added at TAP vendor locations, ticket vending machines (TVMs), stations, online, by phone or set to auto-load if the value drops below a certain threshold. LACMTA offers TAP cards at a reduced rate to seniors above the age of 62, people with disabilities, college/vocational students and secondary education students. Each TAP Card has a useful life and expiration date of 10 years.

Exposure Opportunities

Corporate partners will seek to maximize their return on investment through exposure opportunities and promotion of their brand in conjunction with the TAP Card program. In addition to print recognition and other traditional media, signage exposure will be an important component of the TAP Card sponsorship valuation. This section provides Superlative's recommendations for the main sponsor recognition opportunities both within and around LACMTA lines and stations identified by the project team through the discovery process.

Ticket Vending Machines

TAP Cards are currently sold onsite in LACMTA stations, customer care centers and other LACMTA-owned facilities (Note: This list does not include retail and other non-owned TAP Card vendors) through Ticket Vending Machines (TVMs). Typically, and as expected, TVMs are placed in convenient locations, and often in groups of five, as pictured below in Figure 4.2.1. Grouped configurations, as observed by Superlative, are freestanding or embedded in walls. Most stations include standalone kiosks, pictured in Figure 4.2.2 on the following page. Static signage opportunities exist in the forms of temporary banners, freestanding signs or wrapped/branded kiosks (e.g., standalone kiosks).

Figure 4.2.1 Freestanding Group TVMs



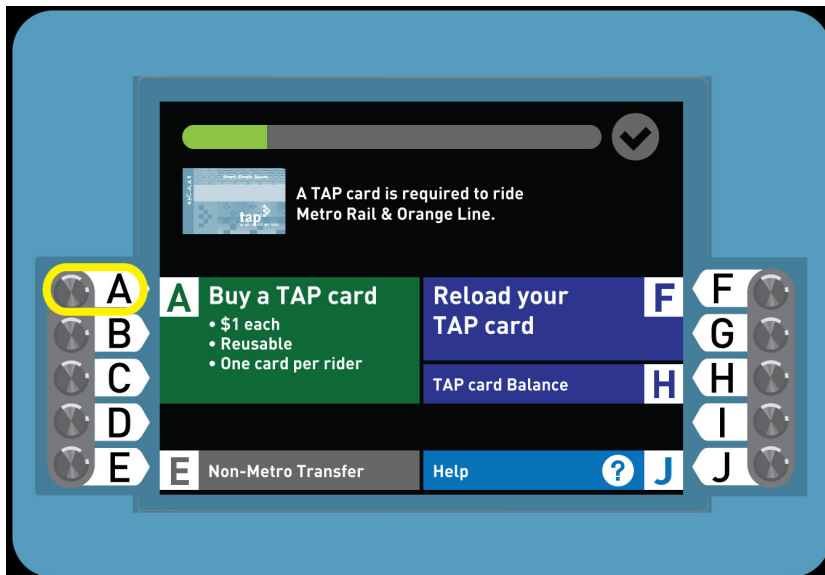
Figure 4.2.2



Pre-roll Ads on TVM Digital Displays

As described in detail below in Section 5.2, the Southeastern Pennsylvania Transit Authority (SEPTA) experimented with running pre-roll advertisements on its subway ticket kiosks. While that program proved unsuccessful, most criticism pertained to the length of the ad and lack of proper functionality. Assuming LACMTA TVMs can be properly programmed and ad length reduced to a minimum of one to two seconds maximum (more than sufficient exposure for a partner avail), their digital screens, seen below in Figure 4.2.3, present a valuable opportunity for sponsor visibility.

Figure 4.2.3 TAP TVM Digital Screen (Purchase Portal)



Locations

Based on information provided by the TAP Operations Department, Superlative was able to identify the exact location of TVMs across the LACMTA system and included the potential pool of impressions from daily riders. These impressions are weighted in Section 5.3 in order to determine the potential revenue for these assets as part of the main sponsorship opportunity for the TAP Card program. Please refer to Figure 4.2.4 below and on the following pages for a complete list of TVMs considered by this study.

Figure 4.2.4 TAP TVM Locations

Station	# of TVMs	Weekly Ridership	Annual	Potential Impressions ⁵
B Line				
Union Station	10	164,780	8,568,560	85,685,600
Civic Center	6	42,795	2,225,340	13,352,040
Pershing Square	6	77,483	4,029,116	24,174,696
7th/Metro Center	16	233,064	12,119,328	193,909,248
Westlake/MacArthur Park	7	67,234	3,496,168	24,473,176
Wilshire/Vermont	4	80,415	4,181,580	16,726,320
Vermont/Beverly	4	39,341	2,045,732	8,182,928
Vermont/Santa Monica	4	50,548	2,628,496	10,513,984
Vermont/Sunset	4	47,677	2,479,204	9,916,816
Hollywood/Western	3	48,964	2,546,128	7,638,384
Hollywood/Vine	5	67,626	3,516,552	17,582,760
Hollywood/Highland	7	87,212	4,535,024	31,745,168
Universal City	5	73,756	3,835,312	19,176,560
North Hollywood	10	174,338	9,065,576	90,655,760
C Line				
Norwalk	6	41,017	2,132,884	12,797,304
Lakewood	4	23,711	1,232,972	4,931,888
Long Beach Blvd.	4	23,905	1,243,060	4,972,240
Imperial Wilmington - MGL Portion	3	67,443	3,507,036	10,521,108
Avalon	4	20,355	1,058,460	4,233,840
I-110/Harbor	3	26,608	1,383,616	4,150,848
Vermont	4	22,921	1,191,892	4,767,568
Crenshaw	4	24,723	1,285,596	5,142,384
Hawthorne Blvd.	4	38,319	1,992,588	7,970,352
Aviation	5	43,305	2,251,860	11,259,300
Mariposa	4	13,198	686,296	2,745,184
El Segundo	5	10,023	521,196	2,605,980
Douglas	4	8,365	434,980	1,739,920
Marine/Redondo	4	11,150	579,800	2,319,200
A Line				
Pico	6	46,926	2,440,152	14,640,912
Grand	5	39,448	2,051,296	10,256,480
San Pedro	2	25,783	1,340,716	2,681,432
Washington	2	15,382	799,864	1,599,728
Vernon	3	28,039	1,458,028	4,374,084
Slauson	2	24,085	1,252,420	2,504,840
Florence	3	44,343	2,305,836	6,917,508
Firestone	3	29,941	1,556,932	4,670,796
103rd	3	32,253	1,677,156	5,031,468
Imperial/Wilmington - A Line Portion	4	107,120	5,570,240	22,280,960
Compton	4	39,166	2,036,632	8,146,528
Artesia	3	34,037	1,769,924	5,309,772
Del Amo	4	34,341	1,785,732	7,142,928

⁵ This reflects the potential number of impressions from riders, were every rider able to see every TVM at each station. As this is not the case, this "universe" of potential impressions has been weighted by Superlative's proprietary methodology (described above in Section 3) and factored into our analysis in Section 5.

Wardlow	4	16,649	865,748	3,462,992
Willow	3	37,420	1,945,840	5,837,520
PCH	3	24,973	1,298,596	3,895,788
Anaheim	4	25,899	1,346,748	5,386,992
5th St.	4	12,545	652,340	2,609,360
1st St.	4	10,094	524,888	2,099,552
Downtown Long Beach (Transit Mall)	3	7,547	392,444	1,177,332
Pacific	4	33,312	1,732,224	6,928,896
L Line				
Azusa/Citrus	2	22,095	1,148,940	2,297,880
Azusa/Alameda	4	24,643	1,281,436	5,125,744
Irwindale	4	8,810	458,120	1,832,480
Duarte	4	10,496	545,792	2,183,168
Monrovia	4	14,176	737,152	2,948,608
Arcadia	2	17,308	900,016	1,800,032
Sierra Madre Villa	4	24,310	1,264,120	5,056,480
Allen	2	18,245	948,740	1,897,480
Lake Ave.	4	22,576	1,173,952	4,695,808
Memorial Park	4	32,249	1,676,948	6,707,792
Del Mar	4	20,516	1,066,832	4,267,328
Fillmore	2	17,506	910,312	1,820,624
South Pasadena	8	19,327	1,005,004	8,040,032
Highland Park	4	26,854	1,396,408	5,585,632
Southwest Museum	2	9,193	478,036	956,072
Heritage Square	4	9,244	480,688	1,922,752
Lincoln/Cypress	4	14,974	778,648	3,114,592
Chinatown	6	20,826	1,082,952	6,497,712
Union Station - PGL Entrance	4	154,763	8,047,676	32,190,704
Little Tokyo	4	33,695	1,752,140	7,008,560
Pico Aliso	2	12,045	626,340	1,252,680
Mariachi Plaza	2	11,036	573,872	1,147,744
Soto	2	20,462	1,064,024	2,128,048
Indiana	4	17,680	919,360	3,677,440
Maravilla	4	5,330	277,160	1,108,640
East LA Civic Ctr	4	8,235	428,220	1,712,880
Atlantic	4	25,475	1,324,700	5,298,800
E Line				
23rd St.	4	27,348	1,422,096	5,688,384
Jefferson	4	22,098	1,149,096	4,596,384
USC/Expo	4	27,596	1,434,992	5,739,968
Vermont	8	45,051	2,342,652	18,741,216
Western	4	40,779	2,120,508	8,482,032
Crenshaw	4	37,071	1,927,692	7,710,768
Farmdale	4	12,750	663,000	2,652,000
La Brea	4	29,688	1,543,776	6,175,104
La Cienega	4	30,874	1,605,448	6,421,792
Culver City	5	34,622	1,800,344	9,001,720
National/Palms	2	21,403	1,112,956	2,225,912
Expo/Westwood	2	20,250	1,053,000	2,106,000
Expo/Sepulveda	4	25,761	1,339,572	5,358,288
Expo/Bundy	4	27,055	1,406,860	5,627,440
Olympic/26th	6	20,906	1,087,112	6,522,672
Colorado/17th	4	32,000	1,664,000	6,656,000
Downtown Santa Monica (Colorado/4th)	7	94,626	4,920,552	34,443,864
G Line				
North Hollywood	2	76,272	3,966,144	7,932,288
Laurel Canyon	4	11,836	615,472	2,461,888

Valley College	4	9,362	486,824	1,947,296
Woodman Ave.	4	7,696	400,192	1,600,768
Van Nuys Blvd.	4	30,691	1,595,932	6,383,728
Sepulveda	4	17,112	889,824	3,559,296
Woodley	4	6,833	355,316	1,421,264
Balboa	4	13,961	725,972	2,903,888
Reseda	4	22,592	1,174,784	4,699,136
Tampa	4	5,282	274,664	1,098,656
Pierce College	4	9,547	496,444	1,985,776
DeSoto Ave.	4	5,253	273,156	1,092,624
Canoga Ave	7	18,320	952,640	6,668,480
Warner Center (EB)	2	Data Unavailable		
Sherman Way - SB Platform	4	12,393	644,436	2,577,744
Roscoe	4	9,125	474,500	1,898,000
Nordhoff	4	5,643	293,436	1,173,744
Chatsworth	2	9,936	516,672	1,033,344
J Line				
El Monte Transit Center	6	26,943	1,401,036	8,406,216
CSULA - Pedestrian Overcrossing	1	12,864	668,928	668,928
LAC-USC Medical Center	1	2,836	147,472	147,472
37th Street	1	3,362	174,824	174,824
Slauson	1	5,361	278,772	278,772
Manchester	2	6,956	361,712	723,424
Rosecrans	2	4,756	247,312	494,624
Harbor Gateway Transit Center	4	22,984	1,195,168	4,780,672
Customer Center				
East Portal - Union Station Customer Center	1	434,531	22,595,612	22,595,612
Patsaouras Bus Plaza	1	14,229	739,908	739,908
East LA Customer Center	1	4,103	213,356	213,356
Baldwin Hills Customer Center	1	21,898	1,138,696	1,138,696
Regional TVMs				
LAX City Bus Center	1	2,647	137,644	137,644
Pico/Rimpau	1	8,023	417,196	417,196

TAP Card Readers

TAP Card readers can be found in Light Rail stations and on Metro buses. They come in three forms, as identified in Figures 4.2.5 – 4.2.8:

Figure 4.2.5 and 4.2.6 Station Validators



Figure 4.2.7 Bus Validators



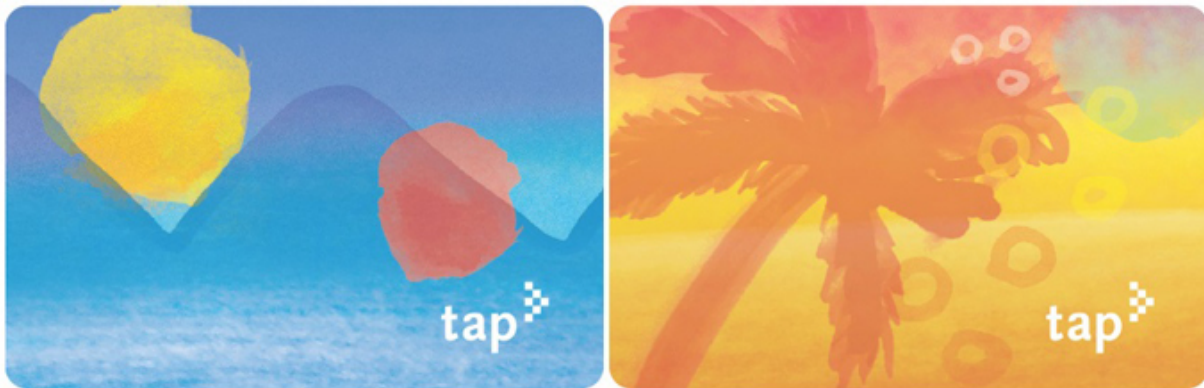
Figure 4.2.8 Bus Fareboxes



TAP Cards

TAP Cards have the same measurements as a credit or other payment card, typically 3.370" × 2.125", with an approximate thickness of 0.76 mm (1/32 in). As described below, TAP Cards can be modified in numerous ways:

Figure 4.2.9 Standard and Discounted Fare TAP Cards



In 2019, LACMTA, in partnership with the Los Angeles Football Club (LAFC), a professional soccer team, issued a first-of-its-kind limited-edition LAFC-branded TAP card. This iteration is most akin to the type of recognition that a sponsor would expect to receive as part of a holistic opportunity. Please see Figure 4.2.10 below.

Figure 4.2.10 Branded TAP Card (LAFC)



Periodically, LACMTA will issue commemorative and special event TAP cards on a limited basis. Please see Figures 4.2.11 – 4.2.13 below. Based on Superlative's due diligence, these limited-edition cards are considered collector's items and can fetch a substantial aftermarket price.

Figure 4.2.11 Limited Edition Pride Card



Figure 4.2.12 Limited Edition Obama Card (2014)



Figure 4.2.13 Limited Edition Charles White Card (2019)



Wearables

In August 2019, LACMTA began selling TAP “wearables” as an alternative to cards, including “TAP Flex”, a silicone wrist band, and “Tap Mini” key fob for \$10, both pictured below. LACMTA’s TAP Operations Department has indicated this initiative has been less than successful to date, although the program has only been active for less than a year.

Figure 4.2.14



4.3 Metro Rail System

Overview

The Metro Rail is an urban rail system serving Los Angeles County. Metro Rail currently operates over 98 miles of service and served more than 93 million passengers in 2019. Consisting of six lines, two subway lines (B and D lines) and four light rail lines (A, C, L and E Lines) the overall system utilizes 93 stations. Metro Rail connects to the Metro Busway system (G and J Lines) and also the commuter rail system (Metrolink).

Los Angeles County previously had two rail systems, the Pacific Electric Red Car and Los Angeles Railway Yellow Car lines, which operated between the late 1800s and the 1960s. The Metro Rail system utilizes many of the former rights-of-way and can be considered the indirect successor to these earlier transit systems.

A Line

The recently renovated A Line was the first rail line in the LACMTA system and opened in 1990. The A Line is a light rail that runs through 22 stations (including two shared) over 21.3 miles from Downtown Los Angeles to Long Beach. In 2019, the A Line ridership totaled nearly nine million passengers. Popular

destinations along the A Line include Staples Center, the LA Convention Center, Watts Towers, the Queen Mary and the Aquarium of the Pacific.

Figure 4.3.1 Metro A Line



B Line

The B Line was LACMTA's first subway line built and opened in 1993. The B Line runs 14 miles from North Hollywood to Downtown Los Angeles utilizing 16 stations (including six shared). In 2019, the B Line was the most popular line with riders, totaling more than 41 million passengers. Popular destinations along the B Line include Grand Park, the Music Center, Grand Central Market, the LA Convention Center, Staples Center, MacArthur Park, the Pantages Theater, the Walk of Fame and Universal Studios.

Figure 4.3.2 Metro B Line



C Line

The C Line, opened in 1995, is a light rail spanning 19.5 miles from Norwalk to Redondo Beach. The C Line utilizes 14 stations (including one shared) and runs in the median of the I-105 freeway. More than nine million passengers rode the C Line in 2019. Destinations include Los Angeles International Airport (a free shuttle bus is available at Aviation Station), Manhattan Beach Pier, The Forum, LA Southwest College, Earvin Magic Johnson Recreation Center, Lynwood Park, and LA County Hall of Records.

Figure 4.3.3 Metro C Line



L Line

A light rail opened in 2003, the L Line operates from East Los Angeles to Union Station before turning northward into the San Gabriel Valley. The L Line is the longest LACMTA rail line, covering nearly 30 miles. Ridership in 2019 reached 15 million passengers. Notable stops include Mariachi Plaza, Little Tokyo/Arts District, Grand Park, Chinatown, Southwest Museum, Old Town Pasadena, Arcadia, City of Hope Medical Center, Azusa Pacific University, Citrus Community College.

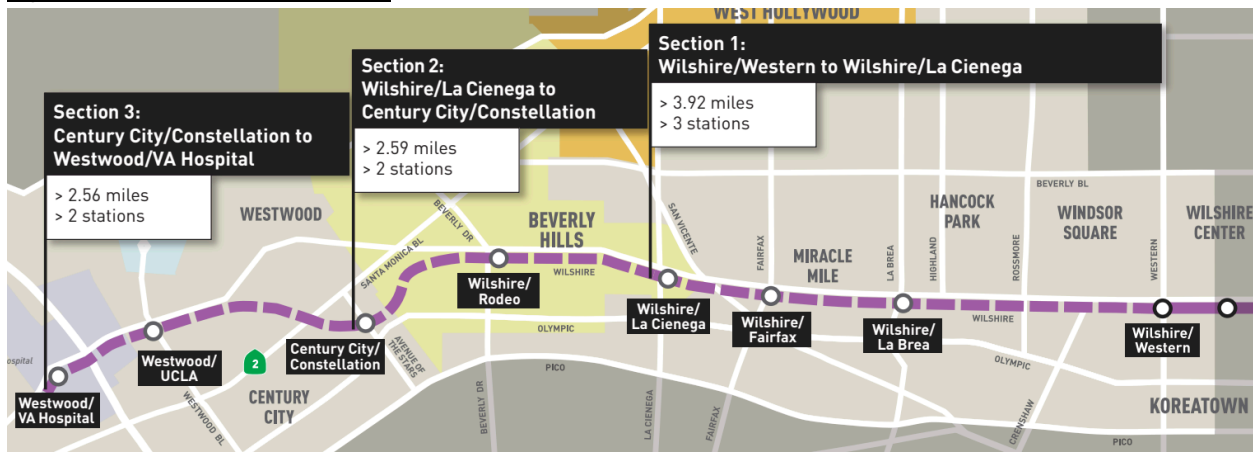
Figure 4.3.4 Metro L Line



D Line

The D Line shares the track with the B Line until Wilshire/Vermont where it forks and ends with two stops in Koreatown. Within the next decade, service will expand west to reach LACMA (by 2023), Beverly Hills (2025) and UCLA (2027). Possible destinations include: Wiltern Theater, MacArthur Park, Staples Center, LA Convention Center, Grand Central Market, the Music Center, Grand Park.

Figure 4.3.5 Metro D Line Extension



E Line

The E Line is the youngest rail line in the LACMTA system, having opened in 2012. The E Line covers 13.1 miles traveling from Downtown Los Angeles to Santa Monica. Ridership for the E Line exceeded 18 million in 2019. Popular destinations include the University of Southern California, Exposition Park, Crenshaw District, Culver City, Santa Monica Pier and Third Street Promenade.

Figure 4.3.6 Metro E Line



4.4 Metro Bus System

Overview

The Metro Bus System is an urban bus system serving Los Angeles County. Metro Bus currently covers more than 1,479 square miles in its service area and served more than 277 million passengers in 2019. Metro Bus operates 165 bus routes totaling nearly 14,000 bus stops with a fleet of more than 2,300 buses.

The Metro Bus System includes two bus rapid transit (BRT) services that operate in dedicated lanes along freeways and local streets. This allows limited-stop service along main corridors across Los Angeles. The G Line runs through the San Fernando Valley and the J Line connects El Monte, Downtown Los Angeles and San Pedro. These two lines combined for almost 12 million passengers in 2019.

G Line

The G Line, opened in 2005, is one of two Metro Liner bus routes that has dedicated lanes on the freeways and surface streets. The G Line covers 18 miles and serves 18 stations across the valley from the North Hollywood B Line station to Chatsworth. Ridership in 2019 was 6.7 million passengers for the G Line.

Figure 4.4.1 Metro G Line

**J Line**

The J Line provides service for faster travel between San Pedro, Downtown LA and El Monte. The J Line 910 and J Line Express 950X share the same stops in Downtown LA and on the I-10 Freeway. However, the Express 950X makes fewer stops on the I-110 Freeway to allow for faster service. Ridership for 2019 was more than five million total passengers. Popular destinations include Staples Center, LA Live, The Music Center, Broad Museum, LA Convention Center, LA Coliseum, CA Science Center, Olvera Street, USC, Cal State LA, Battleship USS Iowa.

Figure 4.4.2 Metro J Line



Dodger Stadium Express

Since 2010, the Dodger Stadium Express has offered free shuttle for ticket holders to Dodger Stadium for all Los Angeles Dodgers home games. Annual ridership in 2019 was more than 300,000 passengers, bringing the overall total ridership since its inception to over two million. The Dodger Stadium Express connects to Metro at Union Station and the South Bay Stations. The Dodger Stadium Express is currently a demonstration project made possible by Clean Transportation Funding from the Mobile Source Air Pollution Reduction Review Committee (MSRC).

Figure 4.4.3 Dodger Stadium Express Bus



Figure 4.4.4 Dodger Stadium Express Route



LAX FlyAway

The LAX FlyAway offers convenient regularly scheduled roundtrips, seven days per week, between each terminal at LAX and Hollywood, Long Beach, Union Station and Van Nuys. LAX FlyAway bus service is operated by Los Angeles World Airports (LAWA), which owns and operates Los Angeles International Airport and Van Nuys. LAWA is a department within the City of Los Angeles. As of the publishing of this report, ridership data for this service had not been provided.

Locations for LAX FlyAway service are:

- Hollywood – west side of Vine Street, one block south of Hollywood Boulevard
- Long Beach – northwest corner of 1st Street and Long Beach Boulevard at Shelter A of the Long Beach Transit Gallery
- Union Station – Downtown Los Angeles
- Van Nuys – San Fernando Valley

Figure 4.4.5 LAX FlyAway



4.5 Metro Stations

Overview

Along with the rail and bus lines, Metro stations can be a valuable asset for LACMTA. This study looked at all stations along the previously mentioned rail and bus lines. Excluding the iconic Union Station, four stations were selected to be highlighted for their potential sponsorship value. The additional stations outside of these four were then grouped together to illustrate the potential value for the rest of a full station Naming Rights sponsorship program.

Civic Center/Grand Park

Civic Center/Grand Park is located on Hill Street between 1st and Temple streets in Downtown Los Angeles. Primarily an underground subway station, Civic Center/Grand Park services the Red and Purple lines as well as the J Line with a bus stop at street level. More than 68,000 riders on the Red and Purple lines pass through Civic Center/Grand Park on a weekly basis, along with more than 8,000 J Line riders at the bus

stop at 1st and Hill. Attractions near the Civic Center/Grand Park station include the Los Angeles Music Center, The Broad, the Museum of Contemporary Art, Grand Park and the Little Tokyo neighborhood.

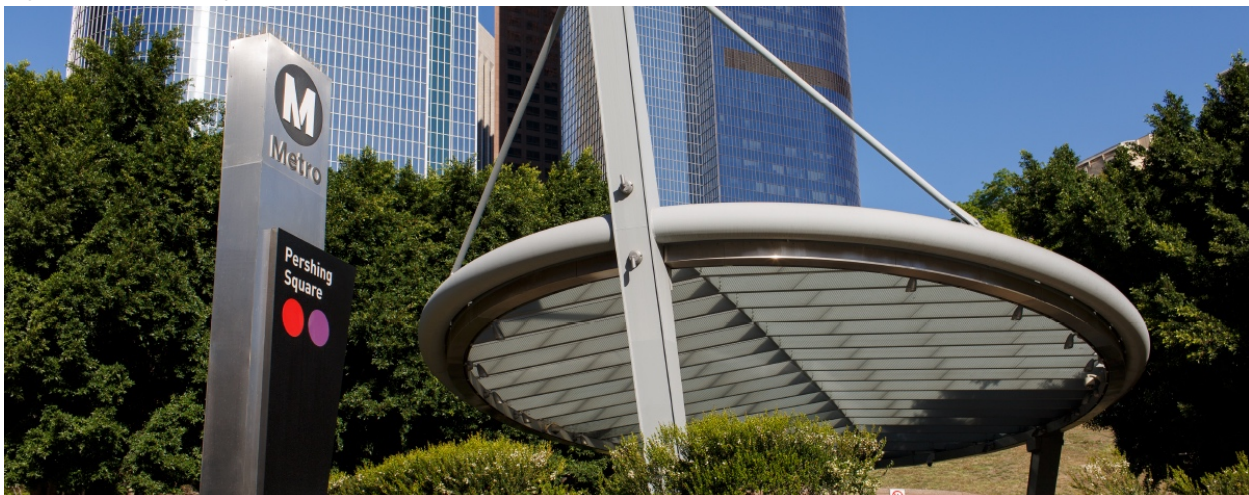
Figure 4.5.1 Civic Center/Grand Park Station



Pershing Square

The Pershing Square Station sits adjacent to Pershing Square at 5th and Hill streets. Pershing Square Station is another subway station servicing the Red and Purple lines that sees a combined weekly ridership of more than 115,000 people. Attractions near Pershing Square include the Historic Core, Angels Flight, Grand Central Market, the US Bank Tower and the Jewelry District.

Figure 4.5.2 Pershing Square Station



7th Street/Metro Center

A major rail station located at 7th and Flower streets, 7th Street/Metro Center Station services the Red, Purple, A (Blue) and E (Expo) lines. At the street level intersection there is also a bus stop for the J Line. The combined rail ridership is more than 650,000 per week, with an additional 10,000 utilizing the J Line bus stop. 7th/Metro Center has direct access to The Bloc Shopping Mall and is right in the thick of the Financial District.

Figure 4.5.3 7th Street/Metro Center Station

Pico

Pico Station is a street level station servicing the A Line and E Line, along with a bus stop for the J Line at Pico Boulevard and Flower Street. The rail service through Pico combines for more than 92,000 riders weekly, with nearly 2,000 additional J Line weekly riders. Servicing the South Park neighborhood, Pico is centrally located for popular attraction such as Staples Center, LA Live and the Los Angeles Convention Center.

Figure 4.5.4 Pico Station



Additional Stations

In addition to the previous four stations listed, Superlative looked at all the stations on the A, B, C, L, D, E, G and J lines. Excluding Union Station, there are an additional 115 stations that were considered for this study.

4.6 Freeway Service Patrol

The Metro Freeway Service Patrol (FSP) is a congestion mitigation program managed in partnership with LA Metro, California Highway Patrol and Caltrans on all major freeways in Los Angeles County. The Freeway Service Patrol is the largest of its kind in the nation, performing approximately 25,000 assists per month. The Freeway Service Patrol utilizes a fleet of roving tow and service trucks designed to reduce traffic congestion by efficiently getting disabled vehicles running again, or by quickly towing those vehicles off the freeway to a designated safe location. Quickly removing motorists and their disabled vehicles from the freeway reduces the chances of further incidents caused by onlookers and impatient drivers. In addition, FSP helps save fuel and reduce air polluting emissions by reducing stop-and-go traffic.

The Freeway Service Patrol is a free service to all motorists offering services such as changing flat tires, jump-starting cars, refilling radiators, providing up to a gallon of fuel and towing to safe locations off the freeway. The average wait time for service is approximately seven minutes, which is considerably faster than AAA service’s wait time of 30 minutes.

The Freeway Service Patrol can assist motorists in three different categories and areas: general purpose freeway lanes (cars, light trucks, vans, SUVs), big rig lanes (semi-trucks with large trailers and other larger vehicles on I-710 and SR-91) and express lanes (I-110 and I-10 corridors).

Figure 4.6.1 Freeway Service Patrol Vehicles



4.7 Metro Bike Share

The Metro Bike Share system makes bikes available 24/7, 365 days a year across Downtown Los Angeles, Central Los Angeles, North Hollywood and the Westside. Metro Bike Share is a partnership between LACMTA and the City of Los Angeles that offers convenient access to a fleet of bicycles for short trips. Metro Bike Share is operated by Bicycle Transit Systems, a Philadelphia-based company that specializes in bike share operations and management. The manufacturer for Metro Bike Share is BCycle, a leading bike share equipment supplier. Currently, there are about 4,000 bikes in the program and 274 bike racks located throughout the service area.

Since implementation, more than one million trips have been taken with Metro Bike Share with excess of 75,000 passes sold. That has resulted in 3.2 million miles travelled, 5.8 million pounds of CO2 emissions reduced and 95.6 million calories burned.

Figure 4.7.1 Metro Bike Pricing

1-Ride	24-Hour Access	30-Day Pass	365-Day Pass <i>Best Value</i>
\$1.75/30 Minutes	\$5 to Start	\$17/month	\$150/year
All rides are \$1.75 every 30 minutes	All rides 30 minutes or less are free for 24 hours	All rides 30 minutes or less are free	All rides 30 minutes or less are free
Purchase at any Metro Bike Share kiosk	Purchase at any Metro Bike Share kiosk	\$1.75 per 30 minutes thereafter	\$1.75 per 30 minutes thereafter

Figure 4.7.2 Metro Bike Share Bicycles

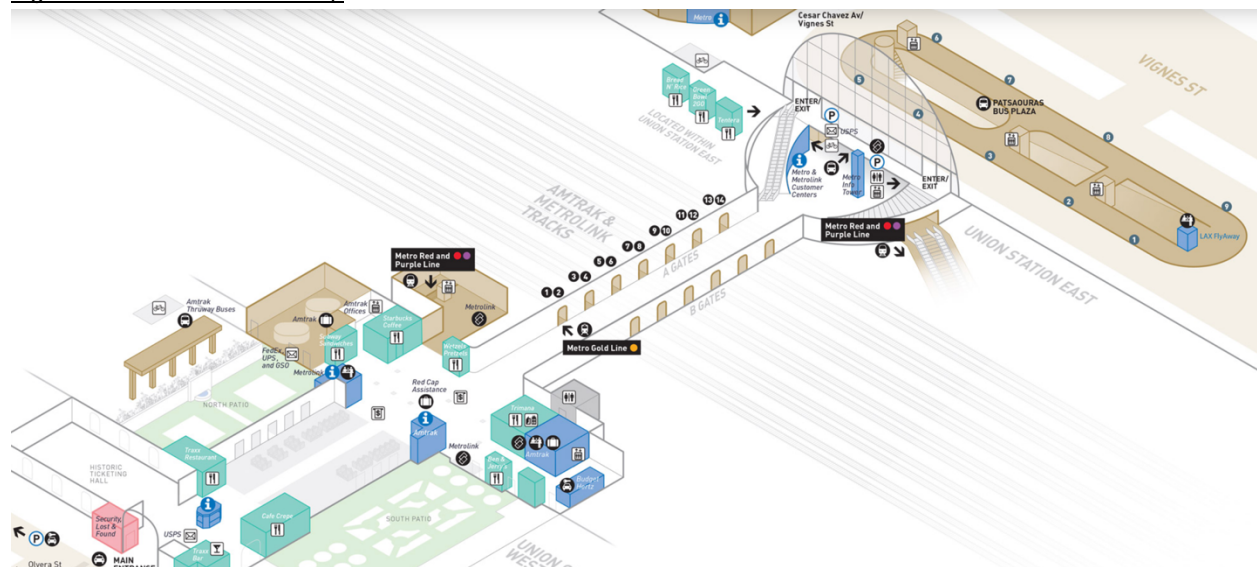


4.8 Passageway at Union Station

The largest railroad passenger terminal in the western United States, Los Angeles Union Station is one of the last great train stations. Built in 1939, Union Station was originally intended to serve as a transcontinental terminus station for the Union Pacific, Santa Fe and Southern Pacific Railways. In 1980, the 161,000 square foot terminal was listed on the National Register of Historic Places and the station itself was restored in 1992. LACMTA acquired Union Station in 2011, now managing the property that serves as the transportation hub for Metro, Metrolink, Amtrak and other transportation services in Los Angeles County. With its location in Downtown Los Angeles, Union Station is in near proximity to the Los Angeles Civic Center, Chinatown, Little Tokyo, the Arts District and Boyle Heights.

The Passageway at Union Station links Union Station East and Union Station West. The Passageway has gates for the Metro L Line and access points to the platforms for the Red and Purple lines. Those three lines alone account for more than 420,000 passengers per week through Union Station. Sponsorship of the Passageway would allow for the opportunity of exposure in one of the busiest sections of the largest terminal in the LACMTA system.

Figure 4.8.1 Union Station Map



4.9 Public Restrooms

Based on the discussion with LACMTA leadership, there is an ongoing proposal to develop public restrooms at major transit stations throughout the Metro service area. These would be self-cleaning, automated toilets available for use to the public and would cost approximately \$60,000 per unit. The assumption from Superlative would be to start the program in approximately 10 to 20 stations. A sponsor could receive recognition on the exterior of the physical structure and be visible to Metro riders and passing pedestrians and vehicles. Superlative made assumptions as to the location in order to provide a potential sponsorship value.

4.10 Parking Structures

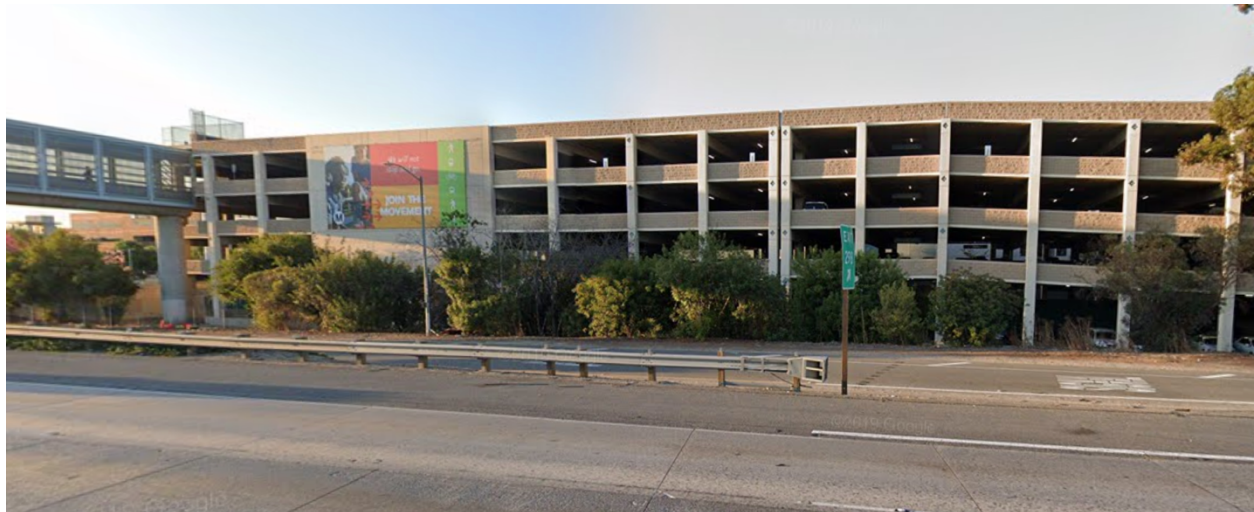
Overview

Metro parking facilities can provide additional sponsorship opportunities for LACMTA where applicable. This study looked at nine garages located among various rail and bus lines that could be assets in a sponsorship agreement. Each parking facility may offer different rates and terms to users. This section will showcase the nine parking garages studied and highlight their usage and location.

Sierra Madre Villa

Located in Pasadena, right off the Sierra Madre Villa Avenue exit from I-210, the Sierra Madre Villa Station (L Line) and parking garage are highly visible to freeway traffic. This contributes to a high number of impressions which would be desirable from a potential sponsor. The Sierra Madre Villa garage has 934 parking spaces and in 2019, averaged about 52 percent capacity.

Figure 4.10.1 Sierra Madre Villa Parking Garage (view from I-210 westbound)



Atlantic

The Atlantic Station parking garage is located in East Los Angeles at the intersection of Pomona and Atlantic boulevards, close to the on/off ramp for SR-60. This marks one end of the Metro L Line. In 2019, the Atlantic garage averaged 73 percent capacity for its 268 parking spaces.

Figure 4.10.2 Atlantic Parking Garage (view from Atlantic Boulevard)



Irwindale

Also located on the L Line, the Irwindale station and garage are located in Irwindale off Irwindale Avenue. There is slight visibility of the garage from the off ramp of I-210 eastbound to Irwindale Avenue. The garage averaged 77 percent capacity in 2019 for its 350 parking spaces.

Figure 4.10.3 Irwindale Parking Garage (view from Jardine De Rosa off Irwindale Avenue)



Azusa Pacific University/Citrus College

Located at one end of the Metro L Line, the APU/Citrus College station and garage are adjacent to the campuses of Azusa Pacific University and Citrus College in Azusa. The garage itself is near the intersection of Citrus Avenue and Foothill Boulevard. The garage contains 206 parking spaces and averaged 95 percent capacity throughout 2019.

Figure 4.10.4 APU/Citrus College Parking Garage (view from Citrus Avenue)



Arcadia

Located in Arcadia, the Arcadia station and garage averaged 66 percent capacity with its 268 parking spaces in 2019. The station is another along the L Line and the garage is located on Santa Clara Street between First and Santa Anita avenues.

Figure 4.10.5 Arcadia Parking Garage (view from Santa Clara Street)



La Cienega/Jefferson

La Cienega/Jefferson is located near Culver City along the E Line. In 2019, the garage averaged 71 percent capacity and had 489 parking spaces. The garage is located at the intersection of La Cienega and Jefferson boulevards.

Figure 4.10.6 La Cienega/Jefferson Parking Garage (view from the station platform)



Monrovia

In Monrovia, the L Line stops at Monrovia station and the parking garage is located on Primrose Avenue, near the off ramp of I-210 eastbound to Evergreen Avenue. The Monrovia garage had a capacity of 35 percent for its 350 parking spaces throughout 2019.

Figure 4.10.7 Monrovia Parking Garage (view from Primrose Avenue)



Willow Street

Located along the A Line, the Willow Street station and garage sit near the intersection of Long Beach Boulevard and 27th Street in Long Beach. With 694 parking spaces, the Willow Street garage was able to utilize 41 percent capacity on average in 2019.

Figure 4.10.8 Willow Parking Garage (view from 27th Street)



Expo/Sepulveda

Along the E Line sits the Expo/Sepulveda station and garage, near the interchange of I-10 and I-405. The garage is slightly visible from the eastbound ramp of I-10 to I-404 northbound. On average, the Expo/Sepulveda garage utilized 58 percent of its 206 parking spaces in 2019.

Figure 4.10.9 Expo/Sepulveda Parking Garage (view from Exposition Boulevard)



4.11 Naming Rights Signage and Recognition Opportunities

Naming Rights and Corporate Sponsorship partners will seek to maximize their return on investment through exposure opportunities and promotion of their brand. In addition to online and other traditional media, signage will be an important component of the Naming Rights valuation. This section identifies the main signage opportunities both within and around the LACMTA lines and stations. This overview is not intended to be an exhaustive list of signage, but rather a list of the main signage assets for the Naming Rights & Corporate Sponsorships program.

Platform Signage

Typical rail and BRT stations consist of long-standing platforms with several seats/benches and an overhanging canopy. Each individual station has areas for station identification, as well as opportunities for recognition for a Naming Rights partner, including directional signage and/or a station kiosk. As discussed below, LACMTA will need to work with the Naming Rights Sponsor to develop appropriate types and locations of signage at each station.

Fixed Onsite Signage

The following locations have been identified for inclusion of Sponsor ID. LACMTA's team and signage engineers will need to check whether each signage proposal is permissible and whether signage design and production timescales will allow inclusion of Sponsor ID.

- Sponsor name/logo designation on rail line stations or bus stops;
- Sponsor ID within vehicle interior signage;
- Sponsor ID on permanent station maps;
- Sponsor ID on exterior of vehicles;
- Opportunity for vehicle wraps;
- Sponsor ID on published schedules, system tickets, handheld LACMTA maps;
- (X) Days/year that staff could promote a subject or event in the vehicles or stations.

Appendix B provides examples of branding and signage on existing Light Rail and BRT assets in San Diego and Cleveland for sake of comparison.

5 TAP Card Advertising (Tasks 1 – 3)

5.1 Introduction

This section of the feasibility study will provide a brief overview of the history of transit ticketing and payment systems; best practices for transit pass monetization based on other U.S. and international public transit systems; industry benchmarks; and our Asset Database for TAP Card assets, which provides detail of the proposed approach, asset value and sponsorship terms.

5.2 Best Practices for Transit Pass Advertising (U.S. and International)

Mass Transit Ticketing and Payment Systems

Introduction

In order to determine appropriate industry benchmarks for a TAP Card advertising program, it is important to understand how ticketing and payment systems have evolved—and are continuing to evolve—over time. The following section provides a brief chronology of transit ticketing and payment systems from 1929 to the present.

Subway Tokens (1929 – 2003)

Until the early 2000s, mass transit agencies mostly accepted cash or proprietary tokens to pay for public transportation. Beginning in 1929, the Brooklyn and Queens Transit Corporation, a subsidiary of the Brooklyn-Manhattan Transit Corporation (BMT), implemented half-fare tokens for its streetcars in Brooklyn and Queens. In 1953, New York City raised its subway fare to 15 cents. Subsequently, the city introduced the subway token to supplant the requirement for three nickels, the common denomination of the period. The token became a symbol of New York City until it was phased out for the MetroCard. The last token was sold on April 12, 2003.

In greater context, tokens offered a number of advantages over cash as a means of collecting fares. Tokens alleviated the need for consumers to carry exact change, allowed purchase of advance discounted tickets and reduced employee theft. Historically, tokens gave shape to closed urban mass transit systems in which only proprietary tokens could be used to pay for local transportation agency services.⁶

Electronic Payment Systems (1970 – present)

During the 1970s, the prepaid magnetic stripe card began to replace tokens and cash payments. Operationally, it was expensive to collect cash fares. In 1998, for example, every dollar in passenger revenue received by a transit agency generated approximately six cents of expense on fare collection and processing. Most of this cost was associated with collecting, transporting, counting and guarding cash. Dollar bill processing was particularly challenging and expensive. Reducing the use of cash for fare payment provided a clear benefit for transit operators.⁷

As a result, transit systems evolved in two separate and distinct ways. The transit systems for Commerce, CA, and East Chicago, IN, established themselves as fare-free in the early 1960s and 1970s, respectively, and continue to offer this service today. As of 2012, at least 39 public transit agencies in the United States offered completely fare-free transit, while many more offer service that is free to certain segments of the population or in geographic subcomponents of their service area (e.g., veterans, disadvantaged populace). However, these systems represent a minority of all transit agencies, and no system with more than 100

⁶ Quibrial, Nasreen, Sr. "The Contactless Wave: A Case Study in Transit Payments." Emerging Payments Industry Briefing, Federal Reserve Bank of Boston. 2008.

⁷ Transportation Research Board National Research Council, "Report 32: Multipurpose Transit Payment Media." National Academy Press. Washington, D.C. 1998.

buses currently offers fare-free service,⁸ an apparent threshold where fare-free service no longer becomes feasible to operate without incurring significant, irreconcilable expenses.

The majority of operators, especially younger systems founded in the 1970s like the Washington Metropolitan Area Transit Authority (WMATA), implemented electronic payment systems featuring paper fare products that offered discounts for riders that regularly transferred between two systems. Following this trend, the New York Metropolitan Transit Authority (New York MTA) launched the iconic, yellow MetroCard in 1992 that eventually replaced the subway token in the early 2000s.

Contactless Fare Technology (1998 – present)

The first contactless fare system is credited to Société de transport de l'Outaouais (STO) in Quebec, which introduced “smart cards” on its bus service in 1998. Smart cards use embedded microchips to electronically store data, allowing for contact-based (inserted into a chip reader) or contactless use through a short-range radio frequency identification chip (RFID) that transfers data via radio waves when the consumer places the card within four inches of the reader. This technology enables payments to be tracked and monitored for ticket validity and use.⁹

As noted above, New York MTA replaced the subway token with the MetroCard in 1992, but only recently announced (2017) plans to phase out its electronic payment system in favor of the smart OMNY (One Metro New York) contactless fare system by 2023, nearly a decade after LACMTA introduced the smart TAP Card program in 2007. At the same time, TriMet in Portland, OR, announced the launch of its Hop FastPass contactless fare system. Other public transit agencies across the United States and internationally followed suit. In this endeavor, New York MTA is currently several years behind trend. Similarly, the Chicago Transit Authority did not allow for credit card payments until 2009, nearly 11 years and two years, respectively, after STO and LACMTA introduced contactless fare systems in their respective markets.

Mobile Ticketing (2012 – present)

Five years after Steve Jobs, former CEO of Apple, Inc., announced the company’s “one device”—the iPhone—to the worldwide marketplace and disrupted the mobile technology industry, Massachusetts Bay Transportation Authority (MBTA) in Boston, MA, capitalized on the growing ubiquity of the smartphone—which had built-in Near Field Communication (NFC) technology, an RFID system with the ability to read and “tag”, that would not be fully optimized for mobile payment integration until the late aughts (2015 – 2018)—and introduced the first mobile ticketing to the public transit sector in 2012.

The MBTA system provided mobile applications for iPhone, Android and BlackBerry that could be used to purchase commuter rail tickets and passes. Once tickets were purchased, customers could use their respective apps to display the tickets on their mobile device.¹⁰ According to one source unaffiliated with the agency, only half of MBTA stations offered automated ticket kiosks for riders to add value to their RFID-enabled smart cards, which indicated app-based ticketing “should increase ridership and decrease administrative and personnel costs, especially consumer comfort with mobile payment grows. This pilot program is the first of its kind in the US and, if it is successful, will likely serve as a model for others to follow,” predicting—quite accurately—that mobile commerce and mobile payments would see explosive growth in 2012 as the smartphone passed 50 percent market penetration. In fact, mobile technology had advanced so quickly that the MBTA launched another new payment technology before fully implementing its smart card fare system.

The Future of Transit Payment Systems: Mobile Payment Integration (2018 – present)

The aforementioned trend progresses: mobile technology continues to experience rapid growth and evolve quickly, spurred by early adoption from consumers. As mentioned above, smartphones including the Apple

⁸ Transportation Research Board of the National Academies, “Implementation and Outcomes of Fare-Free Transit Systems: A Synthesis of Transit Practice.” Washington, D.C. 2012.

⁹ Quibrial, Nasreen, Sr. “The Contactless Wave: A Case Study in Transit Payments.” Emerging Payments Industry Briefing, Federal Reserve Bank of Boston. 2008.

¹⁰ Tode, Chantel. “MBTA simplifies daily commute via mobile ticketing.” *RetailDive*. Published in 2012 and retrieved January 31, 2020.

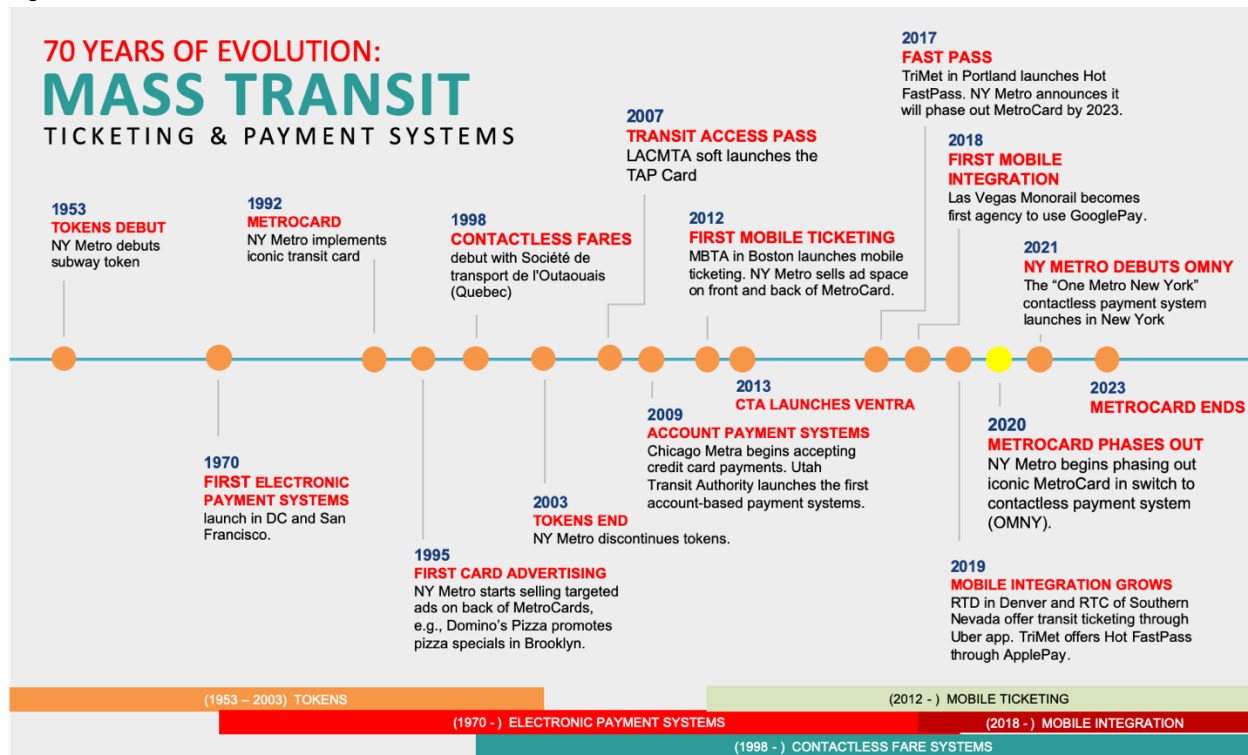
iPhone did not fully unlock their NFC capabilities until 2018, and then with little fanfare.¹¹ However, this upgrade had an immediate impact within the transit sector. In March 2018, the Las Vegas Monorail became the first transit agency to partner with GooglePay to offer a fully-integrated mobile payment system, albeit only through the Android platform, which unlocked NFC several years earlier.

The Monorail's system used Google Pay to allow riders to purchase tickets ahead of time, and any rider with an Android device that could run Google Pay and had an NFC chip on board was able to skip the line and tap their device to get through the turnstile. According to more than one industry source¹², Google stated that "more transit authorities will be joining the effort in the near future." This proved accurate. By the end of 2019, the Regional Transit District (RTD) in Denver, CO, the Regional Transportation Commission of Southern Nevada (RTC SNV) and TriMet offered riders the ability to purchase tickets through mobile apps ranging from ApplePay and Google Pay to those offered by Transportation Network Companies Uber and Lyft.

Most importantly, LACMTA's TAP Operations Department stated during interviews with the Superlative project team that it expects the TAP Card program to be fully integrated with mobile technology within 10 years, adopted by 60 percent of its end users, after abandoning other trending RFID technologies like wristbands explored by other agencies. Please see Section 4 above for more detailed information about the LACMTA TAP Card program.

Highlights from the preceding chronology of transit payment systems are illustrated in Figure 5.2.1 below.

Figure 5.2.1



¹¹ Roberti, Mark. "Apple Unshackles the iPhone NFC Reader." *RFID Journal*. September 17, 2018.

¹² Fuller, Daniel. "Las Vegas Monorail Now Accepts Google Pay With NXP's Help." *Android Headlines*. March 19, 2018.

Ad-supported Transit Pass Ticketing Introduction

Rather than rehash the history of public transit advertising in general, which includes out-of-home static and digital media boards, vehicle transit cards, static vehicle wraps and other well-known forms of advertising exposure, the following section of this report will focus specifically on transit pass advertising, which is significantly less common yet responsive to the LACMTA's strategic objectives for initiating this study and helpful when benchmarking the revenue potential of a LACMTA TAP Card advertising, sponsorship or underwriting program.

Hand-Crafted Bus Passes: Milwaukee County Transit System (1919 – 2015)

In 2015, the Milwaukee County Transit System announced that it was ceasing production of its emblematic bus passes, which had showcased specially-created artwork from local artists since the inception of its weekly paper ticket—one of the first of its kind—in 1919, to make way for more modern ticketing technologies described above. Termed “utility art” by the MCTS printing director¹³, the passes also featured public-service announcements, fundraising notices, scenes and quotes from civic history, promotional offers (i.e. free round-trip ride) and on occasion, advertising.

During the 1950s and 1960s, MCTS art designer Klaus Birkhain began to use the passes as advertisements for Milwaukee service and non-profit organizations, a practice that continued until the passes were phased out in 2015. Ad-based passes became more widespread in the 1970s, albeit this advertising was part of a system-wide publicity program and therefore unpaid.

Please see Figure 5.2.2 below; the pass on the left illustrates a MCTS bus pass from 1934, which includes an unpaid advertisement for the National Tuberculosis Association.

Figure 5.2.2



FareCard Advertising: Metro Vancouver & Let's Bus It (estimated 2008 - 2011)

Let's Bus It Publications Inc., a Victoria, B.C.-based out-of-home advertising agency, partnered with Metro Vancouver to sell advertising on its TransLink FareCards, an outdated non-NFC ticketing system. The program had proved successful with other North American Let's Bus It transit clients, including public transit agencies in Victoria and Nanaimo, B.C.; Brandon, Manitoba; and New Orleans, Louisiana in the U.S.

Each advertisement covered less than 50 percent of the front of the FareCard, without obscuring the number of zones, purchase price and month of issue/validity. The back of the card included purchase terms and conditions and a space for writing the Card owner's name in accordance with the requirements of the federal Transit Pass Tax Credit. Please see Figure 5.2.3 on the following page for an example of a Metro Vancouver FareCard advertisement, circa 2011.

¹³ Capps, Kristen. "Farewell to Milwaukee's Classic, Hand-Crafted Bus Passes." *CityLab*. April 1, 2015.

Figure 5.2.3



According to a Metro Vancouver's "The Buzzer Blog" post from December 2010, which cites a press release that is no longer available, Let's Bus It guaranteed the system minimum annual revenues of \$84,000 per year in exchange for selling advertising on the FareCard. Other terms for this agreement were unavailable. However, according to the same source, Metro Vancouver bus and SkyTrain advertising generated approximately \$9 million in annual revenue, which indicates that TransLink FareCard advertising represented less than one percent of the system's total annual advertising revenue but offset expenses for other transit assets.

MetroCard: New York MTA (2012 – 2023)

General Overview

In July 2012, the New York MTA announced that it would begin offering advertising space on its MetroCard electronic payment system. Specifically, the entire physical MetroCard—with the exception of the magnetic stripe and the message below the stripe that instructs riders which direction they should swipe—was available to advertisers, with no restrictions on color nor requirement to include the MTA's logo. According to the *New York Times*, the agency had previously (and only occasionally) sold space on the back of MetroCards dating back to 1995, when cards promoting an Anita Baker album were first put into circulation. However, as with previous branded cards, riders were unable to select which card came out of the ticketing vending machine at purchase. The MTA publishes its MetroCard ad rates on its website; the following charts depicts the rate card for MetroCard advertising as it appeared on February 7, 2020:

Figure 5.2.4 MetroCard Ad Rates (Back of Card)

Standard 4-color Back Rates		
Card Quantity	Retail Rate Per Card	Example Retail Costs
50,000 +	\$0.61	50,000 cards = \$30,500
125,000 +	\$0.52	125,000 cards = \$65,000
250,000+	\$0.46	250,000 cards = \$115,000
350,000+	\$0.41	350,000 cards = \$143,500
500,000 +	\$0.36	500,000 cards = \$180,000
750,000+	\$0.31	750,000 cards = \$232,500
1,000,000+	\$0.25	1,000,000 cards = \$250,000

Figure 5.2.5 MetroCard Ad Rates (Back of Card)

4-Color Front & Back Rates		
Range of Quantity	Retail Rate Per Card	Example Retail Costs
250,000+	\$0.54	250,000 cards = \$135,000
350,000+	\$0.52	350,000 cards = \$182,000
500,000+	\$0.48	500,000 cards = \$240,000
750,000+	\$0.42	750,000 cards = \$315,000
1,000,000+	\$0.36	1,000,000 cards = \$360,000

Case Study: HBO's "Winter is Coming" Campaign (2018)

In December 2018, New York MTA announced that the popular HBO television series *Game of Thrones* was "taking over" the MTA with themed MetroCards promoting the final season of the program¹⁴. Exclusively distributed from Grand Central Station, MetroCards displaying the hashtag #ForTheThrone featured various beloved *GoT* characters like Jon Snow, Daenerys Targaryen and Cersei Lannister. The limited promotion also included 150 *GoT* promotional posters displayed in Grand Central Station. For the campaign, HBO paid approximately \$112,500 for a print run of 250,000 cards (\$0.45 per card). Figure 5.2.6 below provides an example of these themed cards.

Figure 5.2.6 *Game of Thrones*-Themed MetroCards (2018)

Case Study: Spotify's "David Bowery" Campaign (2018)

In April 2018, Spotify launched a David Bowie-theme branded MetroCard advertising campaign to coincide with a new David Bowie exhibit that was running at the Brooklyn Museum. The campaign included a **250,000-card print run of five different versions of the MetroCard that riders could purchase for \$6.50 each** at the MTA's Broadway-Lafayette and Bleecker Street stations in downtown Manhattan.¹⁵ The former station, just a couple of blocks from where the artist once lived, was temporarily converted into a memorial to the late artist. Figures 5.2.7 through 5.2.10 on the following page illustrate how this campaign was executed.

¹⁴ Allen, Jordan. "Winter is coming' for NYC's Subway System." *The Points Guy*. Dec 7, 2018

¹⁵ McGauley, Joe. "The NYC Subway Is Selling David Bowie-Themed MetroCards. Here's How to Get Them." *Thrillist*. April 18, 2018.

Figure 5.2.7 David Bowie-Themed MetroCards (2018)

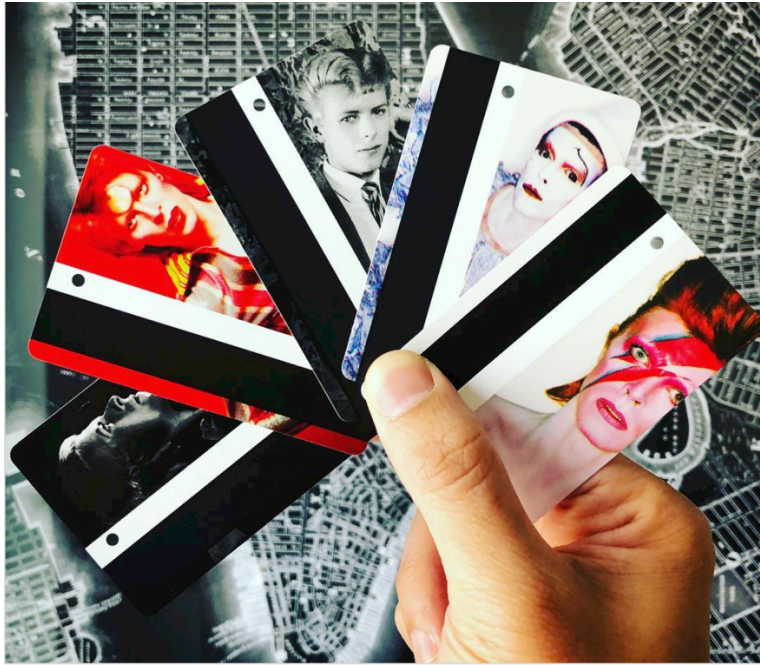









Figure 5.2.8 New York MTA Tweet Promoting the Campaign (2018)

 **NYCT Subway** 
@NYCTSubway 

Rail Control to Major Tom: David Bowie branded MetroCards, created by [@Spotify](#), are now available at the Broadway-Lafayette and Bleecker St stations. We've printed 250,000 cards, featuring 5 iconic images from the David Bowie exhibit [@BrooklynMuseum](#). Drop by anytime to get yours.



 1,557  3:42 PM - Apr 17, 2018 



 510 people are talking about this 

Figure 5.2.9 David Bowie-branded Broadway-Lafayette Station (2018)

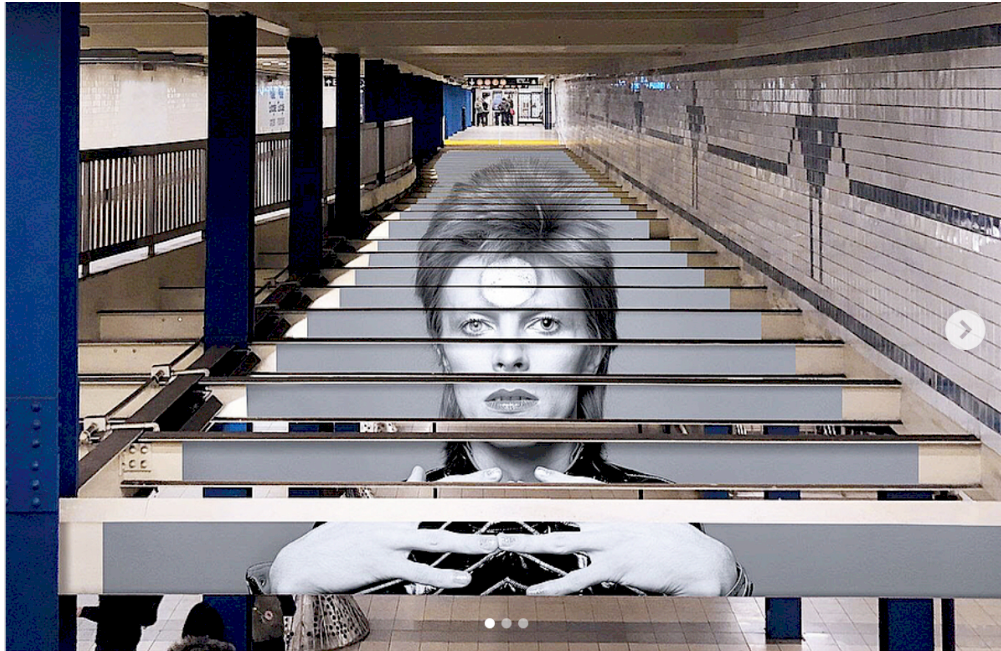


Figure 5.2.10 David Bowie-branded Broadway-Lafayette Station (2018)



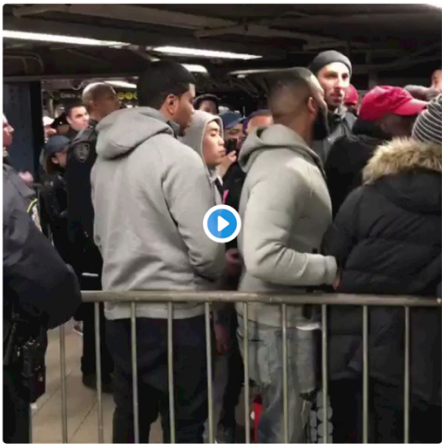
Key Findings

By far, the New York MTA MetroCard advertising program has proven to be the most robust and successful transit pass advertising program in the country. However, despite the successes of—and revenue generated by—the above campaigns, it appears that the MTA sold only two or three of these campaigns per year, and that the median purchase was 250,000 cards with out-of-home activation for a low six-figure commitment; the only two campaigns to run in 2018 were the David Bowie (April) and *Game of Thrones* (December) promotions. Superlative opines this was to maintain the novelty of these programs and perhaps, to not cannibalize their own promotions by running too many concurrently. For example, the year before (2017), local retailer Supreme- and *Twin Peaks*-themed campaigns generated significant interest from fans who waited hours in line to purchase branded tickets, not to mention a substantial aftermarket where branded MetroCards were traded/sold online through auction sites like eBay for hundreds¹⁶ to thousands¹⁷ of dollars. See Figures 5.2.11 – 5.2.12 below.

Figures 5.2.11 and 5.2.12 Rider Tweets Illustrating Response to Supreme-themed MetroCard Promotion

Icculus The Brave
@FirenzeMike

These fools out there at Union Square waiting in line for a Supreme MetroCard 😂😂😂. #MTA




195 8:13 PM - Feb 20, 2017

115 people are talking about this

salaryman
@bobby

these people were all waiting in line to buy a metrocards with a supreme logo on it. there were like three cops running security.



181 1:57 AM - Feb 21, 2017

47 people are talking about this

Irrespective of their consumer-driven popularity, the advertising revenue produced by these campaigns on an annual basis was modest at best. According to a 2013 *AdAge* article¹⁸, the first year of the MetroCard full advertising program generated only \$684,000 in net revenue for the MTA. Assuming two to three advertising campaigns per year, this figure seems consistent with subsequent years. Interestingly, the possibility exists that the MTA generated greater farebox revenue through surcharges on branded cards; the premium paid by riders for Supreme- (\$4.50) and David Bowie-branded (\$5.50) MetroCards, both of which reportedly sold out, would have generated \$1.125 million and \$1.375 million, respectively, in additional fees alone for the MTA in 2017 and 2018. (Please note that this figure does not account for the entire economy of MetroCards, the aftermarket for which could have generated millions for private sellers.)

¹⁶ Maurer, Daniel. "Don't Pay \$100 For a Supreme MetroCard, You Can Get Them in the Subway Again." *Bedford + Bowery*. February 21, 2017.

¹⁷ Tiffany, Kaitlin. "The MTA's Supreme-branded MetroCard is a hot commodity." *The Verge*. February 20, 2017.

¹⁸ Hoffman, Melissa. "Why is My MetroCard Red?" *AdAge*. July 10, 2013.

Further, it is yet unclear whether the New York MTA's objectives through fare card advertising will remain consistent following the advent of the OMNY card, which is nearly identical to the LACMTA's TAP Card in implementation, function and execution; more specifically, the New York MTA may face challenges identical to those faced by LACMTA in monetizing the TAP Card through advertising, and appears to be making up for lost revenue through innovative kiosk advertising, explained in Section 7, or through other cost savings methods such as their mobile integration partnership with Apple Pay.

Key Findings and Best Practices

While the history of advertising on transit tickets or passes dates back more than 100 years to the start of the 20th century, **the practice has never been a significant source of revenue for public transit agencies.** Indeed, at the presumed height of print-based public transit ticketing in 2004—three years before the iPhone launched and eight years prior to the introduction of mobile ticketing—only 14 percent of all public transit agencies in the United States sold advertising on fare cards, and only seven percent offered advertising on transit tickets, according to a Transit Cooperative Research Program report from that year.¹⁹ These ratios surely have decreased following the introduction of new payment systems.

The **New York MTA MetroCard advertising program has been the most lucrative** of these initiatives yet accounts for an estimated less than one percent of its total advertising revenue (reported as \$129.7 million in 2016 by the Federal Transit Administration, the most recent data available). Using plain language, the most successful transit ticket advertising program of all time is still relatively insignificant, both engaging for consumers but extremely modest in revenue generation and belongs to the oldest and largest transit system in the country, which is currently operating at a billion-dollar-per-year budget deficit. Now even that program appears to be phasing out in favor of new and improved ticketing technology.

Best Practices

Below are the lessons learned through trial and error in other markets for LACMTA to consider when planning a revenue-generating campaign around TAP Card assets.

- **Keep the campaign short and fun, or long-term and meaningful, depending on the objective.** In order to maximize revenue, these are key point to keep in mind. Based on Superlative's research, long-term partnerships like PECO Energy's support of LinkPHL or UC San Diego Health's investment in San Diego MTS offer an expansive, highly-valuable messaging platform and demonstrate a partner's commitment to the local community, the end goals being a deeper and more meaningful connection to the public they, and their respective transit agencies, serve. These are long-lead, ongoing communications that create ubiquity (in terms of awareness) in the market; they are also can't-buy public relations opportunities.

By comparison, New York MTA's David Bowie, Paul Simon, *Game of Thrones*, Supreme and even Brooklyn pizza MetroCard campaigns were designed to be quick-and-dirty, buzz-generating promotions for limited-edition products (an album release, a pizza special, an art exhibit, etc.) promoted within a particular segment of rail service (e.g., a couple of stations) frequented by the campaign's target audience—which ranged from critical mass of New Yorkers (*Game of Thrones*) to art/music enthusiasts ("David Bowery"). They were successful because they made a quick splash and ended, which serendipitously created a thriving aftermarket for the cards.

This is not to say that long-term campaigns cannot be "fun", but fun over long periods of time is unsustainable; eventually, enthusiasm cools, as does the revenue potential. New York MTA understood this, which is why its campaigns were brief and infrequent to generate excitement. Superlative opines that a combination of each strategy, pop-up activations that intermittently energize a long-running campaign, are the best path to success.

- **Physical transit passes will soon be obsolete, if they are not already.** This is both good and bad for transit agencies. With regard to overall farebox expense, most forward-thinking, larger

¹⁹ Schaller, Bruce. "Transit Advertising Sales Agreements: A Synthesis of Transit Practice." Transportation Research Board. Washington, D.C. 2004.

organizations are converting to a mobile payment integration system through software like Apple Pay or through partnerships with Mastercard, where the partner bears the cost to produce products that can also be used for transit fares (e.g., credit cards). In either scenario, the agency lowers program cost by outsourcing fare collection without the farebox expense of manufacturing physical passes. The drawback in each case is that the program is unable to be subsidized through advertising revenue; for example, Apple Pay's privacy policy does not allow commercial messaging on its payment platform, and a lack of physical cards or passes, like the TAP Card, makes it difficult to justify an ad buy, unless the recognition can be translated to mobile; even then, recent advances in mobile technology are rendering the device itself as a payment solution without the need for an app-supported transit pass system, only app-based payment solutions. The value to the agency is in cost savings, which Superlative advocates can be as valuable as new revenues through advertising or sponsorship fees, and facility of use for riders.

In addition to monetization of its TAP Card program through sponsorship, Superlative recommends that LACMTA pursue third-party partnerships for an app-based payment solution that could reduce agency overhead expenses such as physical TAP Card bulk purchasing, printing and distribution. In this scenario, sponsorship revenue could continue to be generated for the program by shifting sponsor exposure away from physical cards, which would be discontinued, to mobile- or web-based sponsor recognition—in other words, changing the type of exposure but hypothetically maintaining a similar level of impressions through alternative means. **(Recommendation 7)**

Benchmarks

As discussed previously, the New York MTA MetroCard advertising program is the most successful transit pass advertising program in the country, although the project team was also able to identify incomplete advertising information for outdated and/or unsold opportunities for other agencies. However, it appears that the MTA sold only two or three of these campaigns per year, and that the median purchase was 250,000 cards with out-of-home activation for a low six-figure commitment. Superlative opines this was to maintain the novelty of these programs and to not cannibalize their own promotions by running too many concurrently. The advertising revenue produced by these campaigns on an annual basis was modest at best: The first year of the MetroCard full advertising program generated only \$684,000 in net revenue for the MTA. Assuming two to three advertising campaigns per year, this figure seems consistent with subsequent years. More likely, the MTA generated greater farebox revenue through surcharges on branded cards. Figure 5.2.13 lists verified amounts and/or CPMs paid by advertisers for branding on fare cards.

Figure 5.2.13

Agency/Entity	DMA	Asset	Station	Partner(s)	Year	# Produced	Total Annual Revenue (MAG)	Cost per card	Notes
New York MTA	NY	MetroCard (Front and Back)	Grand Central Station	HBO ("Game of Thrones")	2018	250,000	\$ 112,500	\$0.45	Distributed exclusively from Grand Central Station; included 150 subway posters and four different versions
New York MTA	NY	MetroCard (Front)	Broadway-Lafayette	Spotify (David Bowie)	2018	250,000	\$ 112,500	\$0.45	Distributed exclusively from Broadway-Lafayette Station; included temporary Naming Rights, banners and five different versions
New York MTA	NY	MetroCard	System-wide	Gap, Audible.com, Simple Mobile	2013	Est. 307,800	\$ 684,000	\$0.45	Total revenue from first year of MetroCard advertising (2012)
River City Public Transit	SD	Fare Card	System-wide	N/A	2020	N/A	N/A	\$3.00	No information available on whether this opportunity has ever been sold
Metro Vancouver	BC, Can.	TransLink Fare Cards	System-wide	N/A	2011	N/A	\$84,000	N/A	

5.3 TAP Card Asset Valuation and Revenue Projections

This section provides an overview of Superlative's Asset Database for LACMTA's TAP Card program, which identifies and values the main Naming Rights and/or Corporate Sponsorship assets and provides our strategy of how the main assets should be matched to target categories. For the purposes of this assessment, these opportunities include physical signage as well as TVM digital integration and other assets, although benchmarks and recommendations for Tap Card vending machines can be found below in Section 7. (**Recommendation 2**)

As discussed in Sections 3 and 4, The Superlative Group studied numerous sources provided by LACMTA and through original research in order to determine a baseline level of total impressions that each sponsorship asset receives. Superlative made prudent assumptions as to the number and frequency of rotations on signage inventory and internal electronic message boards, if applicable. Superlative also takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

The following factors have been considered as part of The Superlative Group valuation process:

- **Size/Design** – has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers, entertainment facilities, sports arenas, convention centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence the cost.

The most important factors for the purposes of this valuation will be the size, design, frequency and location of all TAP Card identification signage and any additional sponsor signage.

This section provides the following information:

- Asset Description;
- Sponsorship Opportunity;
- Term of Sponsorship; and
- Proposed Fair Market Value.

Option A: TAP Card Primary Sponsor (Recommendations 1 & 2)

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the TAP Card program. The benefits package for this opportunity will be agreed upon between LACMTA and the target entity. This valuation represents the opportunity for a corporate partner to include its name in association with or incorporated into the TAP Card mark, i.e. “TAP Card, Presented by <Company>”, “TAP Card sponsored by <Company>” or potentially the “<Company> TAP Card”, depending on which option is most feasible, subject to discussion between LACMTA, the OIG and the TAP Operations Department. Changes to this assumption could have significant effect on the valuation.

Table 5.3.1 Partner Package Overview

Asset	TAP Card
Asset Description	TAP Card Primary Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on TAP Cards; • Static Sponsor ID on Ticket Vending Machines; • Sponsor ID on Ticket Vending Machines Digital Screen Display; • Sponsor ID on TAP Card Readers (station and bus); <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media²⁰.
Term of Sponsorship	<p>Due to the number of exposure opportunities and the degree of brand integration available to the partner, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the asset name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Primary Sponsorship agreement will include an escalator within a reasonable range of CPI.</p>

²⁰ For now, the TAP Card program does not feature a mobile application, although plans exist to offer and then transition the program to mobile within the next five to 10 years. The TAP Operations Department has predicted that once completed, over 60 percent of TAP users will use the mobile application in lieu of physical cards. Currently, the TAP mobile website is accessible through the GoMetro app; these impressions were factored into recognition on metro.net. Further outcomes can be made available once additional information regarding the mobile app is available.

Option A: TAP Card Primary Sponsor Package

The following table provides an overview of the proposed Quantitative Benefits which would be included in a sponsorship program for the TAP Card program:

Table 5.3.2 TAP Card Primary Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on TAP Cards	1,000,000	\$360,000
Sponsor ID on Ticket Vending Machines	111,978,100	\$202,680
Sponsor ID on TVM Screen Digital Display; recommended two (2) seconds max. per transaction	201,560,580	\$961,994
Sponsor ID on TAP Card Readers; located in Light Rail stations and onboard busses	165,417,465	\$299,406
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on www.metro.net; throughout the site	3,575,000	\$12,870
Sponsor ID on Metro Social Media; once per month	3,349,176	\$21,472
TOTAL	486,880,321	\$1,858,422

Valuation Assumptions

Sponsor Signage Exposure

- i. According to the TAP Operations Department, LACMTA produces a minimum of one million TAP Cards each year. Valuation assumes that the Primary Sponsor will receive branding recognition on the front and back of physical TAP Cards. Because these assets are valued (and historically sold) based on the number of cards produced, and not a cost-per-thousand basis, the Sponsor package values this benefit based on the average industry rate for the number of branded cards produced.
- ii. Sponsor ID will be included on ticket vending machines that sell TAP Cards, identified above in Section 4, located throughout the LACMTA system. This includes recognition on equipment and/or static identity signage or banner location near or above the machines, depending on their location.
- iii. Sponsor ID will be included on ticket vending machine digital screen displays. Based on the takeaways described in Section 7.2, Superlative recommends a maximum, two-second partner advertisement prior to each transaction (**Recommendation 3**). The valuation assumes a conservative amount of LACMTA's entire annual ridership will use a TVM at least once per year.
- iv. Sponsor ID will be included on all TAP Card readers used to scan passenger TAP Cards in order to ride the LACMTA system. This includes static readers located within Light Rail stations and on Bus Line vehicles.

Exposure on Digital Media

- v. Valuation assumes that Sponsor will receive recognition on the current LACMTA website anywhere and everywhere the TAP Cards are mentioned. To account for impressions generated through mobile and desktop IPs, Superlative employs a blended CPM comprised on industry averages for iOS and Android OS in addition to web recognition.
- vi. Sponsor will receive recognition in LACMTA social media posts and assumes a frequency of one post per month. According to information provided by LACMTA, the agency's social media sites have a total of more than 279,000 followers.

Sponsorship Revenue Potential

The Superlative Group proposes a value range of \$1.5 million to \$2.0 million per annum for Primary Sponsorship of the TAP Card program. The Superlative Group recommends LACMTA open negotiations with target entities at the top of this value range, over a proposed term of 10 years. **(Recommendation 1)** Assuming inclusion of a CPI escalator of 2.6%, this opportunity could generate between \$16.9 million and \$22.5 million over the life of the term. **(Recommendation 6)**

Justification

During the project team's visit with the TAP Operations Department, Superlative was made aware of several sensitivities surrounding corporate branding on TAP assets, particularly on the cards themselves; in aggregate, the concerns related to unsold cards with advertising remaining in ticket vending machines long after the campaign had ended, consumer sentiment regarding corporate logos on public assets and revenue shared between other regional TAP agencies. A Primary Sponsorship addresses all of these concerns:

- First, a sponsorship agreement is a long-term investment, designed to create ubiquity in the marketplace through repeated association with the sponsored asset and integration into the asset branding. There are numerous examples that illustrate how branding can be creative and tasteful when properly executed; further, all TAP Cards would bear the same co-branding, which should mitigate any concerns about leftover cards in machines. Effectively, the co-brand becomes the brand.
- Second, Superlative has presented numerous scenarios in this report illustrating positive receptivity to sponsored public assets, from Naming Rights sold to public transit lines to advertising on New York MTA MetroCards, and in Section 13 below we provide a Sample Term Sheet that includes verbiage designed to protect LACMTA from negative association with brands that do not adhere to the standards set by the agency. More importantly, branded transit passes have a track record of completely selling out, albeit when offered through limited time offers, due to their popularity and enthusiastic consumer response.

The most significant challenge to implementation of a Primary Sponsorship, as proposed above, will be to ensure that sponsor exposure does not distract from the intended use of the assets (e.g., the sponsor messaging on kiosks is so long that riders run risk of missing their train) nor take away from the prestige of the LACMTA brand or damage its reputation.

- Lastly, because the TAP Operations Department would print one set of sponsored TAP Cards each year for use in its own equipment and for sale within its owned facilities, any issues with sharing revenue should be eliminated, subject to discussion and implementation with the TAP Operations Department. Long-term, physical TAP cards will phase out, creating opportunities for greater digital, social and potentially mobile integration as part of the long-term sponsorship.

Option B: TAP Card Advertising Program

While the bulk of this analysis is dedicated to sponsorship of the TAP Card program, as discussed with LACMTA OIG during Superlative’s visits to the site, the original intent of this study merits inclusion of the potential revenue to be generated through advertising on TAP Cards, if the significant obstacles to its implementation (listed below in “Challenges to Implementation”) are able to be overcome.

Based on the most successful model (New York MTA)’s transit pass advertising program structure described in Section 5.2 above, LACMTA’s TAP Card advertising program should include a combination of card recognition and signage exposure. Because Intersection, LACMTA’s Out-of-Home (see “Definitions” in Appendix A) advertising agent, maintains the right to all OOH advertising on LACMTA vehicles and in/around LA Metro facilities, signage exposure (which is different from sponsorship recognition) would most likely include partner avails on TVM digital media screens—and in order to maintain the novelty of the program, a limited number of campaigns per year. Any additional sponsorship benefits should be removed.

The following table provides an overview of the proposed benefits and values which would be included in an advertising agreement for the TAP Card.

Table 5.3.3 Sample Advertising Package Overview

Asset	TAP Card
Asset Description	TAP Card Advertising Package (4 weeks)
Sponsorship Opportunity	Subject to LACMTA approval, an Advertising Agreement would include the following benefits: Signage Exposure <ul style="list-style-type: none"> • ID on 250,000 TAP Cards; • :02 Ad on Ticket Vending Machines Digital Screen Display; Digital Exposure <ul style="list-style-type: none"> • Sponsor Ad on metro.net; one month
Term of Sponsorship	Due to the limited number of exposure opportunities and the degree of brand integration available to the partner, the proposed term of the opportunity will be four weeks with multiple campaigns at select periods throughout the year

Option B Value Range: TAP Card Advertiser Package

The following table provides an overview of the proposed benefits which would be included in a sponsorship program for the TAP Card program:

Table 5.3.4 TAP Card Advertiser Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
ID on TAP Cards	250,000	\$90,000
Sponsor ID on TVM Screen Digital Display; one month; recommended two (2) seconds max. per transaction	4,895,409	\$23,364
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor Ad on www.metro.net; TAP Card page; one month	297,917	\$1,073
TOTAL	5,443,325	\$114,437

Revenue Potential

The Superlative Group estimates a four-week advertising campaign could generate \$100,000 to \$125,000 for LACMTA. Assuming an estimated four to six campaigns maximum per year, this opportunity could generate between \$400,000 and \$750,000 per annum, or maximum revenues of \$7.5 million over a period of 10 years.

Challenges to Implementation

As mentioned previously, a TAP Card advertising program would struggle to address all of LACMTA's expressed concerns, namely revenue sharing, consumer sentiment and stock management.

- Because advertising arrangements are short-term in nature, it is more than likely that cards from old campaigns would still be in circulation, but LACMTA would only be able to capture that revenue stream once.
- There is potential for mass consumption through limited time offers, but the most successful models are related to obsolete programs and assets at other agencies and featured a substantial surcharge. With the conversion from print to mobile transit pass technology transpiring industry-wide, Superlative was unable to find a current benchmark that shows physical passes are still a viable advertising medium.
- Also, if there is concern about over-branding, an advertising campaign is not the recommended option, as the best means for revenue generation would be to launch multiple campaigns per year with different partners.
- The cards could be offered solely in LACMTA TVMs, but considering the degree of intra-agency communication and negotiation potentially required, the limited revenue potential, complicated logistics and risk of negative public perception would make that effort difficult to justify.

For these reasons, a Primary Sponsorship of the TAP Card program, presented previously, is a cleaner and more valuable approach to monetization. **(Recommendation 1)**

5.4 Recommendation 1

With the evolution of transit ticketing technology currently underway on an industry-wide scale, Superlative was unable to find a current industry benchmark, discussed in detail below, that demonstrates advertising on physical passes is still a viable means of generating substantial revenue from corporate partners. Further, if there is concern about public perception of over-branding or corporatizing LACMTA assets, then an advertising program is not the ideal solution; one of Superlative's best practices for transit pass advertising revenue generation shows that in order to achieve success, LACMTA would need to launch multiple campaigns per year with various partners. The limited revenue potential, complicated logistics and risk of negative public perception justify our conclusion that Primary Sponsorship of the TAP Card program is a cleaner and more valuable approach to monetization of the asset.

6 TAP Card Personalization (Task 4)

6.1 Overview

According to taptogo.net, the main website for TAP Regional Services, TAP Cards can currently be personalized for an additional fee. According to the Cardholder Agreement, Section 2.2, posted on the site (circa May 2020), personalized cards that identify the Cardholder [are] assigned to the card by name and/or photo on the front face of the card. Personalized cards are subject to the card acquisition fee and any other fees that may apply to the particular program to which the Cardholder belongs. These include cards issued to participants of Service Provider-sponsored fare programs including employer-sponsored programs, institutional programs (e.g., educational institutions) and other fare programs not generally available to the public. Figure 6.1.1 below shows an example of this type of personalization.

Figure 6.1.1 Personalized TAP Card



6.2 Key Findings

Personalized TAP Cards are already offered through Service Provider-sponsored (third party) programs for an additional fee. However, these programs are not offered to the general public, and sponsored program fees are recognized by third parties, to the best of Superlative's knowledge. Further, without access to partners' specific financial information, the project team is unable to determine the total amount of revenue generated to any third parties, nor the associated fees. Future outcomes may be available upon additional discussion with the LACMTA TAP Operations Department.

6.3 Recommendations and Revenue Potential

The possibility exists that LACMTA's TAP Card program could offer fee-supported personalization as an option to the general public in order to create an incremental source of revenue; however, considering the slow adoption of TAP wearables at a price point of \$10, there may be a limit to how much consumers are willing to pay for a personalized or custom pass, in the face of emerging mobile-based payment technologies that allow them to ride LA Metro for no additional cost with increased ease-of-use.

In Section 5.2, Superlative notes that New York MTA branded MetroCards, such as those for the "David Bowery" campaign, were priced up to \$6.50 per card, an increase of \$4.50 over the standard fee. These and other, similar ad-supported branded cards sold out. Based on these and other benchmarks, Superlative recommends that the ceiling for any premium paid for transit passes, wearable or otherwise, is between \$4.50 and \$8 per purchase, assuming future consumers will have an appetite for personalized cards in lieu of using a credit card or mobile device as their transit pass (which is unlikely). (**Recommendation 4**)

7 TAP Vending Machine Advertising (Task 6)

7.1 Introduction

As the transit pass advertising trend wanes across the United States in response to an evolving marketplace, public transit agencies are beginning to implement advertising programs that monetize the captive audience offered by fare kiosks. As noted above, this practice is becoming increasingly more common as the transportation sector continues to look for new ways to supplement farebox revenues. In a few (and somewhat unsuccessful) cases, this entails avails on kiosk digital screens; in greater scope, agencies are installing multi-function kiosks that offer arrival times and other public messages, free wireless service access, phone charging and other amenities in addition to digital ad displays—and in at least one instance, the network is sponsored by a singular partner through a multi-year commitment. The following sections provide case studies that illustrate both monetization strategies for ticket vending machines.

7.2 Case Studies

SEPTA and “Pre-Roll” Ticket Vending Machine Advertisements

In 2019, the Southeastern Pennsylvania Transit Authority (SEPTA) experimented with running a short digital advertisement on fare kiosk displays before commuters were able to purchase transit passes. The static-full-screen ads were part of a pilot program offered by its media partner, Intersection²¹, on 20 of the agency’s 300 touch-screen kiosks in Philadelphia’s subway system and appeared at the start of transactions to purchase or reload transit passes. Each ad lasted for up to six seconds, lingered for a couple seconds after click-through and rotated with each transaction. Advertisers included Verizon and Children’s Hospital of Philadelphia²², and the additional exposure was offered to the partner for free as part of their existing out-of-home contracts²³. Examples of advertisements can be seen in Figures 7.2.1 and 7.2.2 below.

Figure 7.2.1 Example of Children’s Hospital of Philadelphia Static Kiosk Advertisement



²¹ Which is also one of LACMTA's out-of-home media partners.

²² Palus, Shannon. "Oh Good, a Subway System Is Making Riders Stare at Ads Before They Can Buy Tickets." *Slate*. May 7, 2019.

²³ Murrell, David. "Rushing to Top Up Your SEPTA Key? You'll Have to Watch This Ad First." *Phillymag.com*. May 6, 2019.

Figure 7.2.2 Examples of Verizon Static Kiosk Advertisement



Challenges with the Program

SEPTA's kiosk advertising pilot program proved problematic for several reasons:

- **The ads were too long.** At six seconds plus an additional two seconds before the next, desired screen appeared, at least one commuter missed her train because of the advertisements (or claimed to) and posted her objections on Twitter. At the time, a SEPTA spokesperson noted that the length of the ads was a chief complaint, and added that if the program was fully implemented, the ads would last only one to two seconds each, much less than the pilot program.
- **The technology didn't work.** One video posted by an online source shows a Verizon ad fading to a blue screen instead of the SEPTA landing screen.
- **SEPTA considered removing ad-bearing kiosks from high-traffic locations.** This included the downtown Walnut-Locust station, which was part of the Intersection pilot program along the Broad Street and Market Frankford Lines and the source of several complaints.
- **The program generated no new revenues.** According to the *Phillymag.com* article cited above, "[so] far, SEPTA hasn't made a dime off its new invention. That's because the ads you see at the kiosks haven't actually been paid for. SEPTA is simply splicing the campaigns from preexisting advertisers onto the kiosks — that way if there's a problem with one of them, SEPTA can take it down immediately, without any obligation to a client."

Intersection's Link Network

Introduction

In 2014, the City of Philadelphia, PA, signed a 20-year concessionaire agreement with Titan Outdoor LLC (now Intersection) that would provide \$12 million in new transportation infrastructure for the city, including 600 SEPTA bus shelters installed and maintained by the company, and generate projected \$100 million in advertising revenue over the term of the agreement. As part of this initiative, Intersection installed 100 "LinkPHL" kiosks (see "Definitions" in Appendix A) in Center City, University City and other Philadelphia neighborhoods between 2017 and 2019, deploying a proprietary technology that had been pioneered by the company in New York City in 2016 (LinkNYC). During the same period, Link kiosks were also installed through concessionaire agreements in Newark, New Jersey (LinkNWK) and the United Kingdom (InLinkUK, Intersection's international sister project), with plans for future rollout in other major municipalities in the United States and internationally.

Specifications

Intersection's Link kiosks measure 9.5 feet in height and feature 27" x 55" 1080p LED display panels on each face, in addition to two (2) USB ports and a 911 button (999 in the UK). The kiosks offer free WiFi connectivity and allow users to charge their devices, make calls from the kiosk and download music or movies for free. The panels support static and dynamic advertising content in rotating 10-second avails. Through partnership with local transit agencies, the digital panels can also be programmed to provide real-time transit information (e.g., bus arrival times), in addition to weather updates, voter registration, healthcare enrollment and other public services and messaging. According to a City of Philadelphia official cited by *The Philadelphia Inquirer*, each kiosk costs "tens of thousands" of dollars each. Please refer to the following renderings and images of these kiosks in Figures 7.2.3 to 7.2.5 on the following pages.

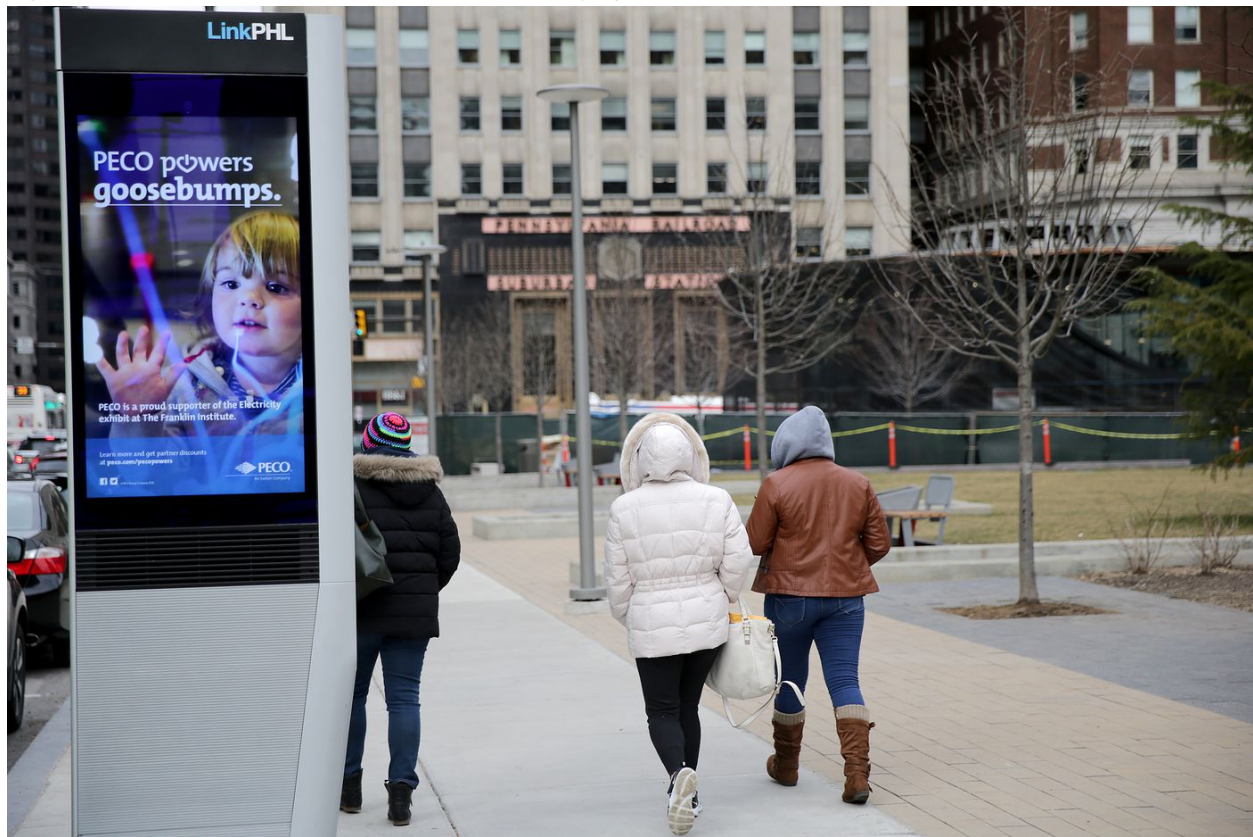
Figure 7.2.3 Rendering from InLinkUK Kiosk Spec Sheet



Figure 7.2.4 LinkPHL Kiosk in Philadelphia, PA



Figure 7.2.5 LinkPHL Kiosk in Philadelphia, PA Displaying PECO Sponsor Ad



Advertising and Sponsorship Revenue

According to a 2017 *Philadelphia Magazine* article, the City of Philadelphia shares 50 percent of the advertising revenue with Intersection after capital expenses (production, installation and maintenance), with a \$450,000 minimum annual guarantee.

Per *The Philadelphia Inquirer* and other local news sources, the LinkPHL network is sponsored by PECO, Pennsylvania's largest electric and natural gas utility and subsidiary of ComEd, although Superlative was unable to locate any formal agreement that would verify this arrangement. In exchange, PECO receives prime advertising inventory across the kiosk network, with Philadelphia Museum of Art and other advertisers receiving substantial, but secondary, inventory. These arrangements are projected to generate \$18 million over a 15-year contract period, or an estimated \$1.2 million per annum.

In New York, which to date has installed more than 1,300 LinkNYC kiosks, the kiosks generated \$37.3 million in advertising revenue within one year of installation through partners like Verizon.

Rates, CPMs and Other Metrics

According to the *Inquirer*, Intersection's rate card for LinkPHL advertising is \$25 per 1,000 views, or \$25 CPM, determined by a third-party service, Geopath, through variables like foot traffic and census data to estimate the number of views per kiosk. According to Global, the third-party out-of-home advertising for InLinkUK in London, LinkNYC kiosks received over one million users in the first 12 months and 82 million WiFi sessions.

In greater context, Intersection's website calculates a total of 2,200-plus Link kiosks in New York, Philadelphia and across the UK, which are used by 11 million consumers every week and generate 645 million weekly impressions with consumers aged 18 or older.

Public Reception

Compared to the initial reception for Intersection’s SEPTA Ticket Vending Machine advertising campaign, public response to Links has been more positive, albeit not without concerns. The following list aggregates feedback obtained from internal surveys conducted by Intersection and its affiliates and public sentiment noted by periodicals within Link markets (New York, Newark, Philadelphia).

Positive:

- 90 percent of New Yorkers believe that LinkNYC is a positive initiative for New York City. (*Source: Global.*)
- 89 percent of New Yorkers believe that LinkNYC will provide services that are beneficial to the community. (*Ibid.*)
- Allowed Newark to “flex its muscles” as a leading city for new technological innovations and provided an opportunity for residents to be involved in the movement. (*Source: SmartCitiesDive.*)

Negative:

- Some initial concerns that the kiosks would be “eyesores” that will “damage the city’s historic brand” and fears that Links would distract bikers and drivers. These seemed to represent unfounded pushback and subsequently received limited attention. (*Source: Philadelphia Magazine.*)
- Major, deeper concerns surrounding privacy and surveillance. “[A] few concerned citizens and hackers, as well as the New York Civil Liberties Union and a *Village Voice* reporter, raised alarms about the fact that Google”—which owns Intersection investor Sidewalk Labs—“was now tied to a vast network of data-collecting hubs in NYC.” Intersection’s privacy policy states that the company will not keep any footage captured by any camera for longer than seven days unless that footage is necessary to investigate an incident, in which case the company could turn that footage over to law enforcement. (*Ibid.*)
- NYC officials received several complaints that people were using Links to blast music and watch pornography in the middle of Times Square. Intersection no longer allows LinkNYC users to freely browse the internet and has removed the feature from LinkPHL kiosks.

7.3 Other Creative Transit Advertising

Introduction

As explained in Section 3 above, marketing exposure within a transit context can be as, if not more, valuable than traditional platforms like professional sports or the entertainment industry because of the potential for millions of impressions from riders and the local community. This realization has led Superlative to secure numerous, lucrative Naming Rights and sponsorships in the transit sector for its clients in recent years. However, transit marketing opportunities, with the exception of station takeovers, are not inherently “fun” (in the subjective sense) for consumers; but as demonstrated by New York MTA’s limited-run branded transit passes—and as the project team discovered, Berliner Verkehrsbetriebe (BVG)’s partnership with Adidas (below)—they can be.

Berliner Verkehrsbetriebe (BVG) & Adidas

In 2018, athletic footwear brand Adidas produced 500 pairs of limited-edition EQT Support 93/Berlin sneakers, a hip-looking sneaker that also functioned as a year-long transit pass, to promote BVG and Adidas’ collective objectives for environmental sustainability. According to Gem, an international communications and marketing agency, BVG stated that the project was intended to encourage the people of Berlin, especially young people, to take more steps in improving their city’s air quality and living conditions by using public transportation.

Adidas’ EQT Support 93/Berlins were regular sneakers with a BVG transit pass sewn onto the tongue in place of the label. BVG turnstiles scanned the “sneaker pass” like any other. However, in order for the pass to function and to prevent fare theft, riders had to wear both shoes. Per the same source, consumers lined up by the hundreds when they were released for purchase. Please see Figure 7.3.1 on the following page.

Figure 7.3.1 Adidas EQT Support 93/Berlins (2018)



7.4 Key Findings and Best Practices

Overview

In terms of new advertising media, **kiosk advertising has shown to be more sustainable and lucrative for public transit agencies than fare card advertisements** and appears to be in the process of breaking global. That said, not every experiment by out-of-home advertisers like Intersection has been successful. Freestanding kiosks have proved to be the most successful of these initiatives, but these are designed as a 55-inch media panel that also offers transit messaging, public services and free WiFi connectivity rather than a transit-specific asset that also has a media screen. Further, given their introduction into the global market by out-of-home media partners, it stands to reason that advertising revenue be their focus; this does not mean that the media screens on ticket vending machines, which carry the potential for brief commercial messages, are not a viable solution or advertising asset for transit agencies like LACMTA, especially as a communication vehicle for a larger partnership.

Best Practices

Below are the lessons learned through trial and error in other markets for LACMTA to consider when planning a revenue-generating campaign around TAP Card assets.

- **Keep adverts brief, especially in high-traffic areas and/or with a captive audience.** 10-second avails or ad rotations on what are essentially standalone, 55-inch digital ad boards in open spaces is feasible because the larger surface area and screen size allows for multiple messages within a single frame; in other words, bus arrival times and, e.g., PECO Energy partner content can coexist without obstructing the public message or preventing use of the asset, in this example Intersection's Link kiosk features like emergency calling, weather updates and WiFi access.

However, ticket vending machines are a different medium altogether, one whose digital screens could be potentially more valuable to a transit agency than standard out-of-home advertising if

properly programmed for advertising or sponsorship, and then monetizable as a communication vehicle for a larger partnership rather than sold as a standalone opportunity. The “pre-roll” advertisements piloted on SEPTA subway TVMs represent a great concept poorly executed; a theoretical idea negligent in considering their intended function and reason for existence.

First, there are challenges with running multiple messages per use or in rotation. One slows down a technology designed for speed; the other splits the inventory into pieces, hypothetically capturing the same amount of revenue as a single, longer advert but decreasing value to the respective advertisers (any exclusivity, a key selling point for any brand, is eliminated). Second, the screen is smaller, with what appears to be a limited screen resolution when compared to the dynamic range of a 1080p digital face. That said, when provided in suite with other exposure like static banners near kiosks, mobile interstitials and the fare cards themselves, these screens could provide a clear, concise and impactful messaging point to a captive audience that must pay attention in order to move forward with their purchase.

In the opinion of The Superlative Group, this can be a far more valuable and measurable exposure for a brand, as opposed to a dynamic message played indiscriminately to crowds and measured by foot traffic instead of eyeballs. The takeaway is simple: Keep it short and to the point—Superlative recommends one to two seconds maximum (**Recommendation 3**).

7.5 Benchmarks

As noted above, Intersection’s website calculates a total of 2,200-plus Link kiosks in New York, Philadelphia and across the UK, which are used by 11 million consumers every week and generate 645 million weekly impressions with consumers aged 18 or older. Extrapolating this data further based on the published rack rate of \$25 per 1,000 views, Links around the world have the potential to generate \$16.125 million in revenue per week, or more than \$403 million annually. Per machine—absent any reference points for specific metrics for impressions generated by each unit—this amounts to an average of 260,000 consumers and 15.2 million impressions annually. Based on reported revenue generated by these campaigns, the actual cost per thousand (CPM) paid by advertisers on Link kiosks ranges between \$0.58 and \$1.88, depending on the market. SEPTA advertising partners received rotations on subway ticket vending machines as a value-added benefit to existing OOH contracts.

Figure 7.5.1

Agency/Entity	DMA	Asset	Partner(s)	Year	Consumers Reached (Avg. per Machine)	Impressions (Avg. per Machine)	WiFi Sessions (Avg. per Machine)	Total Annual Revenue (MAG)	Machines	Avg. per machine	CPM
SEPTA	PA	LinkPHL	PECO Energy	2019	260,000	15,245,455	468,000	\$ 1,800,000	100	\$ 18,000	\$ 1.80
New York MTA	NY	LinkNYC	Verizon	2019	260,000	15,245,455	468,000	\$ 37,300,000	1,300	\$ 28,692	\$ 1.88
United Kingdom (Various)	UK	InLink	BT	2017	260,000	15,245,455	468,000	\$ 6,613,500	750	\$ 8,818	\$ 0.58

7.6 Conclusions and Recommendations

Based on the above background, case studies and best practices, the following sections of this report provide an outline of Superlative's recommendations for monetizing the LACMTA TAP Card, rooted in the prediction—validated by LACMTA's TAP Operations Department—that the TAP program will be largely mobile-based within the next five years (see Section 4 above).

Further, Superlative has taken into account exogenous factors such as LACMTA being one of many agencies utilizing the TAP Card and expressed sensitivities regarding revenue sharing between publicly-funded agencies. Most importantly, Superlative has packaged a **suite of TAP Card program assets that when bundled together** (i.e. TAP Card exposure, signage visibility and digital/mobile integration) as a singular sponsorship opportunity in lieu of short-term advertising agreements, **can be a more valuable, feasible and sustainable solution** than that presented in the strategic objectives of this study. **(Recommendation 2)**

Please see Section 7.3 above for Superlative's proposed approach for integrating TAP Card ticket vending machine assets into a holistic TAP Card sponsorship and advertising program.

8 Metro Bus System Valuation (Task 7)

8.1 Introduction

This section provides an overview of the Asset Database for Metro bus system, which identifies and values the main Naming Rights and/or Corporate Sponsorship assets and provides our strategy of how the main assets should be matched to target categories.

As discussed in Section 3, The Superlative Group studied numerous sources provided by LACMTA and through original research in order to determine a baseline level of total impressions that each sponsorship asset receives. Superlative made prudent assumptions as to the number and frequency of rotations on signage inventory and internal electronic message boards, if applicable. Superlative also takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

The following factors have been considered as part of The Superlative Group valuation process:

- **Size/Design** – has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers, entertainment facilities, sports arenas, convention centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence the cost.

The most important factors for the purposes of this valuation will be the size, design, frequency and location of all identification signage and any additional sponsor signage.

This section provides the following information:

- Asset Description;
- Sponsorship Opportunity;
- Term of Sponsorship; and
- Proposed Fair Market Value.

8.2 Metro G Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro G Line.

Table 8.2.1

Asset	G Line
Asset Description	G Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Bus Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Bus Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro G Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the G Line:

Table 8.2.2 G Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Bus Exterior (Drive-by traffic)	32,015,808	\$166,802
Sponsor ID on Bus Exterior (Passenger Impressions)	12,722,767	\$66,286
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	16,007,904	\$33,296
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	12,722,767	\$26,463
Sponsor ID within Bus Interior	6,378,403	\$11,545
Sponsor ID on Permanent Station Maps	12,722,767	\$26,463
Sponsor ID on Platform Ticket Vending Machines	10,602,306	\$19,190
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	1,678,527	\$28,535
Sponsor ID in Earned Media	4,468,359	\$58,982
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	200,450	\$10,023
Sponsor ID on GoMetro Mobile App	3,804,600	\$8,484
TOTAL	122,393,834	\$498,134

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro G Line between \$500,000 and \$1 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the G Line could generate between \$17.3 million and \$34.6 million over a 25-year term.

8.3 Metro J Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro J Line.

Table 8.3.1

Asset	J Line
Asset Description	J Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Bus Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Bus Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro J Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the J Line:

Table 8.3.2 J Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Bus Exterior (Drive-by traffic)	65,916,702	\$343,426
Sponsor ID on Bus Exterior (Passenger Impressions)	9,008,532	\$46,934
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	65,916,702	\$137,107
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	9,008,532	\$18,738
Sponsor ID within Bus Interior	4,948,711	\$8,957
Sponsor ID on Permanent Station Maps	9,008,532	\$18,738
Sponsor ID on Platform Ticket Vending Machines	7,507,110	\$13,588
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	1,302,292	\$22,139
Sponsor ID in Earned Media	3,466,795	\$45,762
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	200,450	\$10,023
Sponsor ID on GoMetro Mobile App	2,238,000	\$4,991
TOTAL	187,591,534	\$712,466

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro J Line between \$500,000 and \$1 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the J Line could generate between \$17.3 million and \$34.6 million over a 25-year term.

8.4 Dodger Stadium Express

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Dodger Stadium Express.

Table 8.4.1

Asset	Dodger Stadium Express
Asset Description	Dodger Stadium Express Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Bus Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Bus Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Dodger Stadium Express

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the Dodger Stadium Express:

Table 8.4.2 Dodger Stadium Express Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Bus Exterior (Drive-by traffic)	38,227,820	\$199,167
Sponsor ID on Bus Exterior (Passenger Impressions)	339,462	\$1,769
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	19,113,910	\$39,757
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	339,462	\$706
Sponsor ID within Train Interior	358,321	\$649
Sponsor ID on Permanent Station Maps	339,462	\$706
Sponsor ID on Platform Ticket Vending Machines	282,885	\$512
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	94,295	\$1,603
Sponsor ID in Earned Media	850,000	\$11,220
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	200,450	\$10,023
Sponsor ID on GoMetro Mobile App	1,566,600	\$3,494
TOTAL	70,781,844	\$311,668

Revenue Potential

The Superlative Group calculates the fair market value range of the Dodger Stadium Express between \$250,000 and \$500,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the Dodger Stadium Express could generate between \$8.6 million and \$17.3 million over a 25-year term.

8.5 LAX FlyAway

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the LAX FlyAway, which is owned and operated by LAWA.

Table 8.5.1

Asset	LAX FlyAway
Asset Description	LAX FlyAway Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Bus Exterior; • Sponsor ID on Station & Shelter Signs; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: LAX FlyAway

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the LAX FlyAway, assuming LAWA wishes to pursue Naming Rights for this asset:

Table 8.5.2 LAX FlyAway Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Bus Exterior (Drive-by traffic)	11,927,376	\$62,142
Sponsor ID on Bus Exterior (Passenger Impressions)	5,963,688	\$12,404
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID in Earned Media	850,000	\$11,220
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	200,450	\$10,023
Sponsor ID on GoMetro Mobile App	1,119,000	\$2,495
TOTAL	29,129,690	\$140,348

Revenue Potential

The Superlative Group calculates the fair market value range of the LAX FlyAway between \$150,000 and \$300,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the LAX FlyAway could generate between \$5.2 million and \$10.4 million over a 25-year term.

8.6 Bus Station Valuation

In order to provide values for the bus stations along the Orange and Silver lines, Superlative broke the stations into different tiers to highlight the value ranges possible. The tiers are defined as:

- **Highway** – are stations located along or in the center of the highways that coincide with the line route. These stations are extremely visible to the population of Los Angeles that travels via highway and provide a massive branding opportunity to reach that audience. This tier is valued at \$250,000 per annum.
- **Gold** – are the next most valuable stations that are located along busier roadways but not highways. These stations are valued at \$100,000 per annum.
- **Silver** – the third tier of stations located throughout the LACMTA service area on less busy roadways and are valued at \$50,000 per annum.

A larger buildout of each station valuation is available upon request. In consideration of the size and length of this report, the additional tiered stations are presented in the following tables.

Table 8.6.1 Highway Tier Stations

Highway Stations	
Value	\$250,000 per year \$2,813,732 over 10-year term, including 2.6% CPI escalator
G Line Stations	None
J Line Stations	Cal State La Busway, Harbor Transitway/37 th St./USC, Harbor Transitway/Slauson, Harbor Transitway/Manchester, Harbor Transitway/Harbor Fwy., Harbor Transitway/Rosecrans, Harbor Fwy./Carson, Harbor Fwy./Pacific Coast Highway

Table 8.6.2 Gold Tier Stations

Gold Stations	
Value	\$100,000 per year \$1,125,493 over 10-year term, including 2.6% CPI escalator
G Line Stations	Van Nuys, Sepulveda, Balboa, Tampa, Pierce College, De Soto, Canoga, Roscoe
J Line Stations	El Monte

Table 8.6.3 Silver Tier Stations

Silver Stations	
Value	\$50,000 per year \$562,746 over 10-year term, including 2.6% CPI escalator
G Line Stations	North Hollywood, Laurel Canyon, Valley College, Woodman, Woodley, Reseda, Sherman Way, Nordhoff, Chatsworth
J Line Stations	USC Medical Ctr Busway

9 Metro Rail System Valuation (Task 7)

9.1 Introduction

This section provides an overview of the Asset Database for Metro rail system, which identifies and values the main Naming Rights and/or Corporate Sponsorship assets and provides our strategy of how the main assets should be matched to target categories.

As discussed in Section 3, The Superlative Group studied numerous sources provided by LACMTA and through original research in order to determine a baseline level of total impressions that each sponsorship asset receives. Superlative made prudent assumptions as to the number and frequency of rotations on signage inventory and internal electronic message boards, if applicable. Superlative also takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

The following factors have been considered as part of The Superlative Group valuation process:

- **Size/Design** – has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers, entertainment facilities, sports arenas, convention centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence the cost.

The most important factors for the purposes of this valuation will be the size, design, frequency and location of all identification signage and any additional sponsor signage.

This section provides the following information:

- Asset Description;
- Sponsorship Opportunity;
- Term of Sponsorship; and
- Proposed Fair Market Value.

9.2 Metro A Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro A Line.

Table 9.2.1

Asset	A Line
Asset Description	A Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Train Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Train Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro A Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the A Line:

Table 9.2.2 A Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Train Exterior (Drive-by traffic)	53,896,968	\$280,803
Sponsor ID on Train Exterior (Passenger Impressions)	38,861,222	\$202,467
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	26,948,484	\$56,053
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	38,861,222	\$80,831
Sponsor ID within Train Interior	8,459,883	\$15,312
Sponsor ID on Permanent Station Maps	38,861,222	\$80,831
Sponsor ID on Platform Ticket Vending Machines	32,384,352	\$58,616
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	2,226,285	\$37,847
Sponsor ID in Earned Media	5,926,530	\$78,230
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	211,000	\$10,550
Sponsor ID on GoMetro Mobile App	4,923,600	\$10,980
TOTAL	260,629,945	\$954,584

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro A Line between \$750,000 and \$1.25 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the A Line could generate between \$25.9 million and \$43.3 million over a 25-year term.

General Valuation Assumptions

Sponsor Signage Exposure

- i. Sponsor will receive branding recognition on the exterior of the rail vehicles along the route and will be visible by passengers, automobile traffic, pedestrians, cyclists, and visitors to the area.
- ii. Sponsor ID will be included on station and shelter signs, visible to drive-by traffic along streets of the A Line route.
- iii. Sponsor ID will be included on station signs visible to passengers waiting at the stations, passengers on the rail vehicles stopping at the stations and passengers exiting at the stations.
- iv. Sponsor will receive branding recognition within the interior of the rail vehicles on the A Line
- v. Sponsor ID will be included on permanent station maps at A Line stations.
- vi. Sponsor ID will be featured on Platform Ticket Vending Machines at stations along the A Line route.

Sponsor Exposure in Additional Marketing Materials

- vii. Sponsor ID will be visible on LACMTA published schedules and maps.
- viii. Sponsor will receive recognition in earned media value based on their name being attached any time the line is mentioned throughout the media.

Digital Exposure

- ix. Sponsor will receive recognition on the current LACMTA website anywhere the line is mentioned, as well as all A Line scheduling and route-dedicated sites.
- x. Sponsor will receive recognition in LACMTA social media posts, assuming one post per month.
- xi. Sponsor ID will be included on LACMTA email communications, both internally and externally.
- xii. Sponsor ID will be included on GoMetro Mobile App anywhere the line is mentioned.

9.3 Metro B Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro B Line.

Table 9.3.1

Asset	B Line
Asset Description	B Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Train Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Train Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro B Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the B Line:

Table 9.3.2 B Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Train Exterior (Drive-by traffic)	28,563,264	\$148,815
Sponsor ID on Train Exterior (Passenger Impressions)	58,744,904	\$306,061
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	14,281,632	\$29,706
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	58,744,904	\$122,189
Sponsor ID within Train Interior	39,686,716	\$71,833
Sponsor ID on Permanent Station Maps	58,744,904	\$122,189
Sponsor ID on Platform Ticket Vending Machines	48,954,087	\$88,607
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	10,443,873	\$177,546
Sponsor ID in Earned Media	17,336,720	\$228,845
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	211,000	\$10,550
Sponsor ID on GoMetro Mobile App	3,133,200	\$6,987
TOTAL	347,914,381	\$1,355,392

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro B Line between \$1 million and \$1.75 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the B Line could generate between \$34.6 million and \$60.6 million over a 25-year term.

9.4 Metro C Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro C Line.

Table 9.4.1

Asset	C Line
Asset Description	C Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Train Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Train Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro C Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the C Line:

Table 9.4.2 C Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Train Exterior (Drive-by traffic)	317,858,400	\$1,656,042
Sponsor ID on Train Exterior (Passenger Impressions)	17,552,012	\$91,446
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	158,929,200	\$330,573
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	17,552,012	\$36,508
Sponsor ID within Train Interior	8,675,216	\$15,702
Sponsor ID on Permanent Station Maps	17,552,012	\$36,508
Sponsor ID on Platform Ticket Vending Machines	14,626,677	\$26,474
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	2,282,952	\$38,810
Sponsor ID in Earned Media	6,077,380	\$80,221
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	211,000	\$10,550
Sponsor ID on GoMetro Mobile App	3,133,200	\$6,987
TOTAL	573,519,238	\$2,371,886

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro C Line between \$2.0 million and \$2.75 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the C Line could generate between \$69.2 million and \$95.2 million over a 25-year term.

9.5 Metro L Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro L Line.

Table 9.5.1

Asset	L Line
Asset Description	L Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Train Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Train Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro L Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the C Line:

Table 9.5.2 L Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Train Exterior (Drive-by traffic)	155,540,448	\$810,366
Sponsor ID on Train Exterior (Passenger Impressions)	29,112,829	\$151,678
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	77,770,224	\$161,762
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	29,112,829	\$60,555
Sponsor ID within Train Interior	14,335,874	\$25,948
Sponsor ID on Permanent Station Maps	29,112,829	\$60,555
Sponsor ID on Platform Ticket Vending Machines	24,260,691	\$43,912
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	3,772,599	\$64,134
Sponsor ID in Earned Media	10,042,928	\$132,567
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	211,000	\$10,550
Sponsor ID on GoMetro Mobile App	6,042,600	\$13,475
TOTAL	388,384,027	\$1,577,565

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro L Line between \$1.0 million and \$1.75 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the L Line could generate between \$34.6 million and \$60.6 million over a 25-year term.

9.6 Metro D Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro D Line.

Table 9.6.1

Asset	D Line
Asset Description	D Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Train Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Train Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro D Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the C Line:

Table 9.6.2 D Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Train Exterior (Drive-by traffic)	14,673,816	\$76,451
Sponsor ID on Train Exterior (Passenger Impressions)	20,628,457	\$107,474
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	7,336,908	\$15,261
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	20,628,457	\$42,907
Sponsor ID within Train Interior	9,808,224	\$17,753
Sponsor ID on Permanent Station Maps	20,628,457	\$42,907
Sponsor ID on Platform Ticket Vending Machines	17,190,381	\$31,115
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	2,581,112	\$43,879
Sponsor ID in Earned Media	17,336,720	\$228,845
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	211,000	\$10,550
Sponsor ID on GoMetro Mobile App	1,790,400	\$3,993
TOTAL	141,883,108	\$663,198

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro D Line between \$500,000 and \$1 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the D Line could generate between \$17.3 million and \$34.6 million over a 25-year term.

9.7 Metro E Line

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Metro E Line.

Table 9.7.1

Asset	E Line
Asset Description	E Line Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Train Exterior; • Sponsor ID on Station & Shelter Signs; • Sponsor ID within Train Interior; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Platform Ticket Vending Machines; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; • Sponsor ID in Earned Media <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media; • Sponsor ID on LACMTA Email Communications; • Sponsor ID on GoMetro Mobile App.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 25 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro E Line

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the E Line:

Table 9.7.2 E Line Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Train Exterior (Drive-by traffic)	22,532,328	\$117,393
Sponsor ID on Train Exterior (Passenger Impressions)	34,892,770	\$181,791
Sponsor ID on Station & Shelter Signs (Drive-by traffic)	11,266,164	\$23,434
Sponsor ID on Station & Shelter Signs (Passenger Impressions)	34,892,770	\$72,577
Sponsor ID within Train Interior	17,355,615	\$31,414
Sponsor ID on Permanent Station Maps	34,892,770	\$72,577
Sponsor ID on Platform Ticket Vending Machines	29,077,308	\$52,630
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	4,567,267	\$77,644
Sponsor ID in Earned Media	12,158,392	\$160,491
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	5,720,000	\$20,592
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
Sponsor ID on LACMTA Email Communications	211,000	\$10,550
Sponsor ID on GoMetro Mobile App	4,252,200	\$9,482
TOTAL	215,167,758	\$852,047

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro E Line between \$750,000 and \$1.25 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the E Line could generate between \$25.9 million and \$43.3 million over a 25-year term.

9.8 Civic Center/Grand Park

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Civic Center/Grand Park station.

Table 9.8.1

Asset	Civic Center/Grand Park Station
Asset Description	Civic Center/Grand Park Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Station Signs; • Sponsor ID on Interior Station Signs; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Route Maps within Vehicles; • Sponsor ID in Audio Announcements within Vehicles; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Civic Center/Grand Park

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the Civic Center Grand Park station:

Table 9.8.2 Civic Center/Grand Park Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Station Signs (Drive-by traffic)	10,939,050	\$52,289
Sponsor ID on Interior Station Signs (Passenger Impressions)	27,167,234	\$129,859
Sponsor ID on Permanent Station Maps	10,723,908	\$23,593
Sponsor ID on Route Maps within Vehicles	5,209,994	\$17,401
Sponsor ID in Audio Announcements within Vehicles	2,604,997	\$8,701
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	5,209,994	\$88,570
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	279,098	\$21,472
TOTAL	65,709,274	\$354,755

Revenue Potential

The Superlative Group calculates the fair market value range of the Civic Center/Grand Park station between \$250,000 and \$500,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the Civic Center/Grand Park station could generate between \$2.8 million and \$5.6 million over a 10-year term.

General Valuation Assumptions**Sponsor Signage Exposure**

- xiii. Sponsor ID will be included on station and shelter signs, visible to drive-by traffic along streets adjacent to the station.
- xiv. Sponsor ID will be included on station signs visible to passengers waiting at the station, passengers on the rail vehicles stopping at the station and passengers exiting at the station.
- xv. Sponsor ID will be included on permanent station maps at the Civic Center/Grand Park station.
- xvi. Sponsor ID will be included on route maps within the rail vehicles.
- xvii. Sponsor ID will be included in audio announcements within vehicles as they are approaching the station.

Sponsor Exposure in Additional Marketing Materials

- xviii. Sponsor ID will be visible on LACMTA published schedules and maps.

Digital Exposure

- xix. Sponsor will receive recognition on the current LACMTA website anywhere the station is mentioned, as well as all route-dedicated pages that mention the station.
- xx. Sponsor will receive recognition in LACMTA social media posts, assuming one post per month.

9.9 Pershing Square

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Pershing Square station.

Table 9.9.1

Asset	Pershing Square Station
Asset Description	Pershing Square Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Station Signs; • Sponsor ID on Interior Station Signs; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Route Maps within Vehicles; • Sponsor ID in Audio Announcements within Vehicles; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Pershing Square

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the Pershing Square station:

Table 9.9.2 Pershing Square Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Station Signs (Drive-by traffic)	11,428,515	\$54,628
Sponsor ID on Interior Station Signs (Passenger Impressions)	45,493,448	\$217,459
Sponsor ID on Permanent Station Maps	17,957,940	\$39,507
Sponsor ID on Route Maps within Vehicles	5,209,994	\$17,401
Sponsor ID in Audio Announcements within Vehicles	2,604,997	\$8,701
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	5,209,994	\$88,570
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	279,098	\$21,472
TOTAL	91,758,985	\$460,608

Revenue Potential

The Superlative Group calculates the fair market value range of the Pershing Square station between \$250,000 and \$500,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the Pershing Square station could generate between \$2.8 million and \$5.6 million over a 10-year term.

9.10 7th Street/Metro Center

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the 7th Street/Metro Center station.

Table 9.10.1

Asset	7 th Street/Metro Center Station
Asset Description	7 th Street/Metro Center Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Station Signs; • Sponsor ID on Interior Station Signs; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Route Maps within Vehicles; • Sponsor ID in Audio Announcements within Vehicles; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: 7th Street/Metro Center

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the 7th Street/Metro Center station:

Table 9.10.2 7th Street/Metro Center Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Station Signs (Drive-by traffic)	10,640,115	\$50,860
Sponsor ID on Interior Station Signs (Passenger Impressions)	259,350,790	\$1,239,697
Sponsor ID on Permanent Station Maps	102,375,312	\$225,226
Sponsor ID on Route Maps within Vehicles	7,927,414	\$26,478
Sponsor ID in Audio Announcements within Vehicles	3,963,707	\$13,239
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	7,927,414	\$134,766
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	279,098	\$21,472
TOTAL	396,038,851	\$1,724,607

Revenue Potential

The Superlative Group calculates the fair market value range of the 7th Street/Metro Center station between \$1.5 million and \$2.0 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the 7th Street/Metro Center station could generate between \$16.8 million and \$22.5 million over a 10-year term.

9.11 Pico

The following table provides an overview of the proposed benefits and values which would be included in a Naming Rights agreement for the Pico station.

Table 9.11.1

Asset	Pico Station
Asset Description	Pico Naming Rights
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Naming Rights Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Station Signs; • Sponsor ID on Interior Station Signs; • Sponsor ID on Permanent Station Maps; • Sponsor ID on Route Maps within Vehicles; • Sponsor ID in Audio Announcements within Vehicles; <p>Sponsor ID in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Published LACMTA Schedules/Maps; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Pico

The following table provides an overview of the proposed quantitative benefits which would be included in a naming rights agreement for the Pico station:

Table 9.11.2 Pico Naming Rights Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Station Signs (Drive-by traffic)	6,507,038	\$31,104
Sponsor ID on Interior Station Signs (Passenger Impressions)	36,490,792	\$174,426
Sponsor ID on Permanent Station Maps	14,404,260	\$31,689
Sponsor ID on Route Maps within Vehicles	2,717,421	\$9,076
Sponsor ID in Audio Announcements within Vehicles	1,358,710	\$4,538
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Published LACMTA Schedules/Maps	2,717,421	\$46,196
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	279,098	\$21,472
TOTAL	68,049,740	\$331,371

Revenue Potential

The Superlative Group calculates the fair market value range of the Pico station between \$250,000 and \$500,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the Naming Rights for the Pico station could generate between \$2.8 million and \$5.6 million over a 10-year term.

9.12 Additional Rail Stations

In order to provide values for the remaining stations (excluding Union Station) along the A, Red, Green, Gold, Purple and E lines, Superlative broke the stations into different tiers to highlight the value ranges possible. The tiers are defined as:

- **Highway** – are stations located along or in the center of the highways that coincide with the line route. These stations are extremely visible to the population of Los Angeles that travels via highway and provide a massive branding opportunity to reach that audience. This tier is valued at \$250,000 per annum.
- **Gold** – are the next most valuable stations that are located along busier roadways but not highways. These stations are valued at \$100,000 per annum.
- **Silver** – the third tier of stations located throughout the LACMTA service area on less busy roadways and are valued at \$50,000 per annum.

A larger buildout of each station valuation is available upon request. In consideration of the size and length of this report, the additional tiered stations are presented in the following tables.

Table 9.12.1 Highway Tier Stations

Highway Stations	
Value	\$250,000 per year \$2,813,732 over 10-year term, including 2.6% CPI escalator
Shared Stations	Willowbrook – Rosa Parks
A Line Stations	None
B Line Stations	None
C Line Stations	Norwalk, Lakewood Blvd., Long Beach Blvd., Avalon, Harbor Freeway, Vermont/Athens, Crenshaw, Hawthorne/Lennox, Aviation/LAX
L Line Stations	Sierra Madre, Allen, Lake
D Line Stations	None
E Line Stations	None

Table 9.12.2 Gold Tier Stations

Gold Stations	
Value	\$100,000 per year \$1,125,493 over 10-year term, including 2.6% CPI escalator
Shared Stations	Westlake/MacArthur Park, Wilshire/Vermont
A Line Stations	Pacific Coast Highway
B Line Stations	Vermont/Beverly, Vermont/Sunset, Hollywood/Western, Hollywood/Vine, Hollywood/Highland, Universal/Studio City, North Hollywood
C Line Stations	None
L Line Stations	Irwindale, Little Tokyo/Arts District
D Line Stations	Wilshire/Normandie, Wilshire/Western
E Line Stations	Downtown Santa Monica

Table 9.12.3 Silver Tier Stations

Silver Stations	
Value	\$50,000 per year \$562,746 over 10-year term, including 2.6% CPI escalator
Shared Stations	None
A Line Stations	Grand/LATTC, San Pedro Street, Washington, Vernon, Slauson, Florence, Firestone, 103 rd Street/Watts Tower, Compton, Artesia, Del Amo, Wardlow, Willow Street, Anaheim Street, 5 th Street, 1 st street, Pacific Ave, Downtown Long Beach
B Line Stations	Vermont/Santa Monica
C Line Stations	Mariposa, El Segundo, Douglas, Redondo Beach
L Line Stations	APU/Citrus College, Azusa Downtown, Duarte/City of Hope, Monrovia, Arcadia, Memorial Park, Del Mar, Fillmore, South Pasadena, Highland Park, Southwest Museum, Heritage Square/Arroyo, Lincoln Heights/Cypress Park, Chinatown, Pico/Aliso, Mariachi Plaza/Boyle Heights, Soto Station, Indiana, Maravilla, East LA Civic Center, Atlantic
D Line Stations	None
E Line Stations	LATTC/Ortho Institute, Jefferson/USC, Expo Park/USC, Expo/Vermont, Expo/Western, Expo/Crenshaw, Farmdale, Expo/La Brea/Ethel Brady, La Cienega/Jefferson, Culver City, Palms, Westwood/Rancho Park, Expo/Sepulveda, Expo/Bundy, 26th Street/Bergamont, 17th Street/SMC

10 Metro Bike System Valuation (Task 7)

10.1 Introduction

This section provides an overview of the Asset Database for the additional Metro bike system, which identifies and values the main Naming Rights and/or Corporate Sponsorship assets and provides our strategy of how the main assets should be matched to target categories.

As discussed in Section 3, The Superlative Group studied numerous sources provided by LACMTA and through original research in order to determine a baseline level of total impressions that each sponsorship asset receives. Superlative made prudent assumptions as to the number and frequency of rotations on signage inventory and internal electronic message boards, if applicable. Superlative also takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

The following factors have been considered as part of The Superlative Group valuation process:

- **Size/Design** – has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers, entertainment facilities, sports arenas, convention centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence the cost.

The most important factors for the purposes of this valuation will be the size, design, frequency and location of all identification signage and any additional sponsor signage.

This section provides the following information:

- Asset Description;
- Sponsorship Opportunity;
- Term of Sponsorship; and
- Proposed Fair Market Value.

10.2 Metro Bike Share

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Metro Bike Share program.

Table 10.2.1

Asset	Metro Bike Share
Asset Description	Metro Bike Share Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Bicycles; • Sponsor ID on Bicycle Racks; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Bike Share Email Communications; • Sponsor ID on Bike Share and LACMTA websites; • Sponsor ID on Bike Share Mobile App; • Sponsor ID on Bike Share and LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Sponsorship Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Metro Bike Share

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Metro Bike Share:

Table 10.2.2 Metro Bike Share Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Bicycles		
- Impressions from Riders	76,651,480	\$354,130
- Impressions from Local Residents/Tourists	15,079,139	\$69,666
- Impressions from Passing Vehicles	80,422,072	\$140,739
Sponsor ID on Bicycle Racks		
- Impressions from Riders	5,000,000	\$23,100
- Impressions from Local Residents/Tourists	15,079,139	\$69,666
- Impressions from Passing Vehicles	55,089,119	\$96,406
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Bike Share Email Communications	120,000	\$6,000
Sponsor ID on Bike Share and LACMTA websites	2,845,700	\$10,245
Sponsor ID on Bike Share Mobile App	2,375,000	\$5,296
Sponsor ID on Bike Share and LACMTA Social Media; once per month	1,168,029	\$7,125
TOTAL	253,829,677	\$782,371

Revenue Potential

The Superlative Group calculates the fair market value range of the Metro Bike Share between \$500,000 and \$1 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Metro Bike Share could generate between \$5.6 million and \$11.2 million over a 10-year term.

General Valuation Assumptions**Sponsor Signage Exposure**

- i. Sponsor ID will be included on all Metro Bike Share bicycles.
- ii. Sponsor ID will be included on all Metro Bike Share bicycle racks.

Digital Exposure

- iii. Sponsor will receive recognition in Metro Bike Share email communications, assumed monthly.
- iv. Sponsor will receive recognition on the current Bike Share and LACMTA website anywhere the Bike Share is mentioned.
- v. Sponsor will receive recognition on the Bike Share Mobile App.
- vi. Sponsor will receive recognition in Bike Share and LACMTA social media posts, assuming one post per month.

11 Metro Property Valuation (Task 7)

11.1 Introduction

This section provides an overview of the Asset Database for Metro property, which identifies and values the main Naming Rights and/or Corporate Sponsorship assets and provides our strategy of how the main assets should be matched to target categories.

As discussed in Section 3, The Superlative Group studied numerous sources provided by LACMTA and through original research in order to determine a baseline level of total impressions that each sponsorship asset receives. Superlative made prudent assumptions as to the number and frequency of rotations on signage inventory and internal electronic message boards, if applicable. Superlative also takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

The following factors have been considered as part of The Superlative Group valuation process:

- **Size/Design** – has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers, entertainment facilities, sports arenas, convention centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence the cost.

The most important factors for the purposes of this valuation will be the size, design, frequency and location of all identification signage and any additional sponsor signage.

This section provides the following information:

- Asset Description;
- Sponsorship Opportunity;
- Term of Sponsorship; and
- Proposed Fair Market Value.

11.2 Passageway at Union Station

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Passageway at Union Station.

Table 11.2.1

Asset	Passageway at Union Station
Asset Description	Passageway Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Passageway Entrance Signage; • Sponsor ID on Interior Passageway Signage; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; multiple pages; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Sponsorship Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Passageway at Union Station

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Passageway at Union Station:

Table 11.2.2 Passageway at Union Station Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Passageway Entrance Signage	33,893,418	\$176,585
Sponsor ID on Interior Passageway Signage	45,191,224	\$81,796
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	86,008,818	\$292,723

Revenue Potential

The Superlative Group calculates the fair market value range of the Passageway at Union Station between \$200,000 and \$300,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Passageway at Union Station could generate between \$2.2 million and \$3.4 million over a 10-year term.

General Valuation Assumptions

Sponsor Signage Exposure

- i. Sponsor ID will be included on signage at the two entrances to the Passageway.
- ii. Sponsor ID will be included on interior signage located throughout the Passageway; valuation assumes an estimated eight (8) signs.

Digital Exposure

- iii. Sponsor will receive recognition on the LACMTA website anywhere the Passageway is mentioned and also included on information pages associated with Union Station.
- iv. Sponsor will receive recognition in LACMTA social media posts, assuming one post per month.

11.3 Public Restrooms

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the public restrooms.

Table 11.3.1

Asset	Public Restrooms
Asset Description	Public Restrooms Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Facility Exterior; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; multiple pages; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Sponsorship Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Public Restrooms

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Public Restrooms:

Table 11.3.2 Public Restrooms Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Facility Exterior	92,616,702	\$167,636
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	99,540,878	\$201,978

Revenue Potential

The Superlative Group calculates the fair market value range of the Public Restrooms between \$150,000 and \$250,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Public Restrooms could generate between \$1.6 million and \$2.8 million over a 10-year term.

General Valuation Assumptions

Sponsor Signage Exposure

- i. Sponsor ID will be featured on the exterior of all of the facilities. Valuation assumes facilities will be located at the following stations: Downtown Long Beach, 7th Street/Metro Center, Redondo Beach, Norwalk, Atlantic, APU/Citrus College, Downtown Santa Monica, Chatsworth, North Hollywood, Harbor Gateway Transit Center, El Monte, Pico, Aviation/LAX, Harbor Fwy, Willowbrook/Rosa Parks, Cal State LA and Pacific/21st Layover.

Digital Exposure

- ii. Sponsor will receive recognition on the LACMTA website anywhere the public restrooms are mentioned and also included on information pages associated with Union Station.
- iii. Sponsor will receive recognition in LACMTA social media posts, assuming one post per month.

11.4 Azusa Pacific University (APU)/Citrus Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the APU/Citrus parking garage.

Table 11.4.1

Asset	APU/Citrus Parking Garage
Asset Description	APU/Citrus Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: APU/Citrus Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the APU/Citrus parking garage:

Table 11.4.2 APU/Citrus Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	2,963,015	\$15,437
Sponsor ID on Interior Garage Signage	64,194	\$334
Sponsor ID on Garage Ticketing Machines/Booths	71,327	\$129
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	71,327	\$1,213
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	10,094,040	\$51,455

Revenue Potential

The Superlative Group calculates the fair market value range of the APU/Citrus parking garage between \$50,000 and \$100,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the APU/Citrus parking garage could generate between \$562,746 and \$1.1 million over a 10-year term.

General Valuation Assumptions

Sponsor Signage Exposure

- i. Sponsor ID will be included on all exterior garage signage, visible to passing traffic.
- ii. Sponsor ID will be included on all interior garage signage.
- iii. Sponsor ID will be included on all ticketing machines/booths located in the garage.

Sponsor Exposure in Additional Marketing Materials

- iv. Sponsor ID will be included on all tickets produced in the garage.

Digital Exposure

- v. Sponsor will receive recognition on the LACMTA website anywhere the parking garage is mentioned.
- vi. Sponsor will receive recognition in LACMTA social media posts, assuming one post per month.

11.5 Arcadia Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Arcadia parking garage.

Table 11.5.1

Asset	Arcadia Parking Garage
Asset Description	Arcadia Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Arcadia Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Arcadia parking garage:

Table 11.5.2 Arcadia Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	2,948,543	\$15,362
Sponsor ID on Interior Garage Signage	57,871	\$302
Sponsor ID on Garage Ticketing Machines/Booths	64,301	\$116
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	64,301	\$1,093
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	10,059,191	\$51,215

Revenue Potential

The Superlative Group calculates the fair market value range of the Arcadia parking garage between \$50,000 and \$100,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Arcadia parking garage could generate between \$562,746 and \$1.1 million over a 10-year term.

11.6 Atlantic Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Atlantic parking garage.

Table 11.6.1

Asset	Atlantic Parking Garage
Asset Description	Atlantic Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Atlantic Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Atlantic parking garage:

Table 11.6.2 Atlantic Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	8,778,250	\$45,735
Sponsor ID on Interior Garage Signage	64,359	\$335
Sponsor ID on Garage Ticketing Machines/Booths	71,510	\$129
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	71,510	\$1,216
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	15,909,804	\$81,757

Revenue Potential

The Superlative Group calculates the fair market value range of the Atlantic parking garage between \$75,000 and \$125,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Atlantic parking garage could generate between \$844,120 and \$1.4 million over a 10-year term.

11.7 Expo/Sepulveda Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Expo/Sepulveda parking garage.

Table 11.7.1

Asset	Expo/Sepulveda Parking Garage
Asset Description	Expo/Sepulveda Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Expo/Sepulveda Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Expo/Sepulveda parking garage:

Table 11.7.2 Expo/Sepulveda Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	282,328	\$1,471
Sponsor ID on Interior Garage Signage	39,338	\$205
Sponsor ID on Garage Ticketing Machines/Booths	43,709	\$79
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	43,709	\$743
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	7,333,259	\$36,840

Revenue Potential

The Superlative Group calculates the fair market value range of the Expo/Sepulveda parking garage between \$25,000 and \$50,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Expo/Sepulveda parking garage could generate between \$281,373 and \$562,746 million over a 10-year term.

11.8 Irwindale Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Irwindale parking garage.

Table 11.8.1

Asset	Irwindale Parking Garage
Asset Description	Irwindale Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Irwindale Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Irwindale parking garage:

Table 11.8.2 Irwindale Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	8,326,052	\$43,379
Sponsor ID on Interior Garage Signage	88,284	\$460
Sponsor ID on Garage Ticketing Machines/Booths	98,094	\$178
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	98,094	\$1,668
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	15,534,699	\$80,026

Revenue Potential

The Superlative Group calculates the fair market value range of the Irwindale parking garage between \$75,000 and \$125,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Irwindale parking garage could generate between \$844,120 and \$1.4 million over a 10-year term.

11.9 La Cienega/Jefferson Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the La Cienega/Jefferson parking garage.

Table 11.9.1

Asset	La Cienega/Jefferson Parking Garage
Asset Description	La Cienega/Jefferson Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: La Cienega/Jefferson Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the La Cienega/Jefferson parking garage:

Table 11.9.2 La Cienega/Jefferson Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	6,663,166	\$34,715
Sponsor ID on Interior Garage Signage	114,291	\$595
Sponsor ID on Garage Ticketing Machines/Booths	126,990	\$230
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	126,990	\$2,159
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	13,955,612	\$72,041

Revenue Potential

The Superlative Group calculates the fair market value range of the La Cienega/Jefferson parking garage between \$50,000 and \$100,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the La Cienega/Jefferson parking garage could generate between \$562,746 and \$1.1 million over a 10-year term.

11.10 Monrovia Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Monrovia parking garage.

Table 11.10.1

Asset	Monrovia Parking Garage
Asset Description	Monrovia Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Monrovia Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Monrovia parking garage:

Table 11.10.2 Monrovia Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	5,742,874	\$29,920
Sponsor ID on Interior Garage Signage	40,187	\$209
Sponsor ID on Garage Ticketing Machines/Booths	44,652	\$81
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	44,652	\$759
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	12,796,539	\$65,312

Revenue Potential

The Superlative Group calculates the fair market value range of the Monrovia parking garage between \$50,000 and \$100,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Monrovia parking garage could generate between \$562,746 and \$1.1 million over a 10-year term.

11.11 Sierra Madre Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Sierra Madre parking garage.

Table 11.11.1

Asset	Sierra Madre Parking Garage
Asset Description	Sierra Madre Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Sierra Madre Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Sierra Madre parking garage:

Table 11.11.2 Sierra Madre Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	67,616,250	\$352,281
Sponsor ID on Interior Garage Signage	159,487	\$831
Sponsor ID on Garage Ticketing Machines/Booths	177,208	\$321
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	177,208	\$3,013
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	75,054,328	\$390,787

Revenue Potential

The Superlative Group calculates the fair market value range of the Sierra Madre parking garage between \$250,000 and \$500,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Sierra Madre parking garage could generate between \$2.8 million and \$5.6 million over a 10-year term.

11.12 Willow Parking

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Willow parking garage.

Table 11.12.1

Asset	Willow Parking Garage
Asset Description	Willow Parking Garage Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Exterior Garage Signage; • Sponsor ID on Interior Garage Signage; • Sponsor ID on Garage Ticketing Machines/Booths; <p>Sponsor Exposure in Additional Marketing Materials</p> <ul style="list-style-type: none"> • Sponsor ID on Garage Tickets; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Naming Rights Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Willow Parking Garage

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Willow parking garage:

Table 11.12.2 Willow Parking Garage Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on Exterior Garage Signage	6,073,600	\$31,643
Sponsor ID on Interior Garage Signage	93,060	\$485
Sponsor ID on Garage Ticketing Machines/Booths	103,400	\$187
Sponsor Exposure in Additional Marketing Materials	Weighted Impressions	Annual Benefit
Sponsor ID on Garage Tickets	103,400	\$1,758
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	13,297,636	\$68,415

Revenue Potential

The Superlative Group calculates the fair market value range of the Willow parking garage between \$50,000 and \$100,000 per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the S Willow parking garage could generate between \$562,746 and \$1.1 million over a 10-year term.

12 Microtransit and Non-Revenue Vehicles

Valuation (Task 7)

12.1 Introduction

This section provides an overview of the Asset Database for Metro microtransit and non-revenue vehicles, which identifies and values the main Naming Rights and/or Corporate Sponsorship assets and provides our strategy of how the main assets should be matched to target categories.

As discussed in Section 3, The Superlative Group studied numerous sources provided by LACMTA and through original research in order to determine a baseline level of total impressions that each sponsorship asset receives. Superlative made prudent assumptions as to the number and frequency of rotations on signage inventory and internal electronic message boards, if applicable. Superlative also takes the following factors into account when determining the appropriate amount of impressions a piece of signage or collateral would receive:

Valuation Factors

The following factors have been considered as part of The Superlative Group valuation process:

- **Size/Design** – has a direct impact on visibility. Within a given market, advertising space carries a different value depending upon the number of impressions, which are used to calculate advertising rates. An impression indicates the number of times an advertisement is seen by pedestrians, motorists and transit riders.
- **Location** – Rates are higher in high demand areas. Billboards in New York City will carry some of the highest rates in the nation. Location also dictates the demographics of the audience. Airport advertising rates are high due to the premium demographics of air travelers.
- **Rotation** – In the case of digital advertising inventory, rates are based on the length of each advertisement. Rotations can range from 8 seconds to 30 seconds (depending on average wait time in a given location) with out-of-home advertising agencies aiming to maximize the number of advertisers on each digital ad board.
- **Demand** – Premium units and high-traffic transit stations in the heart of cities may have a long list of advertisers waiting to display their message. The proximity of certain ads to airports, shopping centers, entertainment facilities, sports arenas, convention centers and other attractions also increases demand and price. Further, other events and timing make outdoor inventory more "precious" and can impact rates, such as large sporting events or beach adjacent inventory in the summer months.
- **Population** – Audience size will influence the cost.

The most important factors for the purposes of this valuation will be the size, design, frequency and location of all identification signage and any additional sponsor signage.

This section provides the following information:

- Asset Description;
- Sponsorship Opportunity;
- Term of Sponsorship; and
- Proposed Fair Market Value.

12.2 Freeway Service Patrol

The following table provides an overview of the proposed benefits and values which would be included in a sponsorship agreement for the Freeway Service Patrol.

Table 12.2.1

Asset	Freeway Service Patrol
Asset Description	Freeway Service Patrol Sponsorship
Sponsorship Opportunity	<p>Subject to LACMTA approval, a Sponsorship Agreement would include the following sponsorship benefits:</p> <p>Sponsor Signage Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on Freeway Service Signs; • Sponsor ID on Freeway Service Vehicles; • Sponsor ID from Freeway Service Patrol Assists; <p>Digital Exposure</p> <ul style="list-style-type: none"> • Sponsor ID on metro.net; • Sponsor ID on LACMTA Social Media.
Term of Sponsorship	<p>Due to the number of signs and the degree of brand integration, the proposed term of the sponsorship opportunity will be 10 years, in order to allow permanence in the Line name as it becomes part of the lexicon of the community and to visitors.</p> <p>The Sponsorship Agreement will include a CPI escalator, assumed to be 2.6% in California.</p>

Value Range: Freeway Service Patrol

The following table provides an overview of the proposed quantitative benefits which would be included in a sponsorship agreement for the Freeway Service Patrol:

Table 12.2.2 Freeway Service Patrol Sponsorship Valuation

Sponsor Signage Exposure	Weighted Impressions	Annual Benefit
Sponsor Exposure from Freeway Service Area Signage	7,539,373,920	\$1,868,257
Sponsor Exposure from Freeway Service Vehicle Wraps	1,966,447,275	\$943,895
Sponsor Exposure from FSP Assists; vehicles, uniforms, etc.	300,000	\$354
Digital Exposure	Weighted Impressions	Annual Benefit
Sponsor ID on metro.net; multiple pages	3,575,000	\$12,870
Sponsor ID on LACMTA Social Media; once per month	3,349,176	\$21,472
TOTAL	9,513,045,371	\$2,846,848

Revenue Potential

The Superlative Group calculates the fair market value range of the Freeway Service Patrol between \$2.0 million and \$3.0 million per annum. Assuming inclusion of an annual CPI escalator of 2.6%, the sponsorship for the Freeway Service Patrol could generate between \$22.5 million and \$33.8 million over a 10-year term. Typically, these types of sponsorships are agreed to in three- to seven-year terms, with renewal options. This does not impact the proposed annual value.

General Valuation Assumptions**Sponsor Signage Exposure**

- i. Sponsor ID will be included on Freeway Service Patrol signs throughout the service area, visible to traffic along the freeways.
- ii. Sponsor ID will be included on Freeway Service Patrol vehicles.
- iii. Sponsor ID will be included on Freeway Service Patrol uniforms.

Digital Exposure

- iv. Sponsor will receive recognition on the current LACMTA website anywhere the Freeway Service Patrol is mentioned
- v. Sponsor will receive recognition in LACMTA social media posts, assuming one post per month.

13 Risks & Contractual Issues

13.1 Overview

This section of the report provides an overview of potential risks and limitations that may impact the marketability of the assets and benefits of the Naming Rights and Corporate Sponsorship program for LACMTA. Section 13.3 and 13.4 below provides an overview of the main clauses that should be included in the draft Naming Agreement.

13.2 Risk Register

A risk register will be developed to identify, monitor and mitigate key risks and limitations associated with the Corporate Sponsorship/Naming Rights project. Project risks will fall under the following categories.

COVID-19

Risk	Risk Rating	Mitigation Factor(s)
<p>Superlative was appointed by LACMTA in December 2019 prior to the COVID-19 outbreak, which resulted in severe restrictions on travel and significant economic uncertainty.</p> <p>There is a potential timing risk that delays to the COVID-19 shutdown could have a detrimental impact on the Naming Rights sales program. There is a potential economic risk that the valuations included in this report could be negatively impacted by the economic uncertainty.</p>	Medium	It is anticipated that the current restrictions on movement will be lifted and the economic position will be more clear. Superlative's sales executives can recommend multiple strategies for capturing revenue during periods of economic uncertainty, which should assist LACMTA with mitigating any concerns with loss of revenue.

Signage/Advertising/Sponsorship Regulations

Risk	Risk Rating	Mitigation Factor(s)
It is important that all Naming Rights and sponsorship signage proposals comply with relevant City and State signage ordinances. As of 2017, the previous proposed Naming Rights policy for LACMTA was put on hold due to concerns pertaining to lack of control of asset names, reputational risks (see below) and other factors. LACMTA has the right to revisit this policy, which will be necessary in order to pursue Naming Rights campaigns for assets.	Medium	Superlative is consulting with LACMTA representatives to ensure that all proposed Sponsorship benefits included in the valuation are deliverable and legally compliant.

Reputational Risks

Risk	Risk Rating	Mitigation Factor(s)
Public trust may be damaged by Sponsorships that are aesthetically displeasing, politically oriented, inconsistent with LACMTA's objectives and core services, or otherwise inappropriate or offensive to the audience.	Low	All proposed sponsorships must comply with signage guidelines. The LACMTA Sponsorship Policy, being developed as part of this project, would provide further clarity regarding acceptable target sponsors. Also, see Section 13.4 for examples of Moral Turpitude clauses that address such concerns.

Legal Risk

Risk	Risk Rating	Mitigation Factor(s)
Lack of clarity regarding objectives and definitions of Naming Rights and Corporate Sponsorships.	Low	Thorough legal review of definitions by Superlative, LACMTA and target sponsor legal departments.
Lack of clarity regarding other legal aspects of the Naming Rights Agreement, such as definition of specific benefits, licenses to use Trademarks and Service Marks, Artworks and Signage costs, and resolution of disputes between LACMTA and any Naming Sponsor.	Low	Inclusion of a detailed Schedule of Rights and Benefits as an Appendix to the Naming Rights or Sponsorship Agreement. Signage designs and renderings should be agreed and included where possible.

Economic Risks

Risk	Risk Rating	Mitigation Factor(s)
Economic failure of a Naming Rights or Sponsorship partner during the term of an agreement	Low	LACMTA should carry out financial Due Diligence on any Naming Rights or Exclusive Partners prior to signature of any major agreement. This would include review of Group Financial Statements and third-party assessments.
Concern that a Naming Rights partnership does not provide adequate return for the proposed schedule of benefits.	Low	Value ranges for all Naming Rights and Sponsorships should be agreed before progressing with the sales phase. LACMTA should withdraw from negotiations with companies when negotiations reach the floor of the value range.

Policy Risks

Risk	Risk Rating	Mitigation Factor(s)
Lack of political backing for the proposed Naming Rights partnership.	Low	Engagement with LACMTA representatives and other key stakeholders should mitigate any potential political conflicts, both internal and external.
Divergence of support between LACMTA and other Stakeholders.	Low	Structured and regular communication channels at key stages of the sales process.

Project Delay

Risk	Risk Rating	Mitigation Factor(s)
Risk that a delay to construction of LACMTA facilities has a detrimental impact on the Naming Rights or Sponsorship sales program.	Medium	Timelines for construction of the LACMTA could fluctuate or be extended given the size/scope of the project, creating medium risk. However, this can be mitigated through regular progress reports and communication between LACMTA and Consultant.

All risks should be logged, monitored and updated as part of the monthly reporting procedure. Metro will need to work directly with key stakeholders to mitigate and eliminate these risks whenever possible.

13.3 Sample Term Sheet

As the nature of any Naming Rights agreement will differ, the terms of each sponsorship opportunity must be refined to the specifics of the program. The following example provides an overview of some of the important elements that we would expect to include. The LACMTA legal department and board will have final review and approval of any agreement.

Benefit Specifications

This section of the Agreement sets out the specifications of proposed signage and other exposure entitlements. LACMTA representatives will work with the Naming Rights Sponsor to develop the design of signage that includes the Naming Rights Sponsor name designation or logo. A schematic of the signage will be made available for review and must be approved by LACMTA. A summary of the proposed benefits is provided below. These will be discussed and agreed with the target Naming Rights partner and developed as a detailed Schedule to the Naming Rights Agreement.

Sponsor Signage Exposure

- Sponsor ID on Vehicle Exterior;
- Sponsor ID on Station & Shelter Signs;
- Sponsor ID within Vehicle Interior;
- Sponsor ID on Permanent Station Maps;
- Sponsor ID on Platform Ticket Vending Machines;

Sponsor ID in Additional Marketing Materials

- Sponsor ID on Published Schedules/Maps;
- Sponsor ID in Earned Media;

Digital Exposure

- Sponsor ID on LACMTA website;
- Sponsor ID on LACMTA Social Media;
- Sponsor ID on LACMTA Email Communications;
- Sponsor ID on GoMetro Mobile App.

Licenses to Use Trademarks and Service Marks

- a. Subject to the terms of the Agreement and so long as the Naming Rights Sponsor is not in breach of any term or condition hereof, LACMTA may grant the Sponsor non-exclusive and royalty-free right to use trademarks/service marks/logos. Any and all materials produced by the Sponsor using the LACMTA marks would be submitted to LACMTA for review and prior approval, which approval shall not be unreasonably withheld or delayed.
- b. All rights of approval of the use of a trademark, service mark, logo or other identification of a party (the "Marks") should be a continuing right so that any party may later object to the use of Marks that had been previously approved should circumstances change or other reasons arise that, in the reasonable judgment of the party objecting, make continued use potentially damaging to reputation or image of the Marks or to the objecting party.
- c. All uses of Marks by a party shall inure to the benefit of the party granting the license in their own marks and not the licensee. No licensee should make any claim of ownership or other interest in any Mark licensed to them hereunder.

Artwork and Media Costs; Installation and Replacement Costs

- a. **Artwork and Media Costs.** The Naming Rights Sponsor should bear the costs of the design and production of the initial signage. In the event the Sponsor determines it is necessary to engage a third party to assist in developing the artwork and media, the Sponsor will bear the third party's fees and other costs.
- b. **Schematics of Signage.** In order for the Sponsor to develop the artwork and media associated with the facilities, LACMTA should provide the Naming Rights Sponsor with the schematics of the facilities upon execution of the Agreement.
- c. **Installation.** LACMTA should install any signage developed by the Naming Rights Sponsor pursuant to this Agreement, at Sponsor's expense.
- d. **Replacement.** The Naming Rights Sponsor should bear all costs of replacement or repair of the signage.

Payment of the Sponsor Fee

In return for the rights granted above, the Naming Rights Sponsor will pay to LACMTA:

- (i) a fee in the amount of [x] Thousand Dollars (\$[x]) being due within fourteen (14) days after execution of this agreement; and
- (ii) [x] annual fee payments of [x] Thousand Dollars (\$[x]) due and owing by [date] in each consecutive year, collectively, the "The Sponsor Fee". The total sum of The Sponsor Fee is [x] Thousand Dollars (\$[x]) over the course of the Initial Term, which is defined below.

The Superlative Group recommends inclusion of a "Step Up" clause which would be invoked if/when major transit route additions are completed, resulting in a significant increase in ridership.

Term

The Term of this Agreement shall be for [x] years commencing on [date] and ending on [date] ("Term"). LACMTA agrees that the Naming Rights Sponsor shall have the sole and exclusive option to renew this Agreement, under terms acceptable to LACMTA, at the end of the Term. The Initial Term and any subsequent renewals are collectively referred to as the "Term".

Termination

Termination for Breach

The Agreement will state the initial term and timescales to exercise the option to extend under the same conditions as the original agreement. Termination would be invoked under the following examples:

- i. Breach of a material term or condition of the Contract (30-day notification period);
- ii. The Authority ceases to operate the program for any reason;
- iii. If any governmental agency enacts or adopts any law, ordinance regulation or rule restricting or prohibiting the use of advertising on vehicles;
- iv. Sponsor or any of its affiliates engages in business that does not conform with the restrictions set forth in this Agreement and/or any other restrictions and/or ordinances imposed by LACMTA and in effect during the Term, including, but not limited to, LACMTA's Advertising Guidelines.
- v. Sponsor or any of its affiliates conducts itself in a way which damages the reputation of LACMTA or is likely to damage the reputation of LACMTA, either directly or by way of damaging the reputation of Sponsor. The determination of whether a Sponsor's activity damages or is likely to damage the reputation of LACMTA is in the sole discretion of LACMTA.
- vi. Sponsor files any voluntary petition in bankruptcy, suffers the appointment of a receiver or trustee to be filed, suffers its assets to be sold to satisfy a judgment of any court, makes any assignment for the benefit of its creditors, or is the subject of any involuntary petition in bankruptcy.
- vii. [Other – as agreed with LACMTA].

The notice of material breach or default should set out the act or omission giving rise to a breach of the Agreement and should specify in detail what is reasonably expected of the breaching party in order to cure the breach. If an alleged breach is a matter of dispute, the parties would attempt to resolve it under the terms of the Dispute Resolution Process Identified below.

Effect of Termination

Upon termination or expiration of the Agreement:

- i. All rights to use the signage cease and LACMTA should remove all signage – at Sponsor's expense – from advertisements and other instances where LACMTA had been using signage prior to the termination; and
- ii. All licenses granted in the Agreement would terminate.

Dispute Resolution Process

- a. The Parties acknowledge that the establishment and operation of the affiliation would require an ongoing commitment by all parties to cooperate and make best efforts. Accordingly, the parties seek to resolve any disputes regarding the Agreement or any other terms of the Agreement. Any party may at any time issue a notice that a dispute exists if such Party believes that another Party has caused a material breach of the Agreement, or a situation or circumstance exists which frustrates, in a material manner, the achievement of the objectives of the Agreement. Such notice would start a process of Progressive Dispute Resolution, which would involve a good faith attempt to resolve the dispute for a period not to exceed one hundred twenty (120) days.
- b. The agreement of the Parties to these Progressive Dispute Resolution procedures is for the benefit of the Parties and is not intended to create any legal, equitable, or beneficial interest in any third party or to vest in any third party any interest with respect to the enforcement of performance of these procedures.
- c. The provisions of this clause would survive any termination, amendment or expiration of this Agreement unless all the parties hereto otherwise expressly agree in writing.

The agreement would also include provisions in relation to the following points:

- Warranties;
- Indemnities;
- Insurance coverage;
- Severability; and
- Governing Law

The specific terms of the agreement would be drafted and negotiated with the sponsorship partner as part of a potential sales program.

13.4 Examples of Moral Turpitude Clauses

As discussed with LACMTA during completion of this Study, below are several examples of Moral Turpitude clauses, designed to eliminate any potential damage to LACMTA's reputation, which should be included in some form in every Naming Rights and sponsorship agreement.

- During the Term of this Agreement and following the expiration of such, Naming Rights Partner agrees to conduct itself in the highest regard, and in accordance with reasonable public conventions and morals, and further agree and warrant that it shall not commit or engage in any act that is degrading to LACMTA, or causes public contempt, scorn, ridicule, or that will shock, insult or offend.
- LACMTA shall have the right to terminate this agreement and no refund shall be due Naming Rights Partner, in the event Naming Rights Partner take or make such act or actions that association with Naming Rights Partner would have a negative impact on the reputation and integrity of LAMCTA.
- If at any time, in the opinion of LACMTA, Naming Rights Partner becomes the subject of public disrepute, contempt, or scandal that affects Naming Rights Partner's image or goodwill, then LACMTA may, upon written notice to Naming Rights Partner, immediately suspend or terminate this Naming Rights Agreement and Naming Rights Partner's services hereunder, in addition to any other rights and remedies that LACMTA may have hereunder or at law or in equity.

14 Conclusions & Next Steps

14.1 Introduction

Sponsorship of LACMTA assets can provide additional revenue and in-kind support for LACMTA, and in return, the company receives greater brand recognition and enhanced advertising value. This report outlines the opportunities that should be considered by LACMTA for its TAP Card program. Please note that the revenue projections included in this study may be dependent on available inventory, quality of impressions and category exclusivity.

14.2 Proposed Values

TAP Card Program

If TAP Card Primary Sponsorship is sold at the high end of the ranges, The Superlative Group estimates the opportunity could generate more than \$22.5 million over the life of the term, assuming inclusion of a 2.6% CPI escalator. Table 9.2.1 below breaks down the proposed fair market values for each of the studied assets.

Table 14.2.1

Asset	TAP Card Program
Annual Value	Option A (Recommended): Primary Sponsor: \$1.5 million - \$2.0 million Option B: Advertising Program: \$400,000 - \$750,000
Terms	10 years for Primary Sponsor Four weeks for advertisers
Total Revenue Potential ²⁴	Primary Sponsor: \$22.5 million Advertising Program: \$7.5 million
Target Categories	All categories: identified by size and marketing budget

Option A: Sponsorship Revenue Potential (Recommendation 1)

The Superlative Group proposes a value range of \$1.5 million to \$2.0 million per annum for Primary Sponsorship of the TAP Card program. Superlative recommends LACMTA pursue this option and target entities at the top of this value range, over a proposed term of 10 years. Assuming inclusion of a CPI escalator of 2.6%, this opportunity could generate between \$16.9 million and \$22.5 million over the life of the term. **(Recommendation 5)**

Option B: Advertising Revenue Potential

Alternatively, The Superlative Group estimates a four-week TAP advertising campaign could generate \$100,000 to \$125,000 for LACMTA. Assuming an estimated four to six campaigns per year, this opportunity could generate between \$400,000 and \$750,000 per annum, or maximum revenues of \$7.5 million over a period of 10 years.

²⁴ Revenue potential shows the top of each value range over the proposed term, assuming an annual CPI escalator of 2.6%

Naming Rights and Sponsorship

The Superlative Group estimates the Naming Rights and Corporate Sponsorships for LACMTA assets could generate more than \$665 million over the life of the terms, assuming inclusion of a 2.6% escalator for each deal. Table 14.2.2 below breaks down the proposed fair market values for each of the studied assets.

Table 14.2.2

Rail and Bus Lines	Value Per Annum		Total Over Term (25 years)	
Metro Line	Low	High	Low	High
A Line	\$750,000	\$1,250,000	\$25,952,758	\$43,254,597
B Line	\$1,000,000	\$1,750,000	\$34,603,677	\$60,556,435
C Line	\$2,000,000	\$2,750,000	\$69,207,355	\$95,160,113
L Line	\$1,000,000	\$1,750,000	\$34,603,677	\$60,556,435
D Line	\$500,000	\$1,000,000	\$17,301,839	\$34,603,677
E Line	\$750,000	\$1,250,000	\$25,952,758	\$43,254,597
G Line	\$500,000	\$1,000,000	\$17,301,839	\$34,603,677
J Line	\$500,000	\$1,000,000	\$17,301,839	\$34,603,677
Dodger Stadium Express	\$250,000	\$500,000	\$8,650,919	\$17,301,839
LAX FlyAway	\$150,000	\$300,000	\$5,190,552	\$10,381,103
TOTALS	\$7,400,000	\$12,550,000	\$256,067,212	\$434,276,151

Rail and Bus Stations	Value Per Annum		Total Over Term (10 years)	
Metro Station	Low	High	Low	High
Civic Center/Grand Park	\$250,000	\$500,000	\$2,813,732	\$5,627,464
Pershing Square	\$250,000	\$500,000	\$2,813,732	\$5,627,464
7th Street/Metro Center	\$1,500,000	\$2,000,000	\$16,882,393	\$22,509,857
Pico	\$250,000	\$500,000	\$2,813,732	\$5,627,464
TOTALS	\$2,250,000	\$3,500,000	\$25,323,589	\$39,392,250

Additional Stations	Value Per Annum	Value Over Term (10 years)	Quantity	Grand Total Potential
Highway	\$250,000	\$2,813,732	21	\$59,088,372
Gold	\$100,000	\$1,125,493	24	\$27,011,832
Silver	\$50,000	\$562,746	70	\$39,392,220
TOTALS	\$400,000	\$4,501,971	115	\$125,492,424

Other Metro Assets	Value Per Annum		Total Over Term (10 years)	
	Low	High	Low	High
Freeway Service Patrol	\$2,000,000	\$3,000,000	\$22,509,857	\$33,764,786
Metro Bike Share	\$500,000	\$1,000,000	\$5,627,464	\$11,254,929
Passageway at Union Station	\$200,000	\$300,000	\$2,250,986	\$3,376,479
Public Restrooms	\$150,000	\$250,000	\$1,688,239	\$2,813,732
Sierra Madre Villa Parking	\$250,000	\$500,000	\$2,813,732	\$5,627,464
Atlantic Parking	\$75,000	\$125,000	\$844,120	\$1,406,866
Irwindale Parking	\$75,000	\$125,000	\$844,120	\$1,406,866
APU/Citrus Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Arcadia Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
La Cienega/Jefferson Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Monrovia Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Willow Parking	\$50,000	\$100,000	\$562,746	\$1,125,493
Expo/Sepulveda Parking	\$25,000	\$50,000	\$281,373	\$562,746
TOTALS	\$3,525,000	\$5,850,000	\$39,673,623	\$65,841,333

14.3 Conclusions

TAP Card Program

Transit ticketing technology is evolving rapidly on an industry-wide scale. As such, Superlative was able to find current benchmarks that demonstrate advertising on physical transit passes, but which was never a significant source of revenue for any transit agency, and therefore not a viable means of generating substantial revenue from corporate partners for LACMTA.

More importantly, LACMTA's TAP Operations Department, operations and other personnel have expressed concern about the perception of over-branding or corporatizing LACMTA assets from the general public. Therefore, a TAP Card advertising program is not the recommended solution. One of Superlative's best practices for transit pass advertising revenue generation, which can be found in Section 5 of the preceding report, states that in order to achieve financial success from an advertising program, LACMTA would need to launch multiple campaigns per year with various partners.

The limited revenue potential, complicated logistics and risk of negative public perception justify our recommendation that Primary Sponsorship of the TAP Card program is a simpler and more valuable approach to monetization of the asset (**Recommendation 1**).

Naming Rights and Sponsorship

Due to the number of potential opportunities, should LACMTA decide to pursue Naming Rights and corporate sponsorship to transit assets, there will be a need to prioritize opportunities, based on the estimated revenue potential and most saleable opportunities. Superlative recommends that LACMTA prioritize opportunities as follows (**Recommendation 6**):

Priority Opportunities

- i. Metro Rail Lines;
- ii. Metro Bus Lines;
- iii. Freeway Service Patrol;
- iv. Metro Stations; and
- v. Metro Bike Share.

Second Tier Opportunities

- vi. Passageway at Union Station;
- vii. Public Restrooms; and
- viii. Parking Garages.

A References

Documents Provided by LACMTA

Bike Assets

BikeShare Bike Asset Specs

City Sign Ordinances – Arcadia, Azusa, Compton, Culver City, Downey, Duarte, El Segundo, Hawthorne, Inglewood, Irwindale, Long Beach, Los Angeles, Lynwood, Monrovia, Norwalk, Pasadena, Redondo Beach, Santa Monica, South Pasadena

Division Facilities Locations

Division Locations 2016

E-Signage Inventory

E-Signage Metro TPIs Master List

Exhibit 13 – Rail Design Directive_Aerial_Center_Platform

Exhibit 14 – Rail Design Directive_At Grade Center

Exhibit 15 – Rail Design Directive_At Grade Side

Exhibit 16 – Rail Design Directive_Underground_Subway_Platform

Final City of LA MOU

Final City of LA MOU Amendment 1

Final MBS000001 Amendment #2

Fully Executed Modification No 1 – Metro Bikeshare

FW_Metro x LAFC 2019 Agreement – Amendment

LA Metro – Transit Authority Ratecard – TA Direct Rates

Los Angeles Ratecard-Bus ALL

Material Fabrication Standards F

Metro Bike Share 2-Pg

Metro Bike Share Deck April 2017

Metro Bike Share Sponsorship Opportunities

Metro Owned Parking OIG

Metro Rail Current and Future

Metro Stations_Rail-Transitway

Park and Ride Summary 2017

Potential Group for Complimentary Bike Branding

PS41099B – Outfront Media Group

PS41099R – Intersection Parent Inc

RE Modification No. 1 (Sponsorship Agreement)

Re_Advertising in Metro Bike rack location at 919 Albany St

RFP No PS157140024

Sales Activity Tracker 030416

Statement of Work-Revised wpics

Supplemental SOW (Final)

Systemwide Bus Lines

Systemwide Bus Stops

Train Vehicles Assignments by Facility

TVM Locations

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Web Sources

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City of Arcadia Engineering and Traffic Study - <https://www.arcadiaca.gov/Shape%20Arcadia/Development%20Services/traffic%20and%20engineering/Traffic%20Volume%20Map%202019.pdf>

City of Azusa - <http://azusagis.maps.arcgis.com/apps/StoryMapBasic/index.html?appid=92787afc551740efbd473af09cd09b4f&extent=-117.9760,34.1021,-117.8481,34.1513>

City of Beverly Hills - <http://www.beverlyhills.org/departments/communitydevelopment/trafficengineering/web.jsp>

City of Carson - http://ci.carson.ca.us/content/files/pdfs/BusinessDev/demographics/Traffic_Count_Map.pdf

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City of Long Beach Public Works - <http://www.longbeach.gov/globalassets/pw/media-library/documents/resources/general/maps-and-gis/2014-citywide-traffic-flow>

City of Los Angeles, Department of Public Works, Bureau of Engineering, NavigateLA - <https://navigate.lacity.org/navigate/>

City of Pasadena Open Data Site - <http://data.cityofpasadena.net/datasets/eaaffc1269994f0e8966e2024647cc56>

City of Pasadena Transportation Data Management System - <https://pasadena.ms2soft.com/tcds/tsearch.asp?loc=Pasadena&mod=>

City of South Pasadena General Plan - <https://www.southpasadenaca.gov/home/showdocument?id=218>

Exposition Metro Line Construction Authority, Exposition Corridor Transit Project Phase 2, Final Environmental Impact Report, Technical Background Report - http://libraryarchives.metro.net/DPGTL/eirs/Expo/docsP2FinalEIR/TBR%20Transportation-Traffic%20w%20Append%20Final_Dec09.pdf

Foothill Gold Line - <https://foothillgoldline.org/>

Metro.net; multiple pages

Los Angeles Dodgers - <https://www.mlb.com/dodgers/ballpark/transportation/dodger-stadium-express>
Similarweb.com

Definitions

Sponsor or Partner. A business or organization that pays a fee in exchange for the rights to a transit agency's marketable assets. Designation is subject to mutual agreement between the parties and can be interchangeable, although "partner" can sometimes denote longer-term commitments. Fees can include cash and in-kind products and services.

Asset. Any intellectual property owned and controlled by the transit agency. This can include attributes ranging from vehicles and stations to marketing collateral and social media.

Naming Rights. Providing a business or organization the right to change the name of the asset in exchange for a fee. Naming rights agreements generally range from five to 25 years to allow for ubiquity in the marketplace with regard to the name of the asset (e.g., the Sycuan Casino Green Line in San Diego).

Impression. A single exposure, such as from a logo, to human eyes.

Out-of-Home (OOH) Advertising. Esoteric term for outdoor advertising, such as billboards, typically used within the advertising industry. Typically abbreviated as "OOH" or shortened to "Out-of-Home" in certain contexts, *"some transit agencies have seen an increase in digital or mobile advertising integration as opposed to out-of-home"*.

Link Kiosks or Links. Proprietary wireless kiosk system implemented by the out-of-home advertising agency Intersection. Each system includes an acronym for its respective city in its nomenclature; for example, LinkPHL in Philadelphia. Intersection's sister system in the United Kingdom is named InLink, but employs the same technology and nomenclature, InLinkUK, etc.

Abbreviations/Acronyms

APU – Azusa Pacific University
 BRT – Bus Rapid Transit
 BVG – Berliner Verkehrsbetrieben, Germany
 CPI – Consumer Price Index
 CPM – Cost per Thousand
 FSP – Metro Freeway Service Patrol
 GCRTA – Greater Cleveland Regional Transit Authority
 HBO – Home Box Office
 ID – Identification
 LA – The City of Los Angeles
 LACMTA of LA Metro – Los Angeles County Metropolitan Transit Authority
 LAWA – Los Angeles World Airports
 LAX – Los Angeles International Airport
 LED – Light Emitting Diode
 MBTA – Massachusetts Bay Transportation Authority
 MCTS – Milwaukee County Transit System
 New York MTA – New York Metropolitan Transit Authority
 NFC - Near Field Communication technology
 OIG – Office of the Inspector General
 OMNY – One Metro New York, contactless fare system for New York MTA
 OOH – Out-of-Home
 OS – Operating System
 RFID – Radio Frequency Identification Chip
 RTC or RTCSNV – Regional Transportation Commission of Southern Nevada
 RTD – Regional Transit District, Colorado
 San Diego MTS – San Diego Metropolitan Transportation System

SEPTA – Southeastern Pennsylvania Transit Authority
STO – Société de transport de l’Outaouais, Quebec
Superlative – The Superlative Group
SUV – Sport Utility Vehicles
TAP – Transit Access Pass
TVM – Ticket Vending Machine
UK – United Kingdom
USB – Universal Serial Bus
WiFi – Wireless Networking
WMATA – Washington Metropolitan Area Transit Authority

B Transit Naming Rights Branding Examples

Example 1: University of California – San Diego Blue Line – San Diego MTS

The University of California – San Diego purchased Naming Rights to the San Diego MTS Blue Line Trolley system in 2015. The Line runs through downtown San Diego to the southern suburbs near UCSD’s campus. A future route extension will also extend into the campus; which is expected in 2018. The University agreed to pay a total of \$28 million over a 30-year term. The University’s yearly fee is reduced in the first four years of the agreement, and then increases by nearly 40% in the final years to account for expected increased ridership and the naming of three on-campus rail stops along the route extension.

Figure 1: Rendering of UC-San Diego Blue Line Vehicle Branding

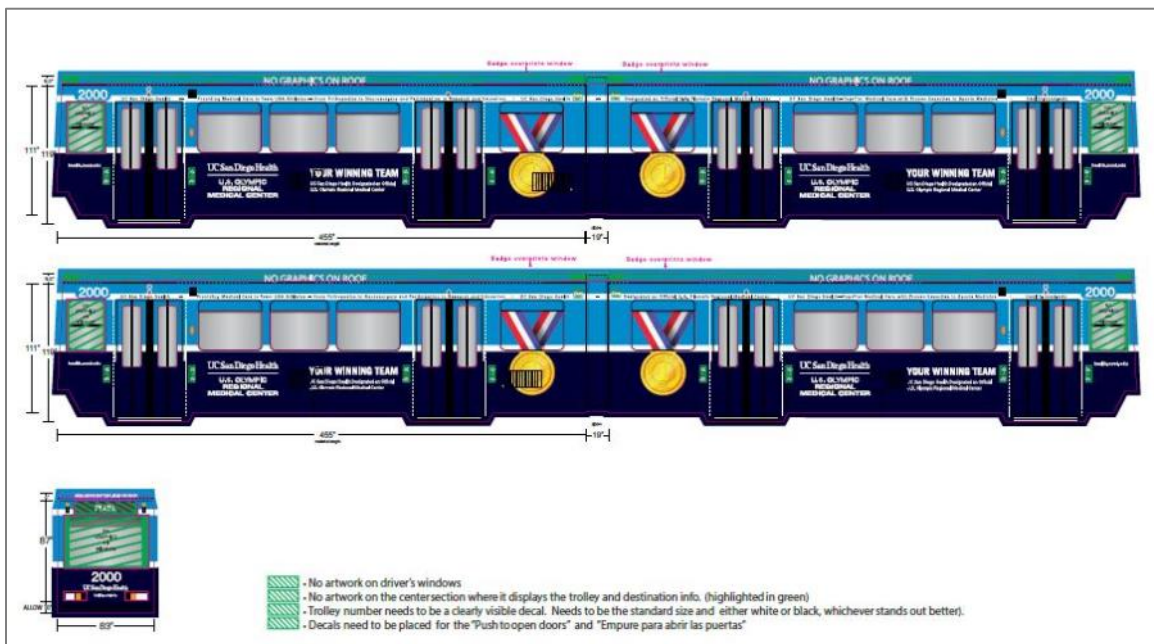


Figure 2: Example of UC-San Diego Branding on MTS Trolley Maps within the Vehicle



Figure 3: Future UC-San Diego On-campus Trolley Stop Branding

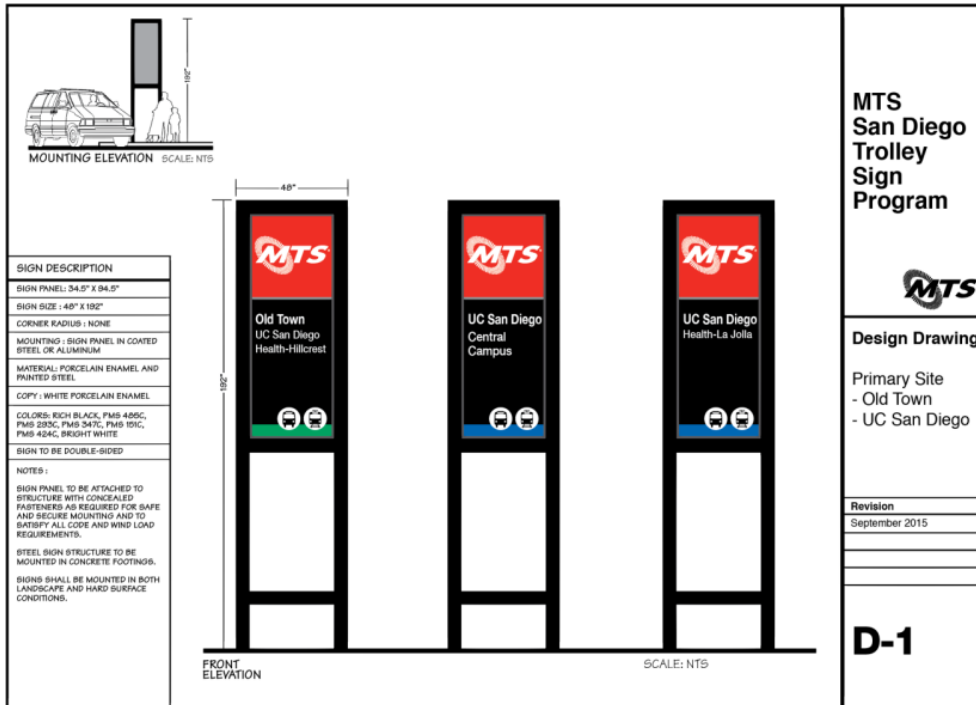


Figure 4: UC-San Diego Blue Line Timetable Branding

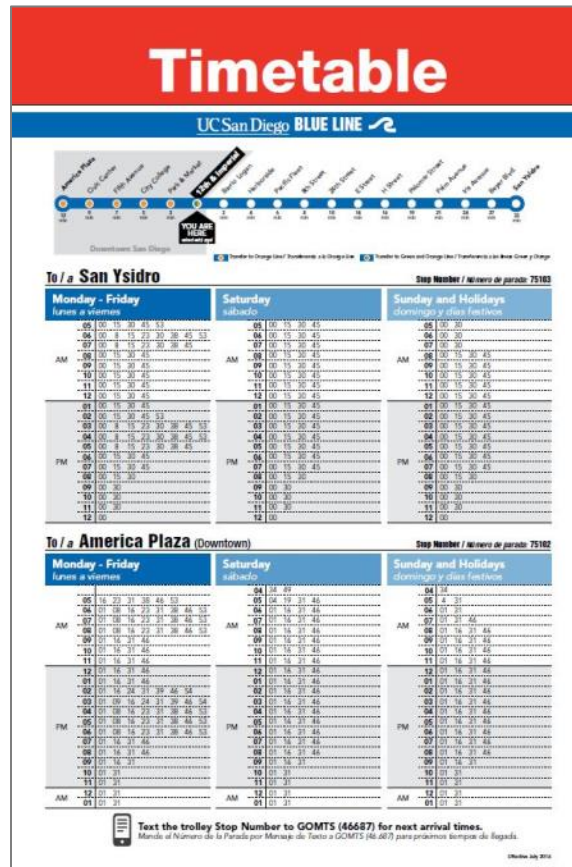


Figure 5: San Diego MTS Printed Pocket Trolley Guides – UC-San Diego Branding

San Diego Trolley
POCKET GUIDE

UC San Diego
Blue Line
San Ysidro
America Plaza
Orange Line
Santa Fe Depot
Green Line
Santee
12th & Imperial

Effective November 2015

MTS Rapid
Great Trolley Connections!
- New Stations
- Longer Hours
- Frequent Service

Day Pass Unlimited travel on most MTS services.
One-way ticket valid for two hours from time of purchase in one direction; allows transfers between Trolley and tansfers to most Mt Buses, purchase a Day Pass.

Passes de un día: Viajes limitados en la mayoría de los servicios MTS.
Pasaje de una sola dirección: Válido por 2 horas a partir de compra únicamente para una dirección; permite transferidos entre las líneas de Trolley y pasados a la mayoría de los autobuses MTS, compre un pase de un día.

FARES

Adult	Senior/Disabled/Medicare**	Child 5 and under	Transfer
\$2.50	\$1.25	FREE	FREE
\$5.00	\$2.50	GRATIS	GRATIS

Proof of eligibility required. ** Proof of eligibility required. * Transfer verification of eligibility required.

For more information visit: www.sdmts.com

Check your Compass Card expiration date! Visit 511sd.com/compass.

SERVICE

SERVICE	FREQUENCY (minutes)						
	WEEKDAYS lunes a viernes			SATURDAY sábado		SUNDAY domingo	
	Commute	Midday	Evening	Day	Morning/Evening	Day	Morning/Evening
UC San Diego Blue Line America Plaza ↔ San Ysidro via National City, Chula Vista and South Bay stations.	7½	15	30	15	15*	15	30
Orange Line Santa Fe Depot ↔ El Cajon via Downtown San Diego, Lemon Grove and La Mesa stations.	15	15	30	15	30	15	30
Green Line 12th & Imperial ↔ Santee via Convention Center, Santa Fe Depot, Old Town, Mission Valley, La Mesa and El Cajon stations.	15	15	30	15	30	15**	30

* After 8 a.m., 30 min frequency. ** Dependiendo de la hora, frecuencia de cada 30 min.
* Between 12th & Imperial and Qualcomm Stadium. ** See 12th & Imperial/Qualcomm Stadium.

All passengers must have a valid ticket or pass in their possession while traveling on the Trolley or in designated fare paid zones. Failure to have a valid fare may result in a court citation.
A Saturday or Sunday Trolley schedule will be operated on the following holidays and observed holidays: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day and Thanksgiving. Christmas service: every 30 minutes throughout the day on all Trolley lines.
Todos los pasajeros deben tener un pasaje válido o pase en su posesión al viajar en el Trolley o en zonas designadas de pasaje válido. Falta de un pasaje válido podría resultar en una multa.
Se utilizará un horario de Trolley de sábado o domingo en los siguientes días festivos y días festivos de guardar: Día de Año Nuevo, Día de los presidentes, Día de la Independencia, Día del trabajo y Día de acción de gracias. Servicio navideño: cada 30 min durante el día en todas las vías del Trolley.

compass card

Senior/Disabled/Medicare (S/D/M)
All riders using reduced fares must comply with one of the following options:

Option 1 *Recommended by MTS*
MTS offers a picture ID on a Compass Card that provides proof of eligibility. Available at the Transit Store.

Option 2
Riders using a standard S/D/M or Youth Compass Card or a one-way ticket must carry supporting identification to prove eligibility.

For additional benefits of Option 1 and for list of valid forms of ID for Option 2 go to: www.sdmts.com/fares_discounted.asp.

Figure 6: UC-San Diego Blue Line One-Way Ticket



Example 2: Cleveland State Line – Greater Cleveland RTA

Cleveland State University purchased the Naming Rights to the GCRTA West Shore Express BRT Line in 2008. The route, which runs on three branches and connects the western suburbs of Cleveland to the Downtown Core, passes by several local high schools. Cleveland State – with a large commuter student population – found the proximity of the line to these schools attractive as a potential recruitment tool and agreed to pay the RTA \$6.1 million over a 25-year term. Cleveland State also receives signage at two major transit centers, 19 bus stations, 32 bus shelters and 243 bus stops.

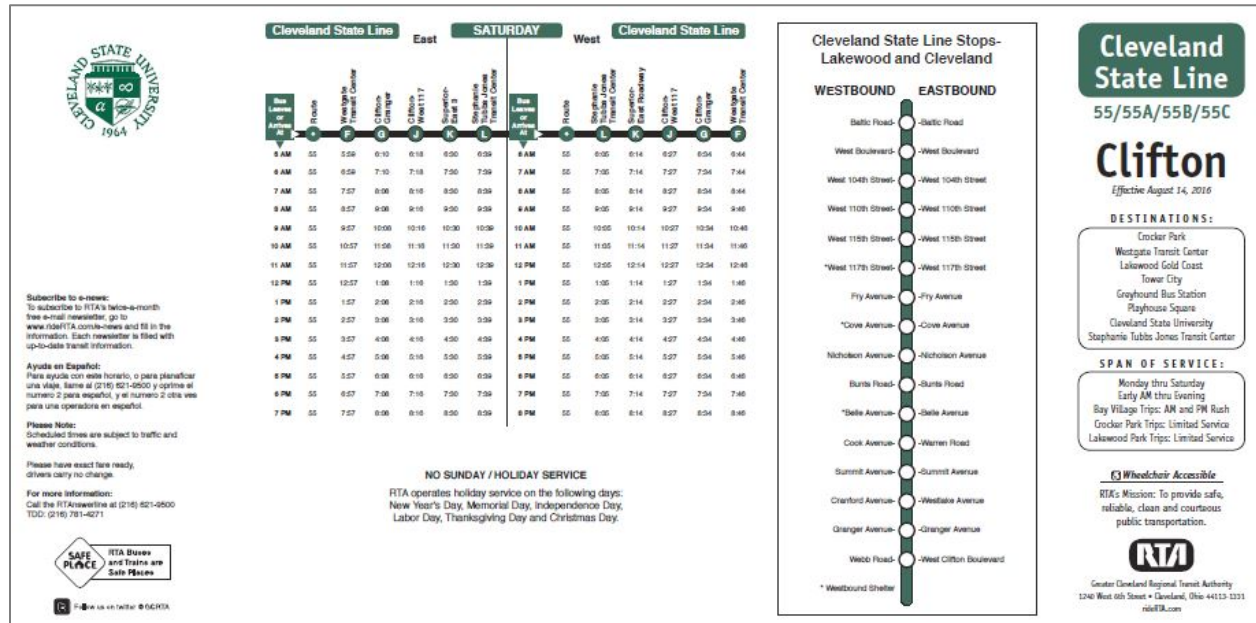
Figure 7: Example of Cleveland RTA Cleveland State University West Shore Express BRT Branding



Figure 8: Cleveland State Line BRT Vehicle Branding



Figure 9: Example of Cleveland State Line Timetable Branding



Example 3: HealthLine – Greater Cleveland RTA

The Euclid Corridor BRT Line was renamed the “HealthLine” through a partnership between the Greater Cleveland RTA and two major hospital systems in the area – University Hospitals and the Cleveland Clinic. The route connects downtown Cleveland to neighborhoods to the east, including University Circle and East Cleveland, where the UH and Clinic campuses are located. The competing hospitals agreed to each pay half of the \$11 million total commitment over a 20-year term. In addition, several stops along the HealthLine have also been sold, for a total of \$1.5 million over 10-year terms.

Figure 10: HealthLine BRT Vehicle Branding



Figure 11: Example of HealthLine Timetable Branding

Proof of Payment

Stations along the route have Ticket Vending Machines (TVM) where you can purchase a single ride ticket or an All-Day Pass. Please note that the TVMs do not make change. On the HealthLine, you pay your fare before you board. Fares will not be collected on the vehicle except during late night hours, or if the TVM at the station is not working. You must hold on to your ticket or pass once onboard. RTA Fare Enforcement Officers will check to see that you have a valid ticket or pass (Proof of Payment). If you don't, you'll be assessed a Violation Fare. Nonpayment of the Violation Fare will lead to criminal prosecution.

Some farecards and passes need to be activated before you board the HealthLine using activation equipment at the stations. Multi-Trip Farecards (1-Trip, 2-Trip or 5-Trip) must be activated for your current trip. The 7-Day Pass and All-Day Pass only need to be activated on the first trip. A current Monthly Pass or U-Pass does not need to be activated.

Tips for Riding

When crossing Euclid Avenue, always use a designated crosswalk and cross only when signaled. At the station, purchase your fare at the vending machine before the vehicle arrives. As the vehicle approaches the station, stand back from the platform edge; the HealthLine pulls up closer to the curb than a traditional bus. Please allow passengers to exit the vehicle before boarding.

Bicycles and the HealthLine

Bike riders on Euclid Ave. may use the designated bike lanes, both eastbound and westbound, from E. 21st Street to Stokes Blvd. Bikes are also allowed on the HealthLine vehicles. When boarding the vehicle with your bike, enter through the rear door. Stand with your bike near the articulated center of the vehicle, where it "denibs." If the vehicle is full, the operator may ask you to wait for the next HealthLine to arrive.

HealthLine East

SATURDAY / SUNDAY / HOLIDAY

West **HealthLine**

Time	Public Square at Tower City	Stokes Blvd.	Stokes/Windermere Rapid Station	Stokes/Windermere Rapid Station	Stokes Blvd.	Public Square at Tower City
7:00 AM	7:00	7:05	7:10	7:15	7:20	7:25
7:15 AM	7:15	7:20	7:25	7:30	7:35	7:40
7:30 AM	7:30	7:35	7:40	7:45	7:50	7:55
7:45 AM	7:45	7:50	7:55	8:00	8:05	8:10
8:00 AM	8:00	8:05	8:10	8:15	8:20	8:25
8:15 AM	8:15	8:20	8:25	8:30	8:35	8:40
8:30 AM	8:30	8:35	8:40	8:45	8:50	8:55
8:45 AM	8:45	8:50	8:55	9:00	9:05	9:10
9:00 AM	9:00	9:05	9:10	9:15	9:20	9:25
9:15 AM	9:15	9:20	9:25	9:30	9:35	9:40
9:30 AM	9:30	9:35	9:40	9:45	9:50	9:55
9:45 AM	9:45	9:50	9:55	10:00	10:05	10:10
10:00 AM	10:00	10:05	10:10	10:15	10:20	10:25
10:15 AM	10:15	10:20	10:25	10:30	10:35	10:40
10:30 AM	10:30	10:35	10:40	10:45	10:50	10:55
10:45 AM	10:45	10:50	10:55	11:00	11:05	11:10
11:00 AM	11:00	11:05	11:10	11:15	11:20	11:25
11:15 AM	11:15	11:20	11:25	11:30	11:35	11:40
11:30 AM	11:30	11:35	11:40	11:45	11:50	11:55
11:45 AM	11:45	11:50	11:55	12:00	12:05	12:10
12:00 PM	12:00	12:05	12:10	12:15	12:20	12:25
12:15 PM	12:15	12:20	12:25	12:30	12:35	12:40
12:30 PM	12:30	12:35	12:40	12:45	12:50	12:55
12:45 PM	12:45	12:50	12:55	1:00	1:05	1:10
1:00 PM	1:00	1:05	1:10	1:15	1:20	1:25
1:15 PM	1:15	1:20	1:25	1:30	1:35	1:40
1:30 PM	1:30	1:35	1:40	1:45	1:50	1:55
1:45 PM	1:45	1:50	1:55	2:00	2:05	2:10
2:00 PM	2:00	2:05	2:10	2:15	2:20	2:25
2:15 PM	2:15	2:20	2:25	2:30	2:35	2:40
2:30 PM	2:30	2:35	2:40	2:45	2:50	2:55
2:45 PM	2:45	2:50	2:55	3:00	3:05	3:10
3:00 PM	3:00	3:05	3:10	3:15	3:20	3:25
3:15 PM	3:15	3:20	3:25	3:30	3:35	3:40
3:30 PM	3:30	3:35	3:40	3:45	3:50	3:55
3:45 PM	3:45	3:50	3:55	4:00	4:05	4:10
4:00 PM	4:00	4:05	4:10	4:15	4:20	4:25
4:15 PM	4:15	4:20	4:25	4:30	4:35	4:40
4:30 PM	4:30	4:35	4:40	4:45	4:50	4:55
4:45 PM	4:45	4:50	4:55	5:00	5:05	5:10
5:00 PM	5:00	5:05	5:10	5:15	5:20	5:25
5:15 PM	5:15	5:20	5:25	5:30	5:35	5:40
5:30 PM	5:30	5:35	5:40	5:45	5:50	5:55
5:45 PM	5:45	5:50	5:55	6:00	6:05	6:10
6:00 PM	6:00	6:05	6:10	6:15	6:20	6:25
6:15 PM	6:15	6:20	6:25	6:30	6:35	6:40
6:30 PM	6:30	6:35	6:40	6:45	6:50	6:55
6:45 PM	6:45	6:50	6:55	7:00	7:05	7:10
7:00 PM	7:00	7:05	7:10	7:15	7:20	7:25
7:15 PM	7:15	7:20	7:25	7:30	7:35	7:40
7:30 PM	7:30	7:35	7:40	7:45	7:50	7:55
7:45 PM	7:45	7:50	7:55	8:00	8:05	8:10
8:00 PM	8:00	8:05	8:10	8:15	8:20	8:25
8:15 PM	8:15	8:20	8:25	8:30	8:35	8:40
8:30 PM	8:30	8:35	8:40	8:45	8:50	8:55
8:45 PM	8:45	8:50	8:55	9:00	9:05	9:10
9:00 PM	9:00	9:05	9:10	9:15	9:20	9:25
9:15 PM	9:15	9:20	9:25	9:30	9:35	9:40
9:30 PM	9:30	9:35	9:40	9:45	9:50	9:55
9:45 PM	9:45	9:50	9:55	10:00	10:05	10:10
10:00 PM	10:00	10:05	10:10	10:15	10:20	10:25
10:15 PM	10:15	10:20	10:25	10:30	10:35	10:40
10:30 PM	10:30	10:35	10:40	10:45	10:50	10:55
10:45 PM	10:45	10:50	10:55	11:00	11:05	11:10
11:00 PM	11:00	11:05	11:10	11:15	11:20	11:25
11:15 PM	11:15	11:20	11:25	11:30	11:35	11:40
11:30 PM	11:30	11:35	11:40	11:45	11:50	11:55
11:45 PM	11:45	11:50	11:55	12:00	12:05	12:10
12:00 AM	12:00	12:05	12:10	12:15	12:20	12:25
12:15 AM	12:15	12:20	12:25	12:30	12:35	12:40
12:30 AM	12:30	12:35	12:40	12:45	12:50	12:55
12:45 AM	12:45	12:50	12:55	1:00	1:05	1:10
1:00 AM	1:00	1:05	1:10	1:15	1:20	1:25
1:15 AM	1:15	1:20	1:25	1:30	1:35	1:40
1:30 AM	1:30	1:35	1:40	1:45	1:50	1:55
1:45 AM	1:45	1:50	1:55	2:00	2:05	2:10
2:00 AM	2:00	2:05	2:10	2:15	2:20	2:25
2:15 AM	2:15	2:20	2:25	2:30	2:35	2:40
2:30 AM	2:30	2:35	2:40	2:45	2:50	2:55
2:45 AM	2:45	2:50	2:55	3:00	3:05	3:10
3:00 AM	3:00	3:05	3:10	3:15	3:20	3:25
3:15 AM	3:15	3:20	3:25	3:30	3:35	3:40
3:30 AM	3:30	3:35	3:40	3:45	3:50	3:55
3:45 AM	3:45	3:50	3:55	4:00	4:05	4:10
4:00 AM	4:00	4:05	4:10	4:15	4:20	4:25
4:15 AM	4:15	4:20	4:25	4:30	4:35	4:40
4:30 AM	4:30	4:35	4:40	4:45	4:50	4:55
4:45 AM	4:45	4:50	4:55	5:00	5:05	5:10
5:00 AM	5:00	5:05	5:10	5:15	5:20	5:25
5:15 AM	5:15	5:20	5:25	5:30	5:35	5:40
5:30 AM	5:30	5:35	5:40	5:45	5:50	5:55
5:45 AM	5:45	5:50	5:55	6:00	6:05	6:10
6:00 AM	6:00	6:05	6:10	6:15	6:20	6:25
6:15 AM	6:15	6:20	6:25	6:30	6:35	6:40
6:30 AM	6:30	6:35	6:40	6:45	6:50	6:55
6:45 AM	6:45	6:50	6:55	7:00	7:05	7:10
7:00 AM	7:00	7:05	7:10	7:15	7:20	7:25
7:15 AM	7:15	7:20	7:25	7:30	7:35	7:40
7:30 AM	7:30	7:35	7:40	7:45	7:50	7:55
7:45 AM	7:45	7:50	7:55	8:00	8:05	8:10
8:00 AM	8:00	8:05	8:10	8:15	8:20	8:25
8:15 AM	8:15	8:20	8:25	8:30	8:35	8:40
8:30 AM	8:30	8:35	8:40	8:45	8:50	8:55
8:45 AM	8:45	8:50	8:55	9:00	9:05	9:10
9:00 AM	9:00	9:05	9:10	9:15	9:20	9:25
9:15 AM	9:15	9:20	9:25	9:30	9:35	9:40
9:30 AM	9:30	9:35	9:40	9:45	9:50	9:55
9:45 AM	9:45	9:50	9:55	10:00	10:05	10:10
10:00 AM	10:00	10:05	10:10	10:15	10:20	10:25
10:15 AM	10:15	10:20	10:25	10:30	10:35	10:40
10:30 AM	10:30	10:35	10:40	10:45	10:50	10:55
10:45 AM	10:45	10:50	10:55	11:00	11:05	11:10
11:00 AM	11:00	11:05	11:10	11:15	11:20	11:25
11:15 AM	11:15	11:20	11:25	11:30	11:35	11:40
11:30 AM	11:30	11:35	11:40	11:45	11:50	11:55
11:45 AM	11:45	11:50	11:55	12:00	12:05	12:10
12:00 PM	12:00	12:05	12:10	12:15	12:20	12:25
12:15 PM	12:15	12:20	12:25	12:30	12:35	12:40
12:30 PM	12:30	12:35	12:40	12:45	12:50	12:55
12:45 PM	12:45	12:50	12:55	1:00	1:05	1:10
1:00 PM	1:00	1:05	1:10	1:15	1:20	1:25
1:15 PM	1:15	1:20	1:25	1:30	1:35	1:40
1:30 PM	1:30	1:35	1:40	1:45	1:50	1:55
1:45 PM	1:45	1:50	1:55	2:00	2:05	2:10
2:00 PM	2:00	2:05	2:10	2:15	2:20	2:25
2:15 PM	2:15	2:20	2:25	2:30	2:35	2:40
2:30 PM	2:30	2:35	2:40	2:45	2:50	2:55
2:45 PM	2:45	2:50	2:55	3:00	3:05	3:10
3:00 PM	3:00	3:05	3:10	3:15	3:20	3:25
3:15 PM	3:15	3:20	3:25	3:30	3:35	3:40
3:30 PM	3:30	3:35	3:40	3:45	3:50	3:55
3:45 PM	3:45	3:50	3:55	4:00	4:05	4:10
4:00 PM	4:00	4:05	4:10	4:15	4:20	4:25
4:15 PM	4:15	4:20	4:25	4:30	4:35	4:40
4:30 PM	4:30	4:35	4:40	4:45	4:50	4:55
4:45 PM	4:45	4:50	4:55	5:00	5:05	5:10
5:00 PM	5:00	5:05	5:10	5:15	5:20	5:25
5:15 PM	5:15	5:20	5:25	5:30	5:35	5:40
5:30 PM	5:30	5:35	5:40	5:45	5:50	5:55
5:45 PM	5:45	5:50	5:55	6:00	6:05	6:10
6:00 PM	6:00	6:05	6:10	6:15	6:20	6

Figures 12 and 13: Examples of Bus Stop Underwriting – Cleveland RTA HealthLine

(PNC Bank is located at the E. 6th Street Station)



C Schedule of Report Findings and Recommendations

The following table provides highlighted recommendations based on the TAP Card Advertising and Sponsorship Feasibility study completed by The Superlative Group. To best understand these recommendations, please refer to the preceding report produced by The Superlative Group for this study. The reports explain the background, objectives, methodology and results of the study in detail.

TAP Card and Sponsorship Consulting Recommendations						
Rec. #	Recommendation Description	Related Findings #	Assigned Staff in Charge	Agree or Disagree	Proposed Action	Est. Date Completion
1	LACMTA should pursue a holistic sponsorship program for TAP Card assets in lieu of individual advertising campaigns identified in Tasks 1-3, 5-6 of the Superlative agreement. This is supported by numerous industry benchmarks and best practices.	Sections 1.5; 5.3 & 5.4; 7.6; 14.3				
2	A TAP Card sponsorship program should bundle assets identified in Tasks 1-3, 5-6 of the Superlative agreement. Benefits could include: <ul style="list-style-type: none"> Sponsor recognition on TAP Cards Sponsor recognition on physical ticket vending machines and assets (e.g., digital screens, readers) Sponsor recognition on Metro website, social media accounts and mobile app (once launched) This is supported by the results of Superlative's valuation process.	Sections 5 & 7				
3	Sponsor recognition on Ticket Vending Machine kiosks should be limited to two seconds maximum.	Section 5.3				
4	TAP Card personalization could be offered for a fee. TAP Cards are already personalized for a fee but revenue is captured by third parties.	Section 6.3				

	Superlative recommends a range of \$4.50 to \$8 surcharge per purchase.					
5	The Superlative Group proposes a value range of \$1.5 million to \$2.0 million per annum for Primary Sponsorship of the TAP Card program over a proposed term of 10 years. Assuming inclusion of a CPI escalator of 2.6%, this opportunity could generate between \$16.9 million and \$22.5 million over the life of the term.	Sections 1.5, 5.3 & 14.3				
6	Draft asset list that Metro and its leadership would be willing to monetize via Naming Rights and/or Corporate Partnerships. Assets could include: <ul style="list-style-type: none"> • Metro Rail • Metro Bus • Stations • Freeway Service Patrol • Metro Bike Share • Passageway at Union Station • Public restrooms • Parking garages 	Sections 8-12; 1.5; 14.3				
7	Superlative recommends that LACMTA pursue third-party partnerships for an app-based payment solution that could reduce agency overhead expenses such as physical TAP Card bulk purchasing, printing and distribution.	Section 5.2				

D LACMTA System Map



E Transit Naming Rights Benchmarks

Transportation Sector Benchmarks – Lines

ASSET	AGENCY	SPONSOR	PRICE	START DATE	DURATION (YEARS)	AVG PRICE PER YEAR	OTHER BENEFITS/COMMENTS
Light Rail Blue Line	San Diego MTS	University of California, San Diego	\$30,000,000	2015	30	\$1,000,000	Also includes naming rights to (3) major Light Rail stations and highway overpass signage
Light Rail Green Line	San Diego MTS	Sycuan Casino	\$25,500,000	2017	30	\$850,000	10-year initial term with 10-year renewal option. Includes right to parking lots for casino shuttles
BRT Line	Greater Cleveland RTA	University Hospitals and Cleveland Clinic	\$11,000,000	2008	20	\$550,000	Currently selling 10-year station sponsorships for \$300,000 each. 5 have been sold
Milwaukee Hop Streetcar	City of Milwaukee	Potawatomi Casino	\$10,000,000	2017	12	\$833,333	Naming rights include underwriting all rides for the first year of operation
Streetcar Line	M-1 Rail (Detroit)	Quicken Loans	\$10,000,000	2016	Perpetuity	-	Part of \$10 million capital investment in Downtown Detroit infrastructure
PULSE BRT	Greater Richmond Transit	VCU Health System and Bon Secours Richmond Health System	\$6,375,000	2018	15	\$425,000	The two health systems split a \$425,000 annual fee
BRT Line	Greater Cleveland RTA	Cleveland State University	\$6,100,000	2014	28	\$217,857	\$150,000 per year with 2.9% escalator; CSU also receives signage at (2) major transit centers, (19) bus stations, (32) bus shelters and (243) bus stops
A Line Commuter Rail	Denver Regional Transportation District	University of Colorado	\$5,000,000	2015	5	\$1,000,000	Also includes ads on the Flatiron Flyer bus rapid transit line. Optional 5-year extension
BRT Line	Greater Cleveland RTA	MetroHealth	\$4,200,000	2017	25	\$168,000	
Streetcar Line	Southwest Ohio Regional Transit Authority (Cincinnati)	Cincinnati Bell	\$3,400,000	2016	10	\$340,000	
The Rapid	Interurban Transit Partnership (Grand Rapids, MI)	Grand Valley State University	-	2016	Perpetuity	-	GCSU helps fund the operations of the Lake Line bus shuttle that runs through its campus

Transportation Sector Benchmarks – Stations

ASSET	AGENCY	SPONSOR	PRICE	START DATE	DURATION (YEARS)	AVG PRICE PER YEAR	OTHER BENEFITS/COMMENTS
Transbay Transit Center	Transbay Joint Powers Authority (San Francisco)	Salesforce	\$110,000,000	2017	25	\$4,400,000	Naming Rights include transit center and 5.4-acre rooftop park; connected to Salesforce headquarters; fee includes step-up clauses as rail/bus services expand
Monorail station at Convention Center	Las Vegas Monorail Company	Nextel	\$50,000,000	2004	12	\$4,166,667	Terminated in 2008 after Monorail failed to deliver ridership projections
Station	Southeastern Pennsylvania Transportation Authority (Philadelphia)	NRG	\$5,250,000	2018	5	\$1,050,000	Previously named AT&T Station for \$5 million over 5 years
Station	Southeastern Pennsylvania Transportation Authority (Philadelphia)	Thomas Jefferson University Hospital	\$4,000,000	2014	5	\$800,000	Station naming with an option to renew for \$2.4 million over 4 years
Atlantic Ave & Pacific St Stations	Metropolitan Transportation Authority (New York)	Barclays	\$4,000,000	2009	20	\$200,000	Paid by Barclays Center Developer
Station	Greater Cleveland RTA	Cuyahoga Community College	\$500,000	2018	10	\$50,000	
Station	Dallas Area Rapid Transit	Southern Methodist University	\$463,000	2019	10	\$46,300	
Station	Sacramento Regional Transit District	UC Davis Health	\$328,000	2019	10	\$32,800	\$30,000 per year with a 2% escalator
Station	Greater Cleveland RTA	Medical Mutual	\$300,000	2009	10	\$30,000	
Station	Niagara Frontier Transportation Authority (Buffalo)	Evans Bank	\$160,000	2019	5	\$32,000	
Station	Niagara Frontier Transportation Authority (Buffalo)	Merchants Insurance	\$160,000	2019	5	\$32,000	

ATTACHMENT B - REVISED

Commercial Sponsorship and Adoption Policy

POLICY STATEMENT

Commercial Sponsorship and Adoption is a form of advertising in which entities will compensate Metro in order to be associated with certain Metro facilities, services, programs, or events. Compensation to Metro can include, but is not limited to: monetary payments; resources and finance; payment-in-kind; value-in-kind to develop new facilities, services, programs, or events; or, funding to operate and enhance existing facilities, services, programs, or events.

Through implementation of the Commercial Sponsorship and Adoption Policy (“Policy”), Metro seeks to establish guidelines to execute a responsible and consistent process regarding Sponsorship and Adoption business activities. Metro’s Communications department administers the Commercial Sponsorship and Adoption Program (“Program”) as part of its overall responsibility of revenue-generating advertising and Metro’s overarching goal of partnering with businesses on activities that can increase mobility and brand awareness for customers in the Los Angeles region.

As sponsorship is a form of advertising, the Program will adhere to Metro’s System Advertising Policy (COM 6) and apply the same content restrictions in considering sponsors’ core business, brand, and services. Commercial Sponsorship and Adoption may impact Metro facilities, services, programs, amenities, or events. As Metro facilities, services, programs and events have already been named, the program will also adhere to Metro’s Property Naming Policy (COM 11) and apply the same public outreach processes and principles pertaining to area location, neighborhood identity and system legibility in considering sponsors’ core business, brand, and services.

PURPOSE

Through implementation of this Policy, Metro seeks to establish guidelines regarding Commercial Sponsorship and Adoption of Metro services, facilities, amenities, programs and events.

Goals and Principles

This Policy will set direction for how Metro plans and implements Commercial Sponsorship and Adoptions on the Metro system. Specific Program goals include (in no particular order):

- **Generate long-term revenues to support agency programs and initiatives**
Metro has the fiscal responsibility to maximize the utilization of available resources effectively and efficiently to create long-term, agency-generated revenues. Furthermore, diversifying Metro's revenue sources prepares the agency for future economic shortfalls and unexpected agency impacts.
- **Enhance service and/or amenities that improve customer experience**
Partnerships with local businesses and entities may offset costs of desired customer amenities, such as technology (Wi-Fi, mobile charging stations), commerce (vending kiosks, retail), and convenience (food trucks, parcel pickup). These partnerships allow Metro to focus on operating a world-class transit system while specialist(s) provide amenities enhancing the customer experience.
- **Position corporate social responsibilities towards equity-focused communities**
Metro can create more opportunities to promote small, disadvantaged and disabled veteran business enterprises through commercial programs by allowing them involvement in the system. Concurrently, corporate entities may provide equity opportunities to communities through Metro's program.

PROCESS AND PROCEDURE

Eligible Agency Assets

Metro is the transportation planner and coordinator, designer, builder and operator of a large and expanding transit system. The infrastructure capital investment and other assets are significant within Metro's county-wide system of bus, rail, and other services; property portfolio; numerous facilities; programs and events. The various facilities, programs, and services that may be eligible for sponsorships and adoption are:

- **Facilities** – Any rail station or bus stop, parking lots and parking structures, regional facilities, maintenance buildings and other structures, Metro headquarters building, and any other property owned, leased, managed or operated by Metro. Example facilities include Pico Station, Sierra Madre Villa parking structure, and El Monte bus station.

- **Transit Services** – Any light & heavy rail lines, bus service lines & routes, transitway service lines & routes, and any mode of transit service owned, leased, managed or operated by Metro. Example transit services include A Line, E Line, and Dodgers Stadium Express.
- **Programs** – Selected established Metro-operated effort/initiative for the benefit of customers and communities that Metro serves, generally in the form of customer service actions and functions. Example programs include Freeway Service Patrol and Metro Micro.
- **Events** – Selected one-time, seasonal, or annual event initiated, partnered with, coordinated by, or conducted by Metro. Example events include Older Adult Expo and Faith Leaders Roundtable.

Program Models

Metro will engage in two types of program models, Adoptions and Sponsorships. Within these two models, proposals may include bespoke packages of varying marketing techniques and tactics; proposals may combine financial payments and value-in-kind amenities; or only provide financial payments or only provide value-in-kind amenities. Metro defines amenities as selected resource, feature, or utility that may provide additional enhancement to an established Metro facility, station, or stop. Examples amenities may include technologies such as mobile data and Wi-Fi services, commerce such as retail and vending machines, and convenience such as restrooms.

- **Adoption** - A partnership between Metro and a third party, which provides benefit to Metro riders in the form of sponsored amenities, services, equity opportunities, and customer experience improvements. In an Adoption, third parties may provide resources and/or financing, payment-in-kind, or value-in-kind to develop operating or new facilities, services, programs, or events. Examples: providing free Wi-Fi to a particular station, funding additional maintenance to a particular station.
- **Sponsorship** - A partnership between Metro and a third party, which provides benefit to Metro in the form of financial payments - revenues from sponsorships may be directed towards Metro programs and initiatives. In a Sponsorship, a third party may provide resources and funding, payment-in-kind, or value-in-kind to develop operating or new facilities, services, programs, or events. Examples: temporary station name take-over, long-term media buyouts of a particular station or facility.

Terms and Durations

Sponsorships and Adoptions can take on various forms of advertising in which companies contract with Metro to associate their name, identity and branding with

facilities, services, programs or events. Metro may engage in Temporary, Short-Term, and Long-Term Sponsorships that provide value and benefit both parties.

Temporary and Short-term sponsorships, along with those less than \$500,000 contract value is within the CEO's approval authority. Long-term sponsorships and those greater than \$500,000 contract value require Board approval. Additionally, any Sponsorships/Adoptions affecting facility/station/service names - regardless of contract value - require Board approval.

- **Temporary** – Sponsorship lasting a maximum of six months for assets such as transit services, programs, events, and amenities or temporary station name take-overs.
- **Short-term** – Sponsorship lasting a minimum of six months with a maximum length of two years for agency assets such as transit services, programs, events, and amenities.
- **Long-term** – Sponsorship lasting greater than two years with a maximum length of ten years for agency assets such as facilities, transit services, programs, events, and amenities may be considered for long-term sponsorships. The renaming of a facility or station requires a five year minimum commitment.

Eligibility and Criteria

In line with Metro's System Advertising Policy (COM 6), business entities selling products or services in the prohibited categories will not be considered for participation in the Program including Alcohol, Tobacco and Electronic Cigarettes, Adult Entertainment and Content, Arms/Guns and Weapons, Political Parties, Political Groups, Political Organizations, and Political Candidates or Campaigns, causes (including Religious Groups and Religious Associations, social advocacy groups, lobbyist, etc).

Metro shall consider Sponsorships and Adoptions with qualified entities meeting these criteria:

- Businesses already established in the U.S. or have fulfilled all legal requirements and compliance to establish a business within the U.S.;
- Businesses must establish current financial stability as well as financial stability for the five years prior to proposal submission;
- Businesses with current responsible practices and positive business history within the last five years prior to proposal submission;
- Businesses with satisfactory record of contractual performance within the last five years prior to proposal submission;

- Businesses must not have been awarded a Metro contract as a prime contractor six months prior to proposal submittal. Businesses will also not be considered for Metro contract as a prime contractor six months following proposal submittal.

Proposal Review Committee

A Proposal Review Committee will be established to review and vet each proposal submitted to the agency. The Proposal Review Committee will be managed by Marketing with concurrence from the Chief Communications Officer and will be composed of stakeholder departments to provide feedback and advisory recommendations for Board review and approval. Committee members may include, but not limited to:

- **Compliance Panel** - The Compliance Panel ensures interested sponsors are in compliance with Metro policies and do not discriminate nor pose a conflict of interest. The Compliance Panel does not score on the proposal, but provide review and comment on the sponsoree, the Compliance Panel may include:
 - Civil Rights
 - Ethics
 - Legal Counsel
 - Office of Inspector General
 - Vendor/Contract Management
- **Evaluation Panel** - The Evaluation Panel reviews and scores each proposal based on the Evaluation Criteria. The Evaluation Panel may be composed of scoring and non-scoring members that provide comments but do not participate in scoring; comments and recommendations are submitted to CEO and the Board for final review and approval, the Evaluation Panel may include:
 - Communications (Arts & Design, Community Relations, Marketing, Public Relations)
 - Countywide Planning (Real Estate, Systemwide Design)
 - Customer Experience
 - Equity & Race
 - Respective Asset or Program Owner

Evaluation and Criteria

If a business meets all Eligibility and Criteria, Metro will take into consideration the financial offers and implementation proposals. The Proposal Review Committee will score proposals based on the following evaluation criteria:

- Alignment with Metro's existing brand and agency mission, themes, and priorities

- Innovative sponsorship and business plan(s) that address value-transfers and potential customer experience enhancements
- Reach of cross promotion between Metro and Sponsor/Adoptee, providing Equity Opportunity activities for Metro communities and riders
- Financial offer, including total value and duration, payment options, and package offerings
- Determination of conflicts of interest based on other business activities with Metro

Corporate Responsibilities

All costs related to Sponsorship/Adoption activities of an existing facility, service, or program – including, but not limited to, the costs of replacing affected signage and customer information collateral, Metro materials, media materials, and Metro staff labor – shall be borne by the Adoptee/Sponsor.

Metro expects Sponsorship and Adoption partners to remain in good financial stability and to conduct responsible business practices for the duration of granted Sponsorship/Adoption. Metro may terminate granted Sponsorship/Adoption with partners who fails to maintain these financial and business requirements.

All granted Sponsorship/Adoption must respect and adhere to Metro’s System Advertising Policy and Metro’s Property Naming Policy.

Equity Opportunity and Community

Metro’s mission is to provide a world-class transportation system that enhances quality of life for all who live, work and play within LA County. Under its Equity Platform, Metro recognizes that access to opportunities – including housing, jobs, education, mobility, and healthy communities – is critical for enhanced quality of life. Metro also recognizes that vast disparities exist in access to opportunities and strives to identify and implement projects or programs that reduce and ultimately eliminate those disparities.

Sponsors must include Equity Opportunity in each proposal - which will be scored in the Evaluation Criteria; however, sponsors should consider the qualitative engagement rather than the quantitative engagement within their proposal. While Metro sponsorships will vary, all sponsorships will advance Metro’s mission by supporting Equity Opportunity to:

- Increased access to opportunities
- Removal of barriers to access
- Partnership with local communities

Acceptable partnerships will vary. Examples include:

1. Connecting communities to healthy food especially when they lack such options via the provision of gift cards to grocery stores or health snacks at a community event
2. Promoting safety in high injury areas via bike helmet or bike safety light giveaways
3. Supporting community events via hosting a Wi-Fi hot spots or cooling station

Process and Implementation

Metro may negotiate Sponsorships and Adoptions directly or contract with outside specialist(s) to liaison, negotiate and manage Sponsorships.

Metro's Right of Rejection

Metro and its authorized sponsorship specialist(s) will screen all proposals, Metro reserves the right to reject any Sponsorships submitted for consideration. Decisions regarding the rejection or termination of Sponsorships are made by the Metro Chief Communications Officer or their designee based upon the criteria in this Policy statement.

System Integration

Metro has an established transit system with known nomenclature, customer information, and service names, thus, coordination with stakeholder departments will be critical to:

- Conclude acceptable enhancements to system facilities affecting customer experience - such as station identity, signage wayfinding.
- Establish reasonable implementation schedules and deliverables - such as those affecting operational logistics in stations, trains, and buses; fabrication logistics such as signage, and customer information materials.

Public Information

All granted Sponsorship/Adoption are subject to the provisions of the California Public Records Act (California Code Government Code §6250 et seq.), including monies paid to Metro.



Board Report

File #: 2021-0071, **File Type:** Motion / Motion Response

Agenda Number: 40.1.

**REGULAR BOARD MEETING
FEBRUARY 25, 2021**

Motion by:

DIRECTOR BUTTS

Related to Item 40: Commercial Sponsorship and Adoption Policy

The new advertising policy in general makes sense, it's when you deal with the uniqueness of "destination" stations that the policy needs to give greater attention to avoid station take-overs or dominations at in-opportune times or durations.

I understand why station take-overs can be very beneficial for smaller stations, but some stations need to be managed differently, for example stations like the existing Santa Monica terminus or the future Crenshaw La Brea Station or the AMC station at 96th street when events such as the Super Bowl, World Cup and the Olympics occur. In some situations "take-overs" or dominations should not be longer than 3 months and should be reviewed by the Board in terms of the timing of major cultural and sporting events taking place nearby as already reflected in the existing contract language for Metro's Rail Advertising vendor dating back to September 2017.

This will alleviate the need to lower the \$500,000 dollar threshold for review because it would take at least six months to generate \$500,000 dollars in advertising revenue for a station domination. The Board can then decide if they want to allow for a sponsorship based on timing and not content. This also takes care of having to single out specific stations, because all stations will be subject to this policy

I would urge the Board to use the existing contract language reflected below regarding the 90-day maximum duration for all short-term station advertising.

SUBJECT: AMENDMENT TO COMMERCIAL SPONSORSHIP AND ADOPTION POLICY

RECOMMENDATION

I, therefore move, that we amend the language in the proposed policy under "Temporary Sponsorship" to put in place the 90-day maximum short-term duration for all station dominations, station naming and sponsorships unless approved by the Board to go beyond 90 days as currently reflected in contract language 8.6.2.of Metro's Rail Advertising vendor, Intersection.

COMMERCIAL SPONSORSHIP AND ADOPTION POLICY

- New Policy Review and Adoption

Executive Management Committee - February 2021

File No. 2020-0888



Metro

CONTEXT & BACKGROUND

Economic impact of COVID-19 pandemic called for renewed funding sources, multiple agency initiatives and reports pointed to advertising and sponsorship revenues

MAY 2020 CEO: Call to Action to Control Costs Pertaining to COVID-19

JUNE 2020 OIG: Metro's Asset Valuation for Advertising, Sponsorship, and Other Revenues

AUG 2020 CEO: Fareless System Initiative (FSI)

NOV 2020 OEI: Coronavirus Recovery Task Force Final Recommendations

Staff began writing a new policy Summer 2020

- Policy received input from impacted departments: Communications, Countywide Planning, Civil Rights, Customer Experience, Ethics, Equity, Legal, OIG, Operations, V/CM
- Commercial Sponsorship will work in concert with System Advertising and Property Naming

OPPORTUNITIES & EXPECTATIONS

OPPORTUNITIES

- Metro's media assets will grow with Metro's expanding transit system.
Approx 19 new stations from now to 2027 (C/LAX, RC, PLEs, AMC Station)
- OIG: Metro's Asset Valuation Report estimated revenues at \$665M over 25 years
 - Sponsorships and Adoptions may provide a new, long-term, and steady revenue source
 - The specialist's valuation includes Metro's entire rail system (lines and stations), bus system, parking facilities, and various programs (bike share, freeway service patrol).

SETTING EXPECTATIONS

- Economy is barely recovering from pandemic impact, revenue positive results are not expected until 2022 or later.

POLICY HIGHLIGHTS & KEY POINTS - 1

GOALS Customer Experience, Equity Opportunity (and Revenue) is embedded into the goals and principles of the policy.

- Customer amenities may be provided through sponsorships
- Equity opportunities are required for each proposal and will be scored

ASSETS Facilities (stations, buildings), Transit Service, Programs, and Events are eligible

MODELS **Adoptions** - provides benefit to Metro riders in the form of sponsored amenities, services, equity opportunities, and customer experience improvements.
Sponsorships - provides benefit to Metro in the form of financial payments - revenues from sponsorships may be directed towards Metro programs and initiatives.

POLICY HIGHLIGHTS & KEY POINTS - 2

TERMS AND DURATIONS

- **Temporary** – Six months or less.
- **Short-term** – Six months to two years.
- **Long-term** – Greater than two years to maximum ten years.

The renaming/co-naming of a facility or station requires a minimum five year commitment.

CEO AND BOARD AUTHORITY

- Temporary and Short-term sponsorships, along with those less than \$500,000 contract value is within the CEO's approval authority.
- Long-term sponsorships and those greater than \$500,000 contract value require Board approval. Additionally, any Sponsorships/Adoptions affecting facility/station/service names - regardless of contract value - require Board approval.

POLICY HIGHLIGHTS & KEY POINTS - 3

EVALUATION CRITERIA

Proposals will be scored on

- Alignment with agency brand, mission, and priorities
- Innovative plans that provide potential customer experience enhancements
- Equity Opportunity to Metro riders and communities
- Financial offer, including total value and duration, payment options, and package offering

PROPOSAL EVALUATION COMMITTEE

- Compliance Panel vets and scores the sponsors
- Evaluation Panel vets and scores the proposals
- Both Panels provide recommendations to CCO, CEO, and Board for approval

NEXT STEPS

POLICY ADOPTION

The 1st step in setting the structure for new revenue program

SERVICE CONTRACTS

Explore feasibility of modifying current advertising contracts to provide sponsorship services, expediting implementation of the program

ADMIN SUPPORT

Work within the approved fiscal budgets to hire support staff
FY21: Communications Manager and FY22: two Senior Comms Officers

TENTATIVE SCHEDULE

Spring - Fully adopted policy
Summer - Modify advertising contracts
Fall - Intersection and Outfront begin *sponsorship-lite* proposals
Winter - Bring potential proposals to CEO and Board for review



Board Report

File #: 2020-0889, File Type: Contract

Agenda Number: 41.

EXECUTIVE MANAGEMENT COMMITTEE FEBRUARY 18, 2021

SUBJECT: SEPULVEDA TRANSIT CORRIDOR PROJECT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE staff recommendation for the award of up to two contracts to furnish all goods and services required for the performance of pre-development work for the Sepulveda Transit Corridor Project, for future consideration.

ISSUE

On October 31, 2019, Metro issued Request for Proposals (RFP) No. PS66773 seeking up to two qualified contractors to perform pre-development work for the Sepulveda Transit Corridor Project on a firm fixed price basis, with the potential opportunity for one of the contractors to enter into an Implementation Agreement for project delivery after completion of the pre-development work. Metro will determine which developer (if any) will have the opportunity to potentially proceed with implementation.

The Statement of Work, as included in the RFP, is broken out into five phases. Metro may choose not to issue a Notice to Proceed for any phase, in its sole discretion. In addition, if a Contractor's Transit Solution Concept (TSC), as refined through the PDA process, is not selected by the Board as the locally preferred alternative (LPA) established for construction, the Contract will expire at the end of Phase 3. Metro's decision to request a proposal for implementation from the remaining Contractor, if any, and to proceed with negotiation of such agreement will be made at Metro's sole discretion upon Board approval.

Staff has completed the procurement process and will return to the Board in March 2021 to recommend awarding (1) a contract to LA SkyRail Express for a proposed Monorail technology TSC and (2) a contract to Sepulveda Transit Corridor Partners - Bechtel for a proposed heavy rail technology TSC.

BACKGROUND

Metro is planning for the construction of a fixed-guideway transit service running between the San Fernando Valley (“Valley”) and Los Angeles International Airport (“LAX”), through the Westside of Los Angeles (“Westside”). The section of Interstate 405 (“I-405”) between these high-demand areas remains one of the most congested urban freeway corridors in the United States. Prior to the current pandemic (COVID-19), more than 400,000 people moved through this area every weekday. Much of this crowding is a result of the geography of the area and the limited number of roads and public transport options running north-south through the Santa Monica Mountains.

To address the need for additional transportation capacity, the initial phase of the Project will connect the San Fernando Valley to West Los Angeles (“Valley to Westside” or the “Project”), and ultimately extend a final project phase south to LAX (“Westside-LAX Extension”). Each project phase is included in Metro’s Measure M Expenditure Plan, which specifies delivery of the Valley to Westside project phase by 2033-35 and delivery of the Westside to LAX project phase by 2057-59.

The Project is part of the Measure M expenditure plan, with approximately \$5.7 billion for new transit service to connect the San Fernando Valley and the Westside, scheduled to open by 2033-35. Approximately \$3.8 billion is allocated to extend that service from the Westside to LAX with a 2057-59 opening date.

At the December 2019 meeting (Legistar File 2019-0759), the Board received the findings of the Sepulveda Transit Corridor Feasibility Study. The study included the identification and valuation of high-capacity rail transit concepts and alternatives that would provide high quality service to a large travel market between the San Fernando Valley and the Westside, including the LAX area.

DISCUSSION

Pre-Development Agreement Approach

A pre-development agreement (PDA) is a form of early contractor involvement where a private project developer participates in early project definition and design, in partnership with the project owner. PDA contractors will provide technical work products including cost estimates, constructability reviews, technical analyses, etc. that support the ongoing development of the project as it progresses through the environmental review and approval processes.

In July 2019, the Board approved a finding that the use of a PDA approach pursuant to Public Utilities Code Section 130242 will achieve certain private sector efficiencies in the integration of the planning, design and construction of the Project (file 2019-0490).

Previously in 2012, the Metro Board directed Metro staff to “...proceed with all actions necessary to assist in the preparation of a Pre-Development Agreement (PDA) to develop the [Sepulveda Transit Project]” in a motion made by Directors Richard Katz and Mel Wilson, approved at the December 13, 2012 Board meeting. The Board’s approval for solicitation of a PDA also followed receipt by Metro in 2016, of three Unsolicited Proposals (UP) for delivery of the Sepulveda Transit Corridor, each of which offered different approaches to achieve innovative, accelerated delivery of the project. Two of the three also proposed the use of a PDA to advance preliminary definition and design of the project,

followed by project delivery through a potential public-private partnership (P3), which would include the design, construction, finance, and potentially project operations and/or maintenance.

The PDA project development period includes clear phases and milestones, which occur in parallel with, but separate from, the process of developing the environmental documents to satisfy the requirements of NEPA and CEQA. In each phase, a PDA contractor advances the design of its TSC, at Metro’s direction, considering public and stakeholder feedback received by Metro through the environmental process. The conclusion of each PDA phase allows Metro the opportunity to decline to continue its relationship with a PDA contractor. Each Contract would also allow Metro the ability to add work relating to the Westside-LAX Extension to the scope of work under the Contract, in coordination with the environmental process.

After the Board establishes a Locally Preferred Alternative (LPA) for the Project, which is anticipated to occur at the end of PDA Phase 3, Metro may elect to continue pre-development work with a Contractor if its TSC is selected by the Board as the LPA, and the other Contract will expire.

Thereafter, once certain conditions have been met as specified in the Contract, Metro may offer the remaining Contractor the opportunity to submit a firm fixed price proposal (or other pricing model, as determined by Metro to ensure the desired cost certainty) for Project implementation. Metro would review the Project Implementation Proposal and make a recommendation to the Board whether to proceed with a modification to the Contract (called an “Implementation Agreement”) with that Contractor. This Implementation Agreement would potentially include Project financing, operations, and maintenance, as well as final design and construction. This process is summarized in the figure below.



Staff intends to provide quarterly updates to the Board, including status of schedule, budget, and key stakeholder/third party issues. These updates will be coordinated with Planning and Communications Departments.

PDA Solicitation Approach

Metro issued a Request for Proposal (RFP) No. PS66773 for the performance of pre-development work for the Project on October 31, 2019.

In order to participate in this solicitation, prospective Proposers were required to meet certain criteria prior to submitting a proposal, as demonstrated through an Initial Qualifications Submittal. This submittal included information about the prospective Proposer and its equity members, previous experience of the proposed lead construction contractor and lead engineering firm, and the previous experience of proposed equity member(s). A total of five teams were determined to be qualified to submit proposals.

Metro’s objective for the PDA was to generate unique and creative concepts to address the mobility challenge in the study area, which could be developed into a feasible project and successfully delivered/implemented within Metro’s desired timeframe and budget. To maximize potential competition and innovation, Metro did not specify a required mode, alignment, or configuration for the Project. Firms were encouraged to propose solutions that best met the required project parameters, as stated in the RFP, that were likely to be technically and financially feasible.

Metro staff developed a PDA Solicitation approach to evaluate the technical and financial feasibility of potential PDA team(s) across a range of qualities, including, but not limited to: 1) quality of transit concept, 2) quality of project development approach, 3) project development experience, and 4) project delivery/implementation experience, as well as 5) price components and 6) diversity/inclusion.

This approach was intended to balance the quality of each team’s proposed TSC (mode, alignment, configuration, station locations, etc.) with its approach to developing the conceptual TSC proposal into a technically and financially feasible project, and the qualifications and experience that support each team’s ability to successfully deliver both the PDA work and the potential project implementation. As part of this, teams were encouraged to identify key project development or delivery challenges associated with its TSC, as well as strategies for mitigating or addressing these risks.

As part of the RFP, Metro established Disadvantaged Business Enterprise (DBE) contract goals for this project in the following percentages:

Phase	DBE Contract Goal in percentage of Payment Amount
1	30%
2	25%
3	23.50%
4	24.94%

Proposals were received by August 26, 2020 from the following four teams:

- LA SkyRail Express (Monorail mode)
- Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail mode)
- Sepulveda Transit Corridor Partners - Fengate (Light Rail mode)
- Tutor Perini, Parsons & Plenary (Heavy Rail mode)

Proposal Evaluation Approach

Following a responsiveness review, a Proposal Evaluation Team (PET), supported by a range of Subject Matter Experts (SME) through fact-based analysis, reviewed each technical and financial proposal submitted, and scored each proposal according to the Evaluation Criteria described in the RFP. Oral presentations/interviews were conducted with all four proposing teams. The PET members scored the proposals in accordance with the evaluation procedure outlined in the RFP, the final scores were calculated and the highest-ranked proposal for each proposed transit mode was determined.

The following firms were determined to be the two highest ranked proposers:

- LA SkyRail Express team (Monorail); and
- Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail)

Attachment B provides further details regarding the procurement process including:

1. The number of questions received from Proposers,
2. The Amendments to the RFP issued by Metro,
3. The evaluation process,
4. A summary of the qualifications of the recommended teams,
5. The evaluation scores, and
6. A price analysis

Consistency with Metro's Equity Platform Framework

To help address disparities in access to opportunity across Los Angeles County, the Metro Board adopted the Equity Platform policy framework in February 2018 and a working definition of Equity Focus Communities (EFC) in June 2019. The Sepulveda Transit Corridor is consistent with the Metro Equity Platform in that the alternatives help address accessibility for residential and employment centers, support for transit-oriented communities' policies, support for first/last-mile connections, and investment in disadvantaged communities. In addition, ridership estimates suggest that a large share of the ridership demand would include low-income riders. Going forward, the Project will use the working definition of EFC along with other metrics as appropriate to guide analyses and to conduct robust community engagement.

Community Outreach

The Board awarded a separate outreach contract (Contract No. PS68039000) to Arellano Associates LLC at its December 2020 Board meeting. The outreach contractor will support the facilitation and implementation of a Community Participation Program (Program) for the Project, inclusive of the environmental study, the work of the PDA developers as it contributes to the outreach associated with the environmental study, related advanced conceptual engineering (ACE) and associated transit-oriented communities (TOC), first/last mile planning and design of the Project. Using Metro's Equity Platform as a guide, the Program will prioritize genuine public and community engagement to a wide array of diverse stakeholders, using tactics and strategies appropriate to the Project's stakeholders, including those who reside within the Study Area and those who travel through it.

FINANCIAL IMPACT

This Project is funded on a fiscal year basis under Project number 460305 Sepulveda Transit Corridor, cost center 8510, under various accounts including Professional/Technical Services and \$9.1M is included in the FY21 Adopted Budget. This amount is consistent with the CEO's Call to Action Financial Recovery Plan. This is a multi-year project requiring expenditure authorizations in fiscal year increments until a Board Authorized Life of Project Budget is adopted. It is the responsibility of the Cost Center Manager, Project Manager and Chief Program Management Officer to budget for this project in the future fiscal years and within the cumulative budget limit for the affected fiscal year.

Impact to Budget

The Sepulveda Transit Corridor Project is included in Metro's current Long Range Transportation Plan (LRTP), as approved by the Metro Board in 2020, which is consistent with the Measure M expenditure plan approved by LA County voters in 2016. Funding for the Project in the Expenditure Plan is broken down into three phases with approximately \$9.7 billion in total funding (2015 dollars). Phase 1, with \$260 million in funding, includes implementation of Metro ExpressLanes on the I-405 between the 10 and 101 Freeways with an opening date of Fiscal Year (FY) 2026. Phase 2, with approximately \$5.7 billion in funding, includes a fixed-guideway transit service between the San Fernando Valley and the Westwood area of Los Angeles, with an opening year of FY 2033. Phase 3, with approximately \$3.8 billion in funding, involves extending the Phase 2 project southward to LAX, with an opening year of FY 2057.

These funds are earmarked for the Sepulveda Transit Corridor project and are not eligible for Metro bus and rail capital and operating expenditures. This project is currently funded on a Fiscal Year to Fiscal Year basis until such time that a Life of Project Budget (LOP) is adopted.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Sepulveda Transit Corridor Project will support the first goal of the Vision 2028 Metro Strategic Plan by providing high-quality mobility options that enable people to spend less time traveling. Travel times are forecast to be less than 30 minutes for Valley-Westside (from the Ventura County Metrolink Line in the north to the Expo Line in the south), and less than 40 minutes for Valley-Westside-LAX (from Metrolink to the Crenshaw/LAX Line). This performance is highly competitive with travel by car on the I-405 freeway.

The project will also support the goals of the strategic plan by enhancing communities and lives through mobility and access to opportunity by adding a new high-quality mobility option, closing a gap in the rail network that provides outstanding trip experiences and enhances communities and lives through mobility and access to opportunity.

NEXT STEPS

As outlined in this Board report, staff is submitting its recommendation for contract award(s) as a RECEIVE AND FILE for review. Staff intends to return to the Board in March 2021 for Board approval of contract award and authorize staff to execute a contract with LA SkyRail Express in an amount not to exceed \$63,605,132 and a contract with Sepulveda Transit Corridor Partners - Bechtel in an amount not to exceed \$69,882,427 to initiate the pre-development work.

ATTACHMENTS

Attachment A - [Sepulveda Project Final Feasibility Report](#)

https://gcc01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fmedia.metro.net%2Fprojects_studies%2Fsfv-405%2Fimages%2FFeasibility%2520Report.pdf&data=04%7C01%7CDatuL%40metro.net%7Cf531e16cc77f41b388a508d8ca1970d6%7Cab57129bdbfd4cacia77fc74c40364af%7C0%7C0%7C637481559065171773%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCi6Mn0%3D%7C1000&sdata=HZ8cMhKndY%2Bt42YOjkte37qeBJFKze%2FZtxEG%2FcJ8KE8%3D&reserved=0

Attachment B - Procurement Summary

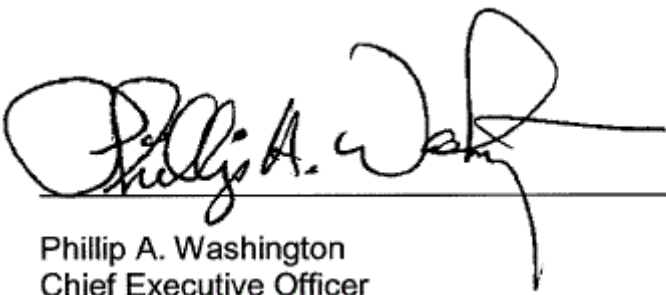
Attachment C - DEOD Summary

Prepared by:

Kavita Mehta, AICP, LEED®AP, Deputy Executive Officer, Program Management, (213) 435-5047
Rick Meade P.E., Senior Executive Officer, Program Management, (562) 524-0517

Reviewed by:

Richard Clarke, Chief Program Management Officer, Program Management, (213) 922-7557
Debra Avila, Chief Vendor / Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

**SEPULVEDA TRANSIT CORRIDOR PROJECT
PRE-DEVELOPMENT SERVICES
PS66773MRT / PS66773HRT**

1.	Contract Numbers: PS66773MRT PS66773HRT	
2.	Recommended Vendor: LA SkyRail Express (Monorail technology) Sepulveda Transit Corridor Partners -Bechtel (Heavy Rail technology)	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: October 31, 2019	
	B. Advertised/Publicized: October 31, 2019	
	C. Pre-Proposal Conference: January 8, 2020	
	D. Proposals Due: August 26, 2020	
	E. Pre-Qualification Completed: Pending	
	F. Conflict of Interest Form Submitted to Ethics: September 9, 2019	
	G. Protest Period End Date: March 1, 2021	
5.	Solicitations Picked up/Downloaded: 583	Bids/Proposals Received: 4
6.	Contract Administrator: Manchi Yi	Telephone Number: (213) 418-3332
7.	Project Manager: Kavita Mehta	Telephone Number: (213) 435-5047

A. Procurement Background

This Board Action is to receive and file staff recommendation for the award of up to two contracts to furnish all goods and services required for the performance of pre-development work for the Sepulveda Transit Corridor Project (Project). Board approval of contract awards are subject to resolution of any properly submitted protest.

In July 2019, the Board approved a finding that the use of a pre-development agreement (PDA) approach pursuant to Public Utilities Code (PUC) Section 130242 will achieve certain private sector efficiencies in the integration of the planning, design and construction of the Project (file 2019-0490). The Board also approved the solicitation of PDA contracts and award of up to two contracts for different fixed guideway transit technology, pursuant to PUC 130242(e) with the recommended development team or teams chosen by utilizing a competitive process that employs objective selection criteria (in addition to price).

In August 2019, an industry outreach forum was held in the LA Union Station Ticket Concourse, which was attended by 202 attendees. At the event, Metro staff made available to the general public information about the innovative contracting approach, and how firms could prepare to participate in this unique endeavor. Metro

executive staff presented information and answered questions about the Project, the anticipated PDA, and the planned procurement.

On October 31, 2019, Request for Proposal (RFP) No. PS66773 was issued for the performance of pre-development work for the Project in accordance with Metro's Acquisition Policy and the contract type is firm fixed price. In the spirit of expanding competition, Metro had not determined the technology, nor the specific configuration or alignment, for the Project; therefore, firms were encouraged to propose innovative solutions that best met the project challenges. In accordance with the RFP and as previously approved by the Board, Metro may award up to two contracts as the result of the solicitation, with each of the selected developers performing certain pre-development work under the contract relating to the transit solution concept (TSC) it proposed, and with Metro determining which developer (if any) will have the opportunity to perform further pre-development work and potentially modify the Contract to proceed with implementation. Metro's decision to request a proposal for implementation from the remaining developer and to proceed with negotiation of such agreement will be made at Metro's sole discretion.

The RFP was issued with the following Disadvantage Business Enterprise (DBE) goals and is subject to Metro's DBE Contracting Outreach and Mentoring Plan (COMP).

- 30% of the PDA Phase 1 Payment Amount
- 25% of the PDA Phase 2 Payment Amount
- 23.50% of the PDA Phase 3 Payment Amount
- 24.94% of the PDA Phase 4 Payment Amount

The RFP required an Initial Qualifications (IQ) submittal from interested teams to demonstrate their previous experience and technical qualifications of three specific team members, including: 1) the proposed lead construction contractor, 2) the lead engineering firm, and 3) previous experience of the proposed equity member(s). Metro would review the IQ submittals received by the deadline stated in the RFP, and deem them acceptable, incomplete or unacceptable. If the submittal was deemed acceptable, the proposing team would be added to the list of eligible Proposers and would be eligible to submit a proposal for the performance of the PDA work on a firm fixed price basis, with the potential opportunity to enter into an Implementation Agreement after completion of the PDA work.

Six prospective teams submitted an IQ by December 11, 2019. The IQ submissions of the following five teams, listed below in alphabetical order, were determined to be acceptable, and were deemed eligible Proposers:

- ACS Infrastructure Development
- LA SkyRail Express
- Sepulveda Transit Corridor Partners - Bechtel
- Sepulveda Transit Corridor Partners - Fengate

- Tutor Perini, Parsons & Plenary

On January 8, 2020, a pre-proposal conference and DBE networking event was held with 268 people in attendance. Following the pre-proposal conference, eligible Proposers were provided table space to conduct networking sessions and outreach with DBEs to discuss contracting opportunities.

In January and February 2020, two rounds of one-on-one meetings were conducted with eligible Proposers and Metro staff. While the one-on-one meetings were not mandatory, they were intended to provide eligible Proposers with a better understanding of the RFP and to allow discussions regarding the Proposers' approach to the PDA work. At the request of the eligible Proposers, Metro agreed to two additional rounds of one-on-one meetings that were subsequently held in March and June 2020.

Sixteen amendments were issued during the solicitation phase of the RFP:

- Amendment No. 1, issued on November 20, 2019, provided revisions related to the Initial Qualifications (IQ) Submittal Requirements and extended the date for prospective Proposers to submit the IQ Submittal;
- Amendment No. 2, issued on January 31, 2020, provided revisions related to the Letter of Invitation for Proposal regarding subcontractors' eligibility to propose on multiple teams, Letter of Invitation Supplement (PDA), Proposal Submittal Requirements and Evaluation and Selection Process and Criteria;
- Amendment No. 3, issued on February 5, 2020, provided revisions related to Letter of Invitation Supplement (PDA) and Form of Contract;
- Amendment No. 4, issued on February 13, 2020, provided revisions related to the Proposal Submittal Requirements;
- Amendment No. 5, issued on February 19, 2020, added submission of clarification request date;
- Amendment No. 6, issued on February 26, 2020, extended the proposal due date;
- Amendment No. 7, issued on February 28, 2020, added submission of clarification request date;
- Amendment No. 8, issued on March 6, 2020, provided revisions related to Letter of Invitation, Instruction to Proposers, Proposal Submittal Requirements, Evaluation and Selection Process and Criteria and Form of Contract;
- Amendment No. 9, issued on March 11, 2020, added a third round of one-on-one meetings with eligible Proposers;
- Amendment No. 10, issued on March 23, 2020, extended the proposal due date;
- Amendment No. 11, issued on May 5, 2020, provided revisions related to Letter of Invitation, Letter of Invitation Supplement (PDA), Proposal Submittal Requirements, Evaluation and Selection Process and Criteria and Form of Contract;

- Amendment No. 12, issued on May 29, 2020, added a fourth round of one-on-one meetings with eligible Proposers, extended submittal of proposed changes concerning Equity Members, Lead Construction Contractor, or Lead Engineering Firm and extended the proposal due date;
- Amendment No. 13, issued on July 13, 2020, provided revisions related to Letter of Invitation Supplement (PDA), Proposal Submittal Requirements, Evaluation and Selection Process and Criteria and Form of Contract;
- Amendment No. 14, issued on July 24, 2020, extended the proposal due date;
- Amendment No. 15, issued on August 4, 2020, provided revisions related to the List of Reference Documents;
- Amendment No. 16, issued on August 14, 2020, provided revisions related to submission of Proposals.

A total of 583 individuals downloaded the RFP and were included on the plan holders list. There were 360 questions submitted and responses were released prior to the proposal due date.

Of the five eligible Proposers, Metro received the following four proposals (and their technologies) by the due date of August 26, 2020. The firms are listed below in alphabetical order:

- LA SkyRail Express (Monorail technology)
- Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail technology)
- Sepulveda Transit Corridor Partners - Fengate (Light Rail technology)
- Tutor Perini, Parsons & Plenary (Heavy Rail technology)

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) composed of staff from Metro's Program Management, Countywide Planning, and Office of Extraordinary Innovation and outside agency members from California Department of Transportation (Caltrans) and Los Angeles Department of Transportation (LADOT) reviewed each technical and financial proposal submitted. In addition, a team of subject matter experts (SME) from Metro, Jacobs Engineering and their subconsultants, and Ernst & Young and their subconsultants was assembled to provide subject matter expertise based on their background and relevant experience to offer technical and financial analysis to the PET.

The proposals were evaluated based on the responsiveness pass/fail requirements (administrative, technical, financial, price, and approach to diversity and inclusion) of the RFP and the following evaluation criteria and point allocations.

- **Evaluation of Technical Proposal (630 points)**
 - Qualifications and Experience to Support Project Development (110 points)
 - Approach to Completing PDA Work (290 points)
 - Quality of Proposer's Transit Solution Concept (230 points)

- **Evaluation of Financial Proposal (230 points)**
 - Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength (110 points)
 - Quality of TSC Financial Feasibility Plan (120 points)

- **Evaluation of Price Proposal (130 points)**
 - PDA Price (100 points)
 - Implementation Agreement Maximum Profit Margin (30 points)

- **Evaluation of Approach to Diversity and Inclusion (40 points)**

There was a total of 1030 possible points.

Several factors were considered when developing the evaluation criteria and point allocation for this solicitation, giving the greatest importance to the evaluation of the technical proposal. As noted above, to maximize potential competition and innovation, Metro did not specify a required mode/technology, alignment, or configuration for the Project. Firms were encouraged to propose a TSC that best met the required project parameters, as stated in the RFP, that were likely to be technically and financially feasible. Proposers were also asked to identify key technical and financial risks to their specific approach, as well as strategies for mitigating or addressing these delivery challenges. Finally, firms were encouraged to demonstrate how their qualifications and experience would support their approach to successfully developing and delivering the proposed project within Metro's desired timeframe and budget.

All proposals passed the responsive requirements included in the RFP. The PET began its independent evaluation of the proposals on September 1, 2020. Additionally, the SMEs independently reviewed the proposals to provide the PET with technical and financial comments based on their relevant subject matter experience, background and expertise. The SMEs identified factual information from the proposals and related analysis to support identification of strengths, weaknesses, and risks for each proposal in accordance with the evaluation criteria included in the RFP.

Oral presentations/interviews were conducted with all four proposing teams during the week of November 9, 2020.

The PET members finalized their scores in December of 2020. In accordance with the evaluation process outlined in the RFP, the final scores were calculated and the highest-ranked proposal for each proposed transit technology was determined.

From that list, the two highest-ranked Proposers were determined to be LA SkyRail Express team proposing a monorail technology and Sepulveda Transit Corridor Partners - Bechtel team, proposing a heavy rail technology.

Qualifications Summary of Proposing Teams

LA SkyRail Express

LA SkyRail Express (LASRE) is a team comprised of BYD, John Laing Investments, Skanska and HDR. The LASRE team proposed a monorail mode with 100% aerial alignment and unattended train operations. Their one-way trip time estimate from Valley to Westside is 24 minutes. Their financial proposal included a \$6.1 billion (capital expenses in 2020\$) TSC, with \$221 million in anticipated equity investment, and \$63 million per year in operating expenses (2035\$). LASRE submitted a detailed proposal which highlighted a well-developed technical solution concept design. The proposed project manager (PM) has direct experience on other monorail technology projects including Las Vegas Monorail and Vancouver SkyTrain. Their proposal included early consideration of operations and maintenance requirements to drive design decisions and minimize lifecycle costs. The proposal demonstrated strong financial experience across team members in raising finance. Their proposed equity structure is diversified and anticipated risk. The team demonstrated a clear understanding of the Measure M Expenditure Plan and associated funding constraints.

Sepulveda Transit Corridor Partners – Bechtel

Sepulveda Transit Corridor Partners - Bechtel (Bechtel) is a team comprised of Bechtel Infrastructure, Meridiam Sepulveda, and American Triple I Partners. The Bechtel team proposed a heavy rail technology with 38% aerial and 62% tunnel alignment and unattended train operations. Their one-way trip time estimate from Valley to Westside is 19.7 minutes. Their financial proposal included a \$10.8 billion (capital expenses in 2020\$) TSC, with \$634 million in anticipated equity investment, and \$118 million per year in operating expenses (2035\$). Bechtel's proposal included well thought out stations siting, configuration and connections/transfers and stations were sized for some amount of growth in train consists. The team proposed a single-bore tunnel design to address significant challenges with tunneling and demonstrated a good understanding of geo-technical issues. The proposal highlighted detailed plans to completing the PDA work, including consideration for third parties, FTA and the environmental process. During the interview, the Bechtel team demonstrated cohesion and coordination and their commitment to the Project. The financial proposal highlighted deep global financing experience across a range of project types and extensive experience with projects of similar size and

complexity. The team’s financial capacity appeared quite strong and they depicted an appropriate financial structure with a diversity of sources.

Sepulveda Transit Corridor Partners - Fengate

Sepulveda Transit Corridor Partners - Fengate (Fengate) is a team comprised of Lane Construction, Webuild, Hatch, Fengate Capital, Globalvia, and Lane Infrastructure. The Fengate team proposed a light rail technology with 100% tunnel alignment and automatic train operations with a driver present. The team’s one-way trip time estimate from Valley to Westside is 21 minutes. Their financial proposal included an \$11.5 billion (capital expenses in 2020\$) TSC, with \$198 million in anticipated equity investment, and \$97 million per year in operating expenses (2035\$). The technical proposal presented a strong and detailed TSC with well thought out station layouts with the customer experience and transfers in mind. The proposal included innovative ideas such as potential joint development opportunity as the maintenance facility and potential for a one-seat ride with East San Fernando Valley Line. Their risk management process had a high level of detail focused on identifying cost savings, reducing/mitigating risk and supporting P3 deal structuring.

Tutor, Perini, Parsons & Plenary

Tutor, Perini, Parsons & Plenary (TP3) is a team comprised of Tutor Perini, Parsons Construction, and Plenary Group. The TP3 team proposed a heavy rail technology with 39% aerial and 61% tunnel alignment and unattended train operations. Their one-way trip time estimate from Valley to Westside is 23 minutes. Their financial proposal included a \$7.2 billion (capital expenses in 2020\$) TSC, with \$574 million in anticipated equity investment, and \$128 million per year in operating expenses (2035\$). While the TP3 team’s key personnel showed good experience in the written proposal, the team did not demonstrate cohesion or coordination during the interview. The team proposed good strategies for coordination with the environmental and outreach consultants. However, their proposal lacked detail in the TSC submittals. The technical proposal did not put forward a strong recommendation regarding alignment, vehicle type or maintenance storage facility location. TP3’s financial proposal included reference projects that showed experience across transit projects and P3 projects. However, the financial proposal did not include the capital costs for the maintenance storage facility.

The following table summarizes the PET’s ranking and scores.

1	Proposer/Mode	Maximum Points	Earned Points	Sub Total Points	Total Points	Rank
2	LA SkyRail Express/ Monorail					
3	Evaluation of Technical Proposal (630 points)					

4	<ul style="list-style-type: none"> Qualifications and Experience to Support Project Development 	110	86.36			
5	<ul style="list-style-type: none"> Approach to Completing PDA Work 	290	222.50			
6	<ul style="list-style-type: none"> Quality of Proposer's Transit Solution Concept 	230	175.71			
7	Total Technical Proposal			484.57		
8	Evaluation of Financial Proposal (230 points)					
9	<ul style="list-style-type: none"> Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength 	110	90.86			
10	<ul style="list-style-type: none"> Quality of TSC Financial Feasibility Plan 	120	97.71			
11	Total Financial Proposal			188.57		
12	Evaluation of Price Proposal (130 points)					
13	<ul style="list-style-type: none"> PDA Price 	100	100.00			
14	<ul style="list-style-type: none"> Implementation Profit Margin 	30	26.67			
15	Total Price Proposal			126.67		
16	Evaluation of Approach to Diversity and Inclusion (40 points)					
17	<ul style="list-style-type: none"> Inclusivity and Diversity 	40	40.00			
18	Total Diversity and Inclusion			40.00		
19	Grand Total	1030			839.81	1
20	Sepulveda Transit Corridor Partners – Bechtel /Heavy Rail					
21	Evaluation of Technical Proposal (630 points)					
22	<ul style="list-style-type: none"> Qualifications and Experience to Support Project Development 	110	80.33			
23	<ul style="list-style-type: none"> Approach to Completing PDA Work 	290	204.19			
24	<ul style="list-style-type: none"> Quality of Proposer's Transit Solution Concept 	230	183.91			
25	Total Technical Proposal			468.43		
26	Evaluation of Financial Proposal (230 points)					
27	<ul style="list-style-type: none"> Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength 	110	84.79			
28	<ul style="list-style-type: none"> Quality of TSC Financial Feasibility Plan 	120	67.71			

29	Total Financial Proposal			152.50		
30	Evaluation of Price Proposal (130 points)					
31	• PDA Price	100	91.02			
32	• Implementation Profit Margin	30	30.00			
33	Total Price Proposal			121.02		
34	Evaluation of Approach to Diversity and Inclusion (40 points)					
35	• Inclusivity and Diversity	40	30			
36	Total Diversity and Inclusion			30.00		
37	Grand Total	1030			771.95	2
38	Tutor Perini, Parsons & Plenary /Heavy Rail					
39	Evaluation of Technical Proposal (630 points)					
40	• Qualifications and Experience to Support Project Development	110	75.50			
41	• Approach to Completing PDA Work	290	206.73			
42	• Quality of Proposer's Transit Solution Concept	230	139.43			
43	Total Technical Proposal			421.66		
44	Evaluation of Financial Proposal (230 points)					
45	• Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength	110	79.36			
46	• Quality of TSC Financial Feasibility Plan	120	78.00			
47	Total Financial Proposal			157.36		
48	Evaluation of Price Proposal (130 points)					
49	• PDA Price	100	88.96			
50	• Implementation Profit Margin	30	30.00			
51	Total Price Proposal			118.96		
52	Evaluation of Approach to Diversity and Inclusion (40 points)					
53	• Inclusivity and Diversity	40	20			
54	Total Diversity and Inclusion			20		
55	Grand Total	1030			717.98	3

56	Sepulveda Transit Corridor Partners – Fengate /Light Rail					
57	Evaluation of Technical Proposal (630 points)					
58	<ul style="list-style-type: none"> Qualifications and Experience to Support Project Development 	110	85.93			
59	<ul style="list-style-type: none"> Approach to Completing PDA Work 	290	223.51			
60	<ul style="list-style-type: none"> Quality of Proposer’s Transit Solution Concept 	230	174.21			
61	Total Technical Proposal			483.65		
62	Evaluation of Financial Proposal (230 points)					
63	<ul style="list-style-type: none"> Project Finance Experience, Investment Capacity, Project Delivery Plan and Financial Strength 	110	80.54			
64	<ul style="list-style-type: none"> Quality of TSC Financial Feasibility Plan 	120	74.57			
65	Total Financial Proposal			155.11		
66	Evaluation of Price Proposal (130 points)					
67	<ul style="list-style-type: none"> PDA Price 	100	0.00			
68	<ul style="list-style-type: none"> Implementation Profit Margin 	30	30.00	30.00		
69	Total Price Proposal					
70	Evaluation of Approach to Diversity and Inclusion (40 points)					
71	<ul style="list-style-type: none"> Inclusivity and Diversity 	40	35.00			
72	Total Diversity and Inclusion			35.00		
73	Grand Total	1030			703.76	4

Approach to Price Evaluation

When considering pricing for PDA services, Metro’s objective for this procurement was to contract with the highest quality PDA partner(s) to develop the project, while ensuring that the cost of the PDA work would remain reasonable and affordable. As a result, Metro took an approach to the PDA Price Proposal evaluation that sought to balance affordability with the qualifications-based nature of the procurement.

Specifically, staff utilized a *tiered price formula* designed to encourage efficient pricing without putting a hard cap on price, which might unduly limit the level of effort required to support high-quality project development approaches. The tiering provides for an increasingly strong incentive to control price, as price increases. In

other words, a proposer may risk an increasingly greater amount of points, the higher their proposed price.

The price formula identified in the RFP was based on two thresholds that were developed using Metro's Independent Cost Estimate: 1) a Price Target (\$72,000,000), within the range of Metro's *preferred* pricing, and 2) a Price Limit (\$104,000,000), representing the range of Metro's *acceptable* pricing. Pricing was then evaluated as follows:

- If a proposer submitted a price that was **below or equal to the Price Target**, the score would be calculated by dividing the *lowest proposed price* into the *price being evaluated*, multiplied by 100. This formula results in the *lowest proposed price* receiving all 100 available points, and each price *above* the low price (but *below* Metro's Price Target) receiving a reduction in points proportionate to how far *in excess of the lowest price* it was.
- If a proposer submitted a price that was **greater than the Price Target, but less than or equal to the Price Limit**, the score would be calculated on a sliding scale that was defined by the *highest* submitted price. The highest submitted price would receive 0 points, and each score *below* the high price would receive a score based on how far *below the highest price* it was.
- If a proposer submitted a price that was **greater than the Price Limit**, while the overall proposal would be considered responsive, the score would be calculated as zero (without regard to any other proposed prices). Metro also stipulated that it reserved the right to reject any proposal that was priced over the Price Limit, to ensure affordability could ultimately be achieved.

Fengate proposed the highest price of all proposing teams to perform the PDA services, exceeding the price target of \$72,000,000, as defined in the RFP. Because no other firm proposed a price above the Price Target, in accordance with the formula defined in the RFP, the team earned a score of 0 for the PDA Price evaluation criteria.

The two highest-ranked Proposers submitted the lowest price proposal in their respective technology.

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), adequate price competition, technical evaluation, fact finding, clarifications and negotiations.

	Proposer Name/Mode	PDA Proposal Amount	Metro ICE	Award Amount
1.	LA SkyRail Express/ Monorail	\$63,605,132	\$71,321,139 *	\$63,605,132
2.	Sepulveda Transit Corridor Partners (Bechtel)/ Heavy Rail	\$69,882,427	\$71,321,139 *	\$69,882,427
3.	Tutor Perini, Parsons & Plenary/ Heavy Rail	\$71,500,000		
4.	Sepulveda Transit Corridor Partners (Fengate)/ Light Rail	\$103,800,000		

*Each contract.

D. Background on Recommended Contractors

LA SkyRail Express (LASRE) will serve as the Special Purpose Corporation (SPC) to be formed with John Laing Investments Limited and BYD Transit Solutions LLC identified as equity members. The SPC will be formally created prior to contract execution. LASRE has teamed up with Skanska USA Civil West California District Inc. as the lead construction contractor and HDR Engineering, Inc. as the lead engineering firm. Past projects for firms of this team include engineering on Eagle P3 Commuter Rail Line in Denver, construction on Expo Line light rail transit extension project, and financing on Denver Eagle P3, Hurontario Light Rail Transit in Ontario, Canada, and Sydney Light Rail in Australia.

Sepulveda Transit Corridor Partners - Bechtel (Bechtel) will serve as the Special Purpose Vehicle (SPV) to be formed with Bechtel Development Company, American Triple I Partners, LLC and Meridiam Sepulveda, LLC identified as equity members. The SPV will be formally created prior to contract execution. STCP Bechtel has teamed up with Bechtel Infrastructure as the lead construction contractor and lead engineering firm. Past projects for firms of this team include engineering and construction on Dulles Corridor Metrorail Project in Northern Virginia, and financing on Edmonton Valley Line light rail transit project in Alberta, Canada and LaGuardia Airport Central Terminal Redevelopment in New York.

DEOD SUMMARY

SEPULVEDA TRANSIT CORRIDOR PROJECT
PRE-DEVELOPMENT SERVICES / PS66773MRT/PS66773HRT

A. Small Business Participation

The Diversity & Economic Opportunity Department (DEOD) established DBE goals for each Phase of this Pre-Development Agreement (PDA) services project. A 30% DBE goal was established for Phase 1 – Alternatives Refinement, a 25.00% DBE goal for Phase 2 – Conceptual Engineering and Analysis, a 23.50% DBE goal for Phase 3 – Conceptual Engineering to Support Locally Preferred Alternative Selection, and a 24.94% DBE goal for Phase 4 – Final Technical Concept.

Two (2) firms were selected as Prime Consultants: LA SkyRail Express (LASRE) (Monorail Technology) and Sepulveda Transit Corridor Partners – Bechtel (STCP-BECHTEL) (Heavy Rail Technology). Each firm committed to or exceeded the goals established for each Phase.

PHASE 1: LASRE exceeded the mandatory DBE goal by making a **30.02%** DBE commitment.

Small Business Goal (Phase 1)	30% DBE	Small Business Commitment	30.02% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	Amheart Solutions	Asian Pacific American	1.82%
2.	D'Leon Consulting Engineers	Hispanic American	3.89%
3.	Destination Enterprises, Inc.	Non-Minority Female	0.94%
4.	Don H. Mahaffey Drilling Co.	Hispanic American Female	0.73%
5.	Earth Mechanics, Inc.	Asian Pacific American	2.01%
6.	FPL and Associates	Asian Pacific American	0.34%
7.	Gallego Consulting Services, Inc.	Hispanic American	0.57%
8.	Innova Technologies, Inc.	Hispanic American	6.82%
9.	JNA Builders, Inc.	Asian Pacific American	0.16%
10.	Lindborg & Mazor LLP	Non-Minority Female	0.50%

11.	LKG-CMC, Inc.	Non-Minority Female	1.09%
12.	Modern Times, Inc.	Hispanic American	2.98%
13.	Mountain Pacific, Inc.	Non-Minority Female	0.89%
14.	N. Saylor Consulting Group, Inc.	Non-Minority Female	0.33%
15.	Sapphos Environmental Inc.	Hispanic American Female	0.33%
16.	Sotomayor & Associates	Hispanic American	1.00%
17.	SXM Strategies, LLC	Asian Pacific American Female	0.35%
18.	T and T Public Relations	Hispanic American Female	1.17%
19.	TEC Management Consultants, Inc.	African American	0.70%
20.	The Wathen Group, LLC	Non-Minority Female	0.09%
21.	V&A, Inc.	Hispanic American	0.39%
22.	Virginkar & Associates	Asian Pacific American Female	2.92%
Total DBE Commitment			30.02%

Phase 1: STCP-BECHTEL exceeded the mandatory DBE goal by making a **30.18%** DBE commitment.

Small Business Goal (Phase 1)	30% DBE	Small Business Commitment	30.18% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	360 Total Concept Consulting, Inc.	African American Female	4.61%
2.	A. Esteban & Company, Inc.	Hispanic American	0.35%
3.	A1 Management and Inspection, Inc.	Non-Minority Female	3.09%
4.	A3GEO, Inc.	Non-Minority Female	2.50%
5.	Anil Verma Associates, Inc.	Subcontinent Asian American	0.97%
6.	Auriga Corporation	Subcontinent Asian American	1.19%
7.	BA, Inc.	African American	1.33%
8.	Cheshil Consultants, Inc.	Subcontinent Asian American	1.22%

9.	D'Leon Consulting Engineers Corporation	Hispanic American	1.28%
10.	FMG Architects	Hispanic American Female	1.52%
11.	Here Design Studio, LLC	African American Female	0.86%
12.	Intueor Consulting, Inc.	Subcontinent Asian American	1.80%
13.	Jenkins/Gales & Martinez, Inc.	African American	1.61%
14.	JKH Consulting, LLC	African American Female	0.69%
15.	McLean and Schultz, Inc.	Hispanic American	2.11%
16.	PacRim Engineering	Asian Pacific American	1.00%
17.	Unico Engineering, Inc.	Hispanic American	0.05%
18.	Virginkar & Associates, Inc.	Asian Pacific American Female	1.00%
19.	VN Tunnel and Underground, Inc.	Asian Pacific American	2.59%
20.	Vobecky Enterprises, Inc.	African American Female	0.41%
Total DBE Commitment			30.18%

PHASE 2: LASRE exceeded the mandatory DBE goal by making a **28.26%** DBE commitment.

Small Business Goal (Phase 2)	25% DBE	Small Business Commitment	28.26% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	Amheart Solutions	Asian Pacific American	0.61%
2.	Auriga Corporation	Subcontinent Asian American	0.85%
3.	BA, Inc.	African American	0.96%
4.	Coast Surveying	Hispanic American	0.23%
5.	D'Leon Consulting Engineers	Hispanic American	1.25%
6.	Destination Enterprises, Inc.	Non-Minority Female	0.78%
7.	Don H. Mahaffey Drilling Co.	Hispanic American Female	0.51%
8.	Earth Mechanics, Inc.	Asian Pacific American	0.62%

9.	FPL and Associates	Asian Pacific American	0.33%
10.	Gallego Consulting Services, Inc.	Hispanic American	0.44%
11.	Hinman Consulting Engineers, Inc..	Non-Minority Female	2.19%
12.	IDC Consulting Engineers, Inc.	Asian Pacific American Female	1.09%
13.	Innova Technologies, Inc.	Hispanic American	5.20%
14.	Intueor Consulting, Inc.	Subcontinent Asian American	0.54%
15.	JNA Builders, Inc.	Asian Pacific American	0.13%
16.	Lindborg & Mazor LLP	Non-Minority Female	0.38%
17.	LKG-CMC, Inc.	Non-Minority Female	1.25%
18.	Modern Times, Inc.	Hispanic American	0.56%
19.	Morgner Construction Management	Hispanic American Female	0.58%
20.	Mountain Pacific, Inc.	Non-Minority Female	0.42%
21.	N. Saylor Consulting Group, Inc.	Non-Minority Female	0.10%
22.	PBS Engineers, Inc.	Subcontinent Asian American	2.89%
23.	RAW International, Inc.	African American	0.79%
24.	Sapphos Environmental Inc.	Hispanic American Female	0.11%
25.	Sotomayor & Associates	Hispanic American	0.14%
26.	SXM Strategies, LLC	Asian Pacific American Female	0.64%
27.	T and T Public Relations	Hispanic American Female	0.70%
28.	TEC Management Consultants, Inc.	African American	0.53%
29.	The Wathen Group, LLC	Non-Minority Female	0.62%
30.	TransSolutions	Non-Minority Female	0.16%
31.	V&A, Inc.	Hispanic American	1.30%
32.	Virginkar & Associates	Asian Pacific American Female	0.43%
33.	YKD Landscape (Yunsoo Kim Design, Inc.)	Asian Pacific American	0.93%
Total DBE Commitment			28.26%

Phase 2: STCP-BECHTEL exceeded the mandatory DBE goal by making a **25.79%** DBE commitment.

Small Business Goal (Phase 2)	25% DBE	Small Business Commitment	25.79% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	360 Total Concept Consulting, Inc.	African American Female	1.30%
2.	A. Esteban & Company, Inc.	Hispanic American	0.20%
3.	A1 Management and Inspection, Inc.	Non-Minority Female	0.49%
4.	A3GEO, Inc.	Non-Minority Female	1.29%
5.	Alliance Engineering Consultants, Inc.	Asian Pacific American	0.37%
6.	Anil Verma Associates, Inc.	Subcontinent Asian American	0.36%
7.	Auriga Corporation	Subcontinent Asian American	1.04%
8.	BA, Inc.	African American	0.36%
9.	Cheshil Consultants, Inc.	Subcontinent Asian American	0.89%
10.	Diaz Yourman & Associates	Hispanic American	0.22%
11.	D'Leon Consulting Engineers Corporation	Hispanic American	1.65%
12.	EW Consulting, Inc.	Non-Minority Female	0.60%
13.	FMG Architects	Hispanic American Female	0.36%
14.	FPL and Associates	Asian Pacific American	1.10%
15.	Here Design Studio, LLC	African American Female	0.88%
16.	Intueor Consulting, Inc.	Subcontinent Asian American	0.82%
17.	Jenkins/Gales & Martinez, Inc.	African American	0.36%
18.	JKH Consulting, LLC	African American Female	0.29%

19.	McLean and Schultz, Inc.	Hispanic American	1.44%
20.	Monument ROW, Inc.	Non-Minority Female	0.62%
21.	PacRim Engineering	Asian Pacific American	1.79%
22.	Unico Engineering, Inc.	Hispanic American	0.84%
23.	V&A, Inc.	Hispanic American	0.65%
24.	Virginkar & Associates, Inc.	Asian Pacific American Female	1.25%
25.	VN Tunnel and Underground, Inc.	Asian Pacific American	2.88%
26.	Wagner Engineering & Survey, Inc.	Non-Minority Female	3.50%
27.	Yunsoo Kim Design	Asian Pacific American	0.24%
Total DBE Commitment			25.79%

PHASE 3: LASRE exceeded the mandatory DBE goal by making a **25.87%** DBE commitment.

Small Business Goal (Phase 3)	23.50% DBE	Small Business Comittment	25.87% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	Amheart Solutions	Asian Pacific American	0.79%
2.	Auriga Corporation	Subcontinent Asian American	0.74%
3.	Coast Surveying	Hispanic American	0.28%
4.	D'Leon Consulting Engineers	Hispanic American	0.39%
5.	Destination Enterprises, Inc.	Non-Minority Female	1.28%
6.	Don H. Mahaffey Drilling Co.	Hispanic American Female	0.59%
7.	Earth Mechanics, Inc.	Asian Pacific American	0.22%
8.	FPL and Associates	Asian Pacific American	0.75%
9.	Gallego Consulting Services, Inc.	Hispanic American	0.54%

10.	Hinman Consulting Engineers, Inc..	Non-Minority Female	0.66%
11.	IDC Consulting Engineers, Inc.	Asian Pacific American Female	0.54%
12.	Innova Technologies, Inc.	Hispanic American	5.95%
13.	JNA Builders, Inc.	Asian Pacific American	0.20%
14.	Lindborg & Mazor LLP	Non-Minority Female	0.38%
15.	LKG-CMC, Inc.	Non-Minority Female	0.95%
16.	Modern Times, Inc.	Hispanic American	0.81%
17.	Mountain Pacific, Inc.	Non-Minority Female	0.75%
18.	N. Saylor Consulting Group, Inc.	Non-Minority Female	0.11%
19.	PBS Engineers, Inc.	Subcontinent Asian American	2.33%
20.	Regency Right of Way Consulting, LLC	African American Female	0.32%
21.	Sapphos Environmental Inc.	Hispanic American Female	0.12%
22.	Sotomayor & Associates	Hispanic American	0.22%
23.	SXM Strategies, LLC	Asian Pacific American Female	0.72%
24.	T and T Public Relations	Hispanic American Female	0.74%
25.	TEC Management Consultants, Inc.	African American	0.75%
26.	The Wathen Group, LLC	Non-Minority Female	0.83%
27.	TransSolutions	Non-Minority Female	0.18%
28.	V&A, Inc.	Hispanic American	1.25%
29.	Virginkar & Associates	Asian Pacific American Female	1.49%
30.	YKD Landscape (Yunsoo Kim Design, Inc.)	Asian Pacific American	0.99%
Total DBE Commitment			25.87%

Phase 3: STCP-BECHTEL exceeded the mandatory DBE goal by making a **23.71%** DBE commitment.

Small Business Goal (Phase 3)	23.50% DBE	Small Business Commitment	23.71% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	360 Total Concept Consulting, Inc.	African American Female	1.64%
2.	A. Esteban & Company, Inc.	Hispanic American	0.88%
3.	A1 Management and Inspection, Inc.	Non-Minority Female	1.67%
4.	A3GEO, Inc.	Non-Minority Female	0.88%
5.	Alliance Engineering Consultants, Inc.	Asian Pacific American	0.43%
6.	Anil Verma Associates, Inc.	Subcontinent Asian American	0.77%
7.	Auriga Corporation	Subcontinent Asian American	1.33%
8.	BA, Inc.	African American	0.63%
9.	Cheshil Consultants, Inc.	Subcontinent Asian American	1.21%
10.	Diaz Yourman & Associates	Hispanic American	1.05%
11.	D'Leon Consulting Engineers Corporation	Hispanic American	2.62%
12.	EW Consulting, Inc.	Non-Minority Female	0.47%
13.	FMG Architects	Hispanic American Female	0.77%
14.	FPL and Associates	Asian Pacific American	0.79%
15.	Here Design Studio, LLC	African American Female	0.08%
16.	Intueor Consulting, Inc.	Subcontinent Asian American	0.69%
17.	Jenkins/Gales & Martinez, Inc.	African American	0.42%
18.	JKH Consulting, LLC	African American Female	0.16%
19.	McLean and Schultz, Inc.	Hispanic American	0.98%

20.	Monument ROW, Inc.	Non-Minority Female	0.28%
21.	PacRim Engineering	Asian Pacific American	1.51%
22.	Unico Engineering, Inc.	Hispanic American	0.52%
23.	V&A, Inc.	Hispanic American	0.63%
24.	Virginkar & Associates, Inc.	Asian Pacific American Female	0.80%
25.	VN Tunnel and Underground, Inc.	Asian Pacific American	1.68%
26.	Wagner Engineering & Survey, Inc.	Non-Minority Female	0.56%
27.	Yunsoo Kim Design	Asian Pacific American	0.26%
Total DBE Commitment			23.71%

To be responsive, Proposers were required to commit to meet or exceed the DBE goal for Phase 4 at the time of Proposal submittal. During Phase 3, the Prime Contractor will be required to submit a list of all DBE and non-DBE firms that will perform work in Phase 4.

PHASE 4: LASRE met the mandatory DBE goal by making a **24.94%** DBE commitment.

Small Business Goal (Phase 4)	24.94% DBE	Small Business Commitment	24.94% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	To Be Determined during Phase 3	TBD	24.94%
Total DBE Commitment			24.94%

Phase 4: STCP-BECHTEL met the mandatory DBE goal by making a **24.94%** DBE commitment.

Small Business Goal (Phase 4)	24.94% DBE	Small Business Commitment	24.94% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	To Be Determined during Phase 3	TBD	24.94%
Total DBE Commitment			24.94%

B. Contracting Outreach and Mentoring Plan (COMP)

To be responsive, Proposers were required to submit a Contracting Outreach and Mentoring Plan (COMP) including strategies to mentor for protégé development four (4) DBE firms for Mentor-Protégé development in at least two of Phases 1 – 3.

LASRE proposed to mentor the following (4) protégé's: Coast Surveying, Inc., IDC Consulting, Inc., Auriga Corporation, and RAW International. STCP-BECHTEL proposed to mentor the following (4) protégé's: FMG Architects, 360 Total Concept Consulting, A1 Management and Inspection, and A3GEO Inc.

For Phase 4, the Prime Contractor is required to mentor a total of two (2) DBE firms for Protégé development. The Prime Contractor must identify Proteges for Phase 4 during Phase 3. The two DBE firms mentored during Phase 4 shall not be firms that were mentored in Phases 1-3.

C. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

D. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.



Next stop: exploring alternatives to the 405.

SEPULVEDA TRANSIT CORRIDOR PROJECT

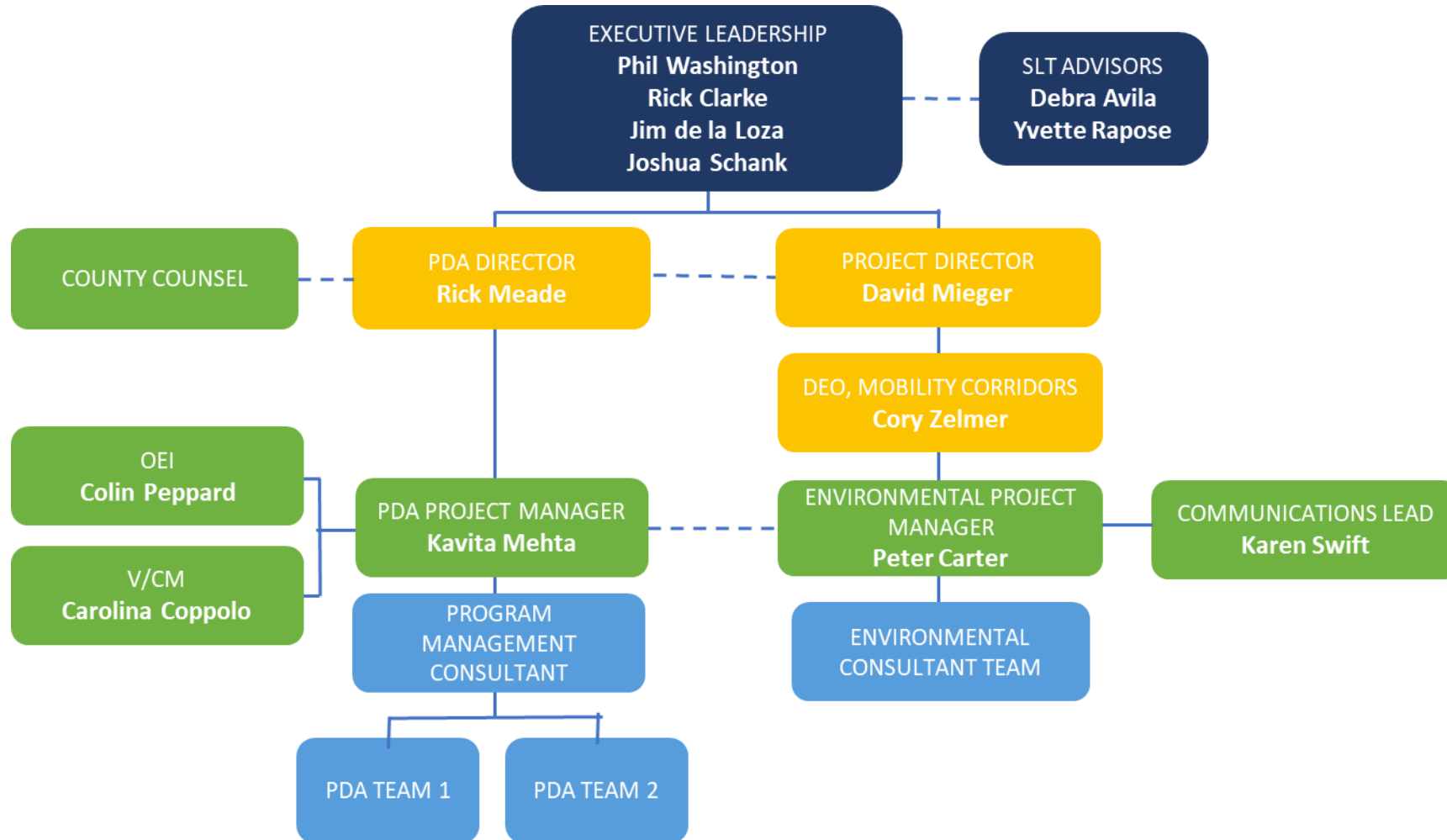
**RFP No. PS66773 Sepulveda Transit Corridor
Pre-Development Agreement (PDA)
Recommendation for Awards**



Metro

February 2021

Project Organizational Structure



Key Team Members



Karen Swift
Senior Manager,
Community
Relations



Peter Carter
Senior Manager,
Countywide Planning
& Development



Kavita Mehta
Deputy Executive Officer,
Program Management



Colin Peppard
Senior Director,
Office of Extraordinary
Innovation



Carolina Coppolo
Executive Officer,
Vendor/Contract
Management

Why are we using a PDA?

- > **We have a once-in-a-generation opportunity to redefine mobility in one of America's most challenging travel corridors**
 - Urgent need for mobility improvements to connect major travel markets, including but not limited to large institutions, major employment centers, and transportation hubs
 - Geography & existing built environment are significant feasibility challenges
 - Measure M expenditure plan includes approximately \$5.7B for new transit service to connect the San Fernando Valley and the Westside, and approximately \$3.8B for Westside to LAX (in 2015\$).
- > **Objective: Balance mobility and performance with risk, cost, and constructability**
 - Early project design decisions often critical to feasibility & project delivery success
 - PDA brings private sector insight, innovation to bear early, avoiding or mitigating risks
 - “Skin-in-the-game” offers powerful incentives to design and deliver the greatest benefit for available funding on an aggressive timeline



How does a PDA work?

Early private sector participation in project definition/design as a partnership with Metro

1. PDA Contractor provides technical work to support project development
2. Parallel to environmental review and approval process
3. Proposed concept design to be refined based on technical study and public feedback through environmental/PDA Process, with multiple “off-ramps”
4. Upon feasibility, Metro specifies final delivery approach, performance requirements
5. The selected PDA Contractor may submit a proposal a proposal for implementation if requested by Metro
6. If offer is not acceptable, Metro may procure delivery through a different approach

PDA Structure: Phases of Work

Phase	PDA Activities	Number of PDA Developers	Duration Months*
Alternatives Definition	Refine alternatives and incorporate stakeholder feedback	Up to 2	9
Conceptual Engineering and Analysis	Conceptual engineering and analysis of environmental impacts, performance, constructability, cost, and risk for DEIR	Up to 2	13
Conceptual Engineering to support LPA	Develop indicative performance and cost reports to finalize DEIR and LPA Selection	Up to 2	9
Final Technical Concept	Refine engineering for FEIR, performance analysis, contract terms and conditions, risk allocation, and pricing	1	11
Proposal for Implementation	Finalize FEIR; Issue Metro Request for presumed fixed-price P3 delivery proposal; Evaluate Proposal and close transaction	1	10

**subject to change*

Approach to PDA Procurement

Metro would ask each proposing team to submit the following:

- > Transit concept that meets/exceeds Project Goals, adheres to Project Parameters, likely to be feasible, as starting point for development (PDA) work during environmental process
- > An approach to developing that concept into a design for construction that will deliver on Project Goals for the public
- > Qualifications/experience for project development & delivery/implementation

Selection would focus on identifying the best partner(s) across a range of qualities

- > Quality of concept, quality of approach, development experience, delivery experience, price components, diversity/inclusion
- > Metro may select *up to two* PDA Teams; Highest scoring teams proposing different modes



Procurement Timeline

- > **July 2019:** Board approved PDA approach to award up to two contracts for different technologies
- > **August 2019:** Sepulveda Industry Forum Outreach
- > **October 2019:** Request for Proposals issued
 - Five teams passed Initial Qualifications requirements
- > **August 2020:** Four Proposals received
 1. LA SkyRail Express (Monorail)
 2. Sepulveda Transit Corridor Partners - Bechtel (Heavy Rail)
 3. Sepulveda Transit Corridor Partners – Fengate (Light Rail)
 4. Tutor Perini, Parsons & Plenary (Heavy Rail)
- > **Sept 2020-Jan 2021:** Proposal Evaluation Team process



Evaluation Criteria

> **Technical – 630 points**

- Qualifications and experience to support project development (110 points)
- Approach to completing PDA work (290 points)
- Quality of Proposer's Transit Solution Concept (TSC) (230 points)

> **Financial – 230 points**

- Project finance experience, investment capacity, project delivery plan and financial strength (110 points)
- Quality of TSC Financial Feasibility Plan (120 points)

> **PDA Price – 130 points**

- PDA price (100 points)
- Implementation profit margin (30 points)

> **Inclusivity and Diversity – 40 points**

- Contractor Outreach Mentor Protégé Plan (40 points)



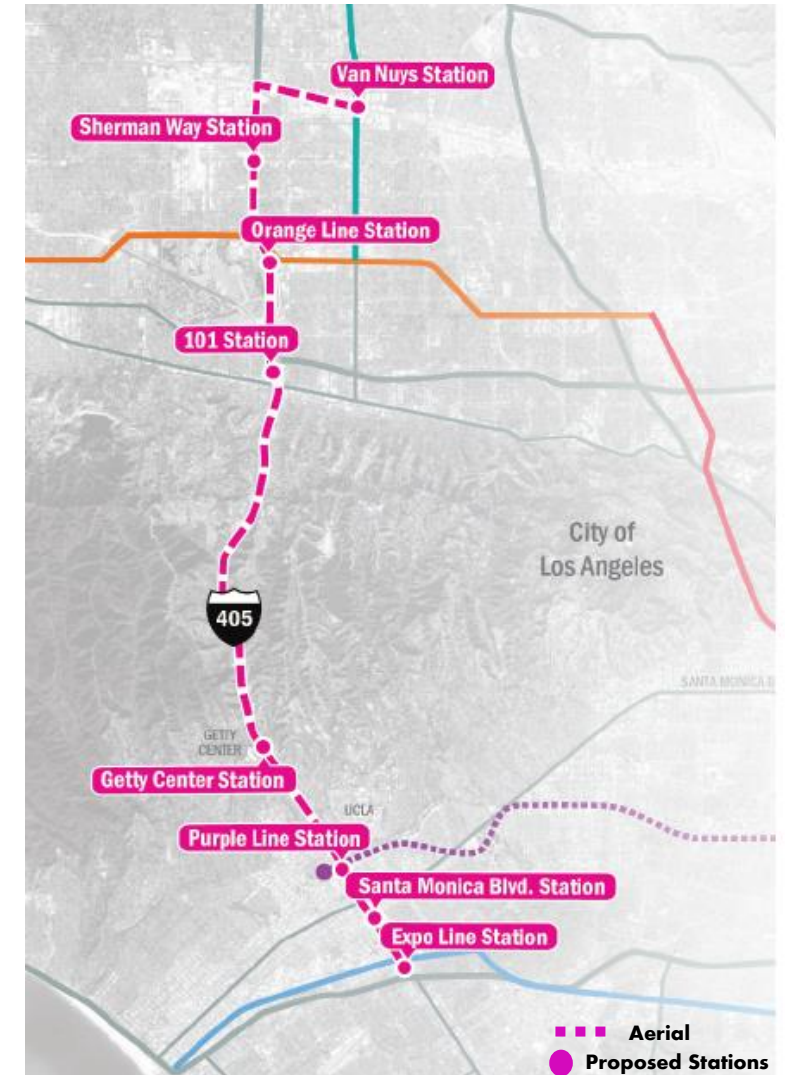
Final Evaluation Scores

Proposer/Mode	Technical (630 points) Financial (230 points) (860 points)	PDA Price (100 points)	Implementation Profit Margin (30 points)	Inclusion and Diversity (40 points)	Grand Total (1030 points)
LA SkyRail Express / MRT	673.14	100.00	26.67	40.00	839.81
STCP Bechtel / HRT	620.93	91.02	30.00	30.00	771.95
Tutor Perini, Parsons & Plenary / HRT	579.02	88.96	30.00	20.00	717.98
STCP Fengate / LRT	638.76	0.00	30.00	35.00	703.76

Recommended Proposer – LA SkyRail Express

Proposal Highlights

- > Mode: Monorail
- > 100% Aerial Alignment (I-405 ROW)
- > Automated Operations
- > Valley to Westside Trip Time: 24 minutes
- > \$6.1 billion (2020\$) Capital Cost (for Baseline proposal)
- > ~\$63m/yr Operating Expenses (2035\$)
- > Team with direct experience with this technology
- > Early consideration of O&M requirements to minimize lifecycle costs
- > Demonstrated financial experience on P3 projects in the US and abroad

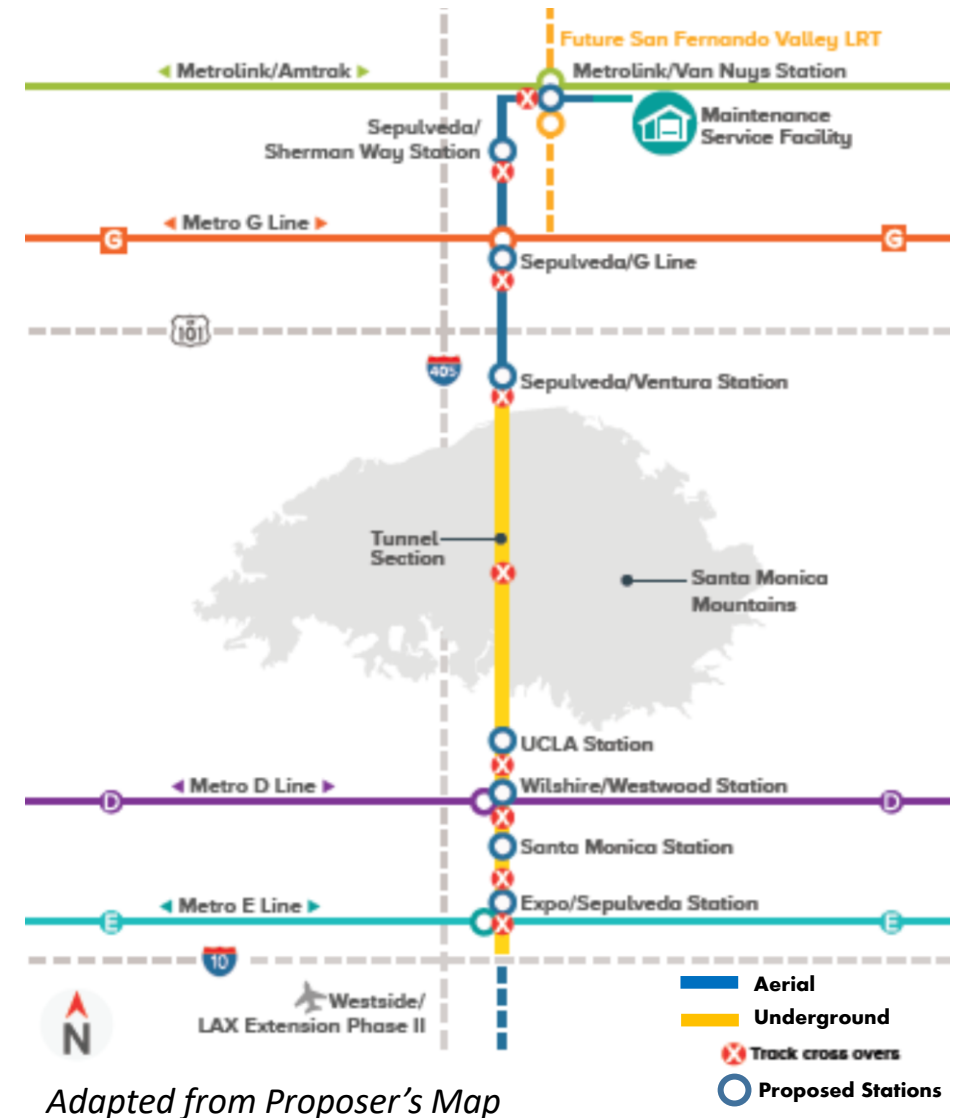


Adapted from Proposer's Map

Recommended Proposer – Sepulveda Transit Corridor Partners (Bechtel)

Proposal Highlights

- > Mode: Heavy Rail
- > 62% of Alignment is Underground/Tunnel
- > Automated Operations
- > Valley to Westside Trip Time: 19.7 minutes
- > \$10.8 billion (2020\$) Capital Cost
- > ~\$118m/yr Operating Expenses (2035\$)
- > Detailed stations plans, connections/transfers, and integration with the surroundings
- > Good understanding of geo-technical issues; well-defined construction approach
- > Demonstrated financial experience across a range of project types of similar complexity



Adapted from Proposer's Map

Recommendation and Next Steps

Recommendation

- > RECEIVE AND FILE staff recommendation for the award of up to two contracts to furnish all goods and services required for the performance of pre-development work for the Sepulveda Transit Corridor Project, for future consideration.

Next Steps

- > Return to the March Board Meeting for Board approval of contract award and authorize staff to execute two PDA contracts with the following Proposers:
 - LA SkyRail Express (Monorail) – for a not-to-exceed amount of \$63,605,132
 - STCP Bechtel (Heavy Rail) – for a not-to-exceed amount of \$69,882,427
- > Begin project environmental phase, including public scoping process, after contract awards and onboarding of PDA teams

Project Schedule



Early Planning and Procurement

2017-2021

Metro conducts Feasibility Study of transit service between San Fernando Valley and LAX.

Metro issues requests for proposals and selects contractors for environmental, outreach, and up to two Pre-Development Agreement (PDA) teams.



Pre-Development Agreement and Environmental Review

2021-2025

PDA teams develop project alternatives optimized for public-private partnership (P3) delivery.

Metro conducts state and federal environmental studies.



Public-Private Partnership

2025

Metro issues request for P3 proposal for LPA delivery.

Project alternatives are refined through feedback with environmental process.

Metro identifies a Locally Preferred Alternative (LPA).

Engineering for LPA advances.

Thank You

QUESTIONS?



Board Report

File #: 2020-0907, **File Type:** Informational Report

Agenda Number: 42.

**EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021**

SUBJECT: FEBRUARY 2021 EQUITY AND RACE PROGRAM UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE February 2021 status report on the Equity and Race Program.

ISSUE

This report provides an update on Metro’s Equity and Race Program.

BACKGROUND

Metro defines Equity as both an outcome and a process to address racial, socioeconomic, and gender disparities, to ensure fair and just access - with respect to where you begin and your capacity to improve from that starting point - to opportunities, including jobs, housing, education, mobility options, and healthier communities. It is achieved when one’s outcomes in life are not predetermined, in a statistical or experiential sense, on their racial, economic, or social identities. It requires community informed and needs-based provision, implementation, and impact of services, programs, and policies that reduce and ultimately prevent disparities.

Metro’s Equity Platform (“Platform”), which provides a framework for advancing equity, was approved by the Metro Board of Directors (“Board”) in March 2018 (Attachment A). The core objective is to increase access to opportunities including housing, jobs, healthcare, education, and other key determinants of health and thriving communities. The Platform is explicit in its focus on the vast disparities that exist in access to opportunity and is intended to help identify and implement projects or programs that reduce and ultimately eliminate those disparities. It is driven by access needs, not geographic equality, though some disparities have a geographic element. The Platform has been incorporated into Metro’s Vision 2028 Strategic Plan and must be a critical factor in our decision making. In August 2020, Metro published an Equity and Race Program Update (Attachment A) outlining the activities taken under the leadership of Metro’s new Executive Officer, Equity and Race and plans to continue implementing the Metro Equity Platform Framework adopted by the Board in March 2018.

DISCUSSION

Updates on the Office Equity and Race's staff recruitments and program progress over the last six months are outlined below:

A. Equity and Race Staff Recruitments

The Office of Equity and Race (OER) received approval to hire three full time staff members. In October 2020, the OER posted recruitments for the three staff positions and conducted interviews in late November through mid-December. Offers have been made for two of the positions.

B. Measure and Define: Applying an Equity Lens to Decision Making

Under the Measure and Define pillar, staff has focused on developing tools and processes to help staff understand the benefits and burdens of our services, programs, and policies, how they are shaped by disparities and gaps in opportunity, and how we can make more equitable decisions. In the fall of 2020, Metro launched the Metro Budget Equity Assessment Tool (MBEAT). Staff provided the Board a summary of the development process and findings from the Mid Fiscal Year 20-21 pilot in January 2021 (Attachment B). This was the first equity assessment to be integrated into one of Metro's agencywide processes. Implementation highlighted the benefits of several new budget requests for marginalized and/or vulnerable communities, as well as potential barriers or harms to address and adjustments to improve access. It also highlighted a need for broader training to help staff think through how investments, projects, programs, and policies might cause harm or not benefit all as intended, given historic and current disparities and systemic inequities.

The mid fiscal year pilot served as a first step in building a foundation for an iterative process where Metro applies an equity lens at different points through planning, implementation, and funding decisions to ensure that Metro's process and outcomes are more equitable. The MBEAT will apply to new, expanded scope, or reduced budgetary requests. Additionally, the OER is preparing for the development of an agency-wide equity study to assess the equity of the entire budget and existing programs, services, and policies; create a baseline understanding of key disparities, challenges, successes, and opportunities; and develop strategies to address the disparities and challenges, and build upon the successes and opportunities. Lastly, staff will work to finalize an Equity Tool for project and program development, initiate pilot use, and determine the threshold for use of that tool and the Rapid Equity Assessment which the OER developed.

C. Listen and Learn: Supporting More Equitable Community Engagement

Under the Listen and Learn pillar, staff has focused on improving outreach and engagement efforts in target communities and supporting easier and more consistent partnership with Community Based Organizations (CBOs). The Board voted to support Proposition 16 (Prop. 16) on the November 2020 ballot, which would have legalized affirmative action. While Prop. 16 did not pass, staff developed a plan with strategies that better support the Board's desire to rectify any underutilization of people of color and women in employment, education, and contracting, within legal constraints (Attachment C). Accordingly, the OER is working with the Communication Department to develop and use voluntary demographic surveys at engagement and outreach events to establish baseline demographic information to help Metro understand how well we are engaging targeted communities and ensure

representative feedback on our work. We are also preparing to conduct a community survey and other engagement activities on community perceptions of equity and racial justice related to Metro. We will return to the Board with updates on each action before the end of the fiscal year. Finally, to encourage and support Metro engagement with CBOs, OER is working with staff from the Communications and Planning departments and CBOs from across Los Angeles County to finalize Metro's CBO Partnership Strategy. Staff will return to the board in Spring 2021 with an update.

D. Focus and Deliver: Agencywide Project Support

Under the Focus and Deliver pillar, the Executive Officer, Equity and Race has continued to assist with new and on-going projects to help apply an equity lens, grapple with equity related challenges, and support targeted community engagement in this challenging virtual environment. From the Public Safety Advisory Committee to the Joint Development Policy Paper, the Adopt-A-Bike Mini Grant Program to the Fareless System Initiative and several others, she has served on steering committees, consulted on plans, helped apply rapid equity assessments, and otherwise worked to support projects as they explore how to create more inclusive project development processes and plan for equitable project outcomes. These efforts will continue and be enhanced as Metro soon expands the Office of Equity and Race and continues to train its Equity Liaisons and others to support this work.

E. Train and Grow: A Culture of Learning

Under the Train and Grow pillar, staff has focused on supporting a culture of learning, as we strive to build a more equitable and inclusive agency. In December 2020, Metro launched the JEDI Book Club. The book club supports staff development under Metro's Equity Platform and helps normalize conversations and expand shared understandings of key concepts related to justice, equity, diversity, and inclusion. While staff participation is voluntary, it serves as one way to help meet Individual Performance Plan (IPP) goal 5.7 ("Metro will build and nurture a diverse, inspired, and high-performing workforce"). Just shy of 140 people signed up to read, "So You Want to Talk about Race," by Ijeoma Oluo. The first book club event was held on January 27, 2021.

Metro will continue to provide and explore other opportunities for our staff to be trained and grow. The launch of the MBEAT has highlighted a need for a training to help staff think through how investments, projects, programs, and policies might cause harm or not benefit all as intended. Accordingly, OER continues to work with the Office of Civil Rights and Inclusion to explore the development of diversity, equity, and inclusion trainings for all staff. Additionally, the Metro Equity Liaisons continue to meet twice a month, discussing books, articles, and videos to help expand their understanding disparities and systemic inequities in the context of Metro's work. They are also helping with MBEAT implementation within each department, have introduced and encouraged the application of the Rapid Equity Assessment to their respective departments, and will help pilot the project Equity Tool.

In summary, these highlighted initiatives and actions should not be viewed as the only elements that will impact, support, or add to the implementation of the Equity Platform. The Platform will be carried out through an ongoing portfolio of agency actions.

FINANCIAL IMPACT

Implementation of the Equity Platform will in many cases involve shaping and adjusting the direction of current projects within existing budgets. In other cases, it will require new activities and program development. Where a proposed equity-based initiative requires stand-alone revenues, a separate budget action would be taken.

Impact to Budget

There is no impact to the existing FY20-21 budget as a result of this Receive and File report.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports strategic plan goals #1.1, 3.1, 3.2, 3.3, and 3.4 by helping Metro to target infrastructure and service investments toward those with the greatest needs and enhancing communities and lives through mobility and access to opportunity. Implementation of the equity framework is an explicit recommended action under the goals 1.1 and 3.3, and it supports actions under 3.1, 3.2, and 3.4.

NEXT STEPS

Staff will report on milestones achieved on individual Equity Platform actions and provide overall updates on an ongoing basis, as appropriate.

ATTACHMENTS

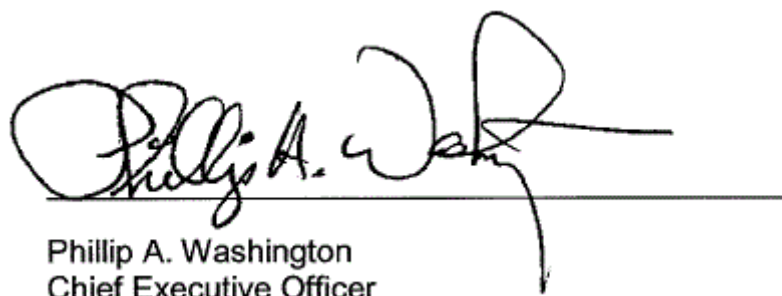
Attachment A - Equity and Race Program Update 8.20.2020

Attachment B - Mid-Year FY 20-21 Budget Equity Assessment

Attachment C - Motion 31.1 Response - Assembly Constitutional Amendment 5

Prepared by: KeAndra Cylear Dodds, Executive Officer, Equity & Race (213) 922-4850

Reviewed by: Nadine Lee, Chief of Staff, (213) 922-7950



Phillip A. Washington
Chief Executive Officer



Board Report

File #: 2020-0514, **File Type:** Informational Report

Agenda Number: 40.

EXECUTIVE MANAGEMENT COMMITTEE AUGUST 20, 2020

SUBJECT: EQUITY AND RACE PROGRAM UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on the Equity and Race Program.

ISSUE

This report outlines the activities taken under the leadership of Metro's new Executive Officer, Equity and Race and plans to continue implementing the Metro Equity Platform Framework adopted by the Board in March 2018.

BACKGROUND

Metro's Equity Platform ("Platform") was approved by the Metro Board of Directors ("Board") in March 2018 (Attachment A). The core objective is to increase access to opportunities including housing, jobs, healthcare, education, and other key determinants of health and thriving communities. The Platform is explicit in its focus on the vast disparities that exist in access to opportunity and is intended to help identify and implement projects or programs that reduce and ultimately eliminate those disparities. It is driven by access needs, not geographic equality, though some disparities have a geographic element.

The Platform provides a framework for advancing equity. It has been incorporated into Metro's Vision 2028 Strategic Plan and must be a critical factor in our decision making. In 2019, Metro published an Equity Platform FY19 Activation Plan (Attachment B) to highlight the Platform's broad portfolio of current, planned, and conceptual initiatives, and to show the Platform's intent and the distance the agency still has to go to fully realize the Platform's potential and impact for change. In January 2020, Metro welcomed the first Executive Officer, Equity and Race to lead, coordinate, and develop implementation of efforts under the Platform.

DISCUSSION

The Equity Platform stands on four pillars - Define and Measure, Listen and Learn, Focus and Deliver, and Train and Grow. Progress over the last six months and objectives for the future under

each of the four pillars are outlined below:

A. Define and Measure

Under this pillar, we are tasked with defining equity, defining the target communities in need of more equitable transportation investments, determining how to measure disparities and gaps in opportunity, and understanding the benefits and burdens of our services, programs, and policies and how they are shaped by those disparities and gaps.

- 1. Equity Definition** - Since the adoption of the Equity Platform, there has been a growing need to define equity, to help orient Platform efforts, and clarify what equity is and is not in the context of the Platform. Accordingly, Metro has developed the following definition of equity. Moving forward it will be used to orient our work around equity and create project specific equitable outcomes.

“Equity is both an outcome and a process to address racial, socioeconomic, and gender disparities, to ensure fair and just access - with respect to where you begin and your capacity to improve from that starting point - to opportunities, including jobs, housing, education, mobility options, and healthier communities. It is achieved when one’s outcomes in life are not predetermined, in a statistical or experiential sense, on their racial, economic, or social identities. It requires community informed and needs-based provision, implementation, and impact of services, programs, and policies that reduce and ultimately prevent disparities.”

- 2. Defining High Need Areas** - One of the first steps Metro took under this pillar was to try to identify target communities, where strategic transportation investments can have the greatest impact in eliminating disparities. Accordingly, in September 2019, the Board approved the Equity Focused Communities (EFC), as a working definition. This definition has been used in various projects from the Long Range Transportation Plan (LRTP) to the Business Solution Center Expansion study to the TOC Implementation Plan. Other projects have created project specific definitions of high need areas, that include some EFC factors (race, income, car ownership), along with additional factors. The NextGen Bus Study and Plan’s Transit Propensity Index is a great example. Moving forward, the Executive Officer, Equity and Race will continue to work with project teams across the agency from the Better Bus Initiative to the Goods Movement Strategic Plan to the Comprehensive Pricing Study, and community members, as they work to understand disparities and needs in the context of their specific projects.

- 3. Agency-wide Equity Assessment** - While it’s important to address the equity impacts of each Metro decision, it’s also important to understand how we are performing at a macro -level, what decisions and strategies would help the agency perform better, and how to prioritize decisions and investments based on equity. To that end, over the next year the Office of Equity and Race will explore development of an agency-wide equity study, to create a baseline understanding of key disparities, challenges, successes, and opportunities, including community and employees perceptions of Metro’s performance related to Equity, Diversity, and Inclusion. We will then use that to inform an Equity Strategic Plan. While there are resource constraints, given the importance of this work, we will consider a phased approach.

B. Listen and Learn

Under this pillar Metro must improve its efforts to listen and learn from the communities that we serve, to understand how to better serve them. It pushes us to focus on the needs of those faring the worst, recognizing that opportunity doesn't trickle down, it cascades up, and if we understand how to increase access to opportunity for those faring the worse, we will be able to increase access for all. It also focuses on meaningful community engagement as opposed to outreach. To implement this pillar, the Executive Officer, Equity and Race has joined ongoing projects and engagement efforts, been appointed to lead, partner with, or develop new workgroups, and joined national and local conversations about Equity in transportation and the built environment.

- 1. Community Based Organization (CBO) Partnership Strategy** - Responding to lessons learned from the Blue Line, First/Last Mile Plan's transformative approach to partnering with Community Based Organizations, the Communications, Planning, Vendor and Contract Management Departments have continued to prepare a new policy to guide enhanced partnerships with CBOs on several levels, including a clear process for contracting opportunities within Metro's larger public engagement efforts. The Executive Officer, Equity and Race has joined this team and Metro is exploring how her office can support this effort as it moves to implementation.
- 2. Community Safety and Security** - Another outgrowth of the work on the Blue Line, First/Last Mile Plan was the formation of the Community Safety and Security Work Group (CSSWG). In early 2019, it was developed to help Metro work with community members to listen to and address neighborhood and rider concerns regarding Metro safety and security. Upon joining Metro, the Executive Officer, Equity and Race was appointed to lead the CSSWG and hosted one meeting in May 2020. In July 2020, the Metro Board directed Metro's Chief Executive Officer to establish a Transit Public Safety Advisory Committee that incorporates the existing CSSWG. As directed the Executive Officer, Equity and Race will work with the Committee, Office of Civil Rights, Executive Officer for Customer Experience, and the Office of Safety, Security, and Law Enforcement to develop a community-based approach to public safety on the transit system.
- 3. WHAM Taskforce** - The WHAM Taskforce includes representatives from each of the agencies overseeing Measures W, H, A, and M and its goals are to create efficiencies across the programs, eliminate redundancies, coordinate programmatic and project planning, implement specific multi-benefit projects, and leverage W, H, A, and M funding with existing County and other funding resources. The Executive Officer, Equity and Race is the Metro representative on the task force and will coordinate across the agency to fulfill Metro's tasks under the Taskforce's strategic plan.
- 4. Aging Disability Transportation Network (ADTN)** - The ADTN is a coalition of groups working with people with disabilities and older adults, formed in 2017, which emerged through advocacy efforts starting with development of the 2016-2019 Coordinated Plan. The ADTN has partnered with Metro in the development of the Board directed 2019 Aging and Disability Report and the corresponding Forum, and will continue partnering with Metro as we work to draft the next Coordinated Plan and address various recommendations from

the coalition to better support people with disabilities and older adults. The Executive Officer, Equity and Race has been appointed to lead Metro's efforts in partnering with the ADTN and will lead coordination across the agency to support related efforts to better meet the needs of people with disabilities and older adults.

5. **Equity Advisory Board** - While Metro will continue partnering with the Equity Committee of the Policy Advisory Council as a technical advisory body as we work to implement the Equity Platform, we are still exploring the development of an Equity Advisory Board. This board would include Equity thought leaders throughout LA County, California, and potentially, the Country. This would be an interdisciplinary group charged with advising the agency on specific topics and issues with equity concerns, especially those which intersect between transportation and other disciplines and opportunity areas.
6. **National and Local Conversations** - Since joining Metro, the Executive Officer of Equity and Race has been very active in local and national conversations around Equity, Diversity, and Inclusion in Transportation and the Built Environment. She has participated in virtual panels hosted by various industry partners from the American Public Transportation Association to Transit Center to the Rail~volution National Steering Committee. She has also participated in panels hosted by local chapters of industry associations including the American Planning Association, Urban Land Institute, and American Institute of Architects. She has presented to or led conversations with local stakeholder groups from Move-LA and Investing in Place to the San Fernando and Gateway Cities Council of Governments. As implementation of the Equity Platform continues, the Office of Equity and Race will continue participating in national and local conversations to discuss best practices, learn from other experts in the field, build partnerships, and generally support and encourage efforts to advance equity in transportation and the built environment.

C. **Focus and Deliver**

This pillar charges Metro with carrying out processes supported by the Equity Platform objectives and principles, which ensure that our actions, programs, and policies lead to more equitable outcomes. It incorporates what's learned from the first two pillars to help us plan, build, invest, and operate in a manner that removes barriers and supports increased access to opportunity for all.

1. **Equity Tool** - Since January 2020, the Executive Officer, Equity and Race has explored the development of a guiding tool to help Metro consistently identify equity concerns and solutions to improve access to opportunity. While the EFC definition helps define high need communities, the Equity Tool will help support more substantive assessments of impacts on those communities by exploring and answering key questions. While still in the development phase, in its current draft form, the tool is a form with a series of questions to guide Metro in developing, implementing, and evaluating programs, plans, and other decisions. It is based on two ideas: 1) deep-rooted and pervasive racial and socioeconomic inequities exists that create disparate impacts, even when the intention is to help all, and 2) we must understand the root causes of those inequities in order to develop solutions that help those faring the worse to actually improve access to opportunity for all. It's based on

the results-based accountability framework developed by Mark Friedman, which is also the basis of the race equity tools developed by the Government Alliance on Race and Equity, in which Metro is a member. During Fiscal Year 2021, the Executive Officer, Equity and Race will work with the Equity Liaisons (see below) and the Equity Committee of the Metro Policy Advisory Council to finalize the draft tool and pilot it on at least three projects.

2. **Rapid Equity Assessment** - Early on during the COVID-19 Crisis, the Executive Officer, Equity and Race recognized the need to center our emergency and fast response decisions on equity. Subsequently, she was appointed as a member of the COVID-19 Recovery Taskforce (Taskforce), and by the second meeting the Taskforce established an equity subcommittee which the Executive Officer, Equity and Race would lead. The committee agreed that they needed a tool to help assess all recommendations that would come from the Taskforce. Initially they explored the draft Equity Tool but determined they needed something simpler for the fast-paced nature of the taskforce process. The Executive Officer, Equity and Race drafted the Rapid Equity Assessment (Attachment C) and worked with the Equity Subcommittee to pilot and fine-tune it. The Rapid Equity Assessment tool has been applied to all Taskforce recommendations and used to help prioritize decisions. In an effort to expand its use, the tool was presented to the Metro Senior Leadership Team. Over the next fiscal year, the Executive Officer, Equity and Race will work with the Equity Liaisons to build capacity to use the Rapid Equity Assessment Tool across the agency, with a goal of eventually requiring use of an equity tool for most Metro decisions.

3. **Agency-wide Project Support** - Since the establishment of the Equity Platform, Metro has worked to incorporate its principles into various projects and programs, including some that are at or near completion, such as NextGen, the Understanding How Women Travel Report, and the Long Range Transportation Plan, to name a few. Over the last six months, the Executive Officer, Equity and Race has assisted with new and on-going projects to do the same. From the COVID-19 Recovery Taskforce to the 710 South Project, the Comprehensive Pricing Study to Transit Oriented Communities Implementation Plan and several others, she has worked in roles that range from occasional consulting to regular workgroup membership, to support projects as they explore how to create more inclusive project development processes and plan for equitable project outcomes. These efforts will continue into FY21 and be supplemented as Metro expands Office of Equity and Race and trains its Equity Liaisons and others to support this work.

D. Train and Grow

This pillar focuses on Metro as an organization and recognizes that successful implementation of the Equity Platform requires commitment, education and training, and prioritization of the Platform's principles across Metro at all levels and in all departments. This pillar will be implemented by efforts of the Office of Equity and Race as well as the Department of Civil Rights and Inclusion in partnership with the Department of Human Capital and Development and other Departments, as applicable.

1. **Agency-wide Education and Conversations** - The Executive Officer, Equity and Race joined Metro in late January, just before the COVID-19 pandemic reached Los Angeles

County and a few months before the civil unrest sparked by the deaths of George Floyd and Breonna Taylor began. Between the public health crisis' disproportionate impact on Black, Latinx, and Indigenous communities, the rise in COVID-19 related racist attacks on people of Asian descent, and the spotlighting of historic and present systemic racism and anti-blackness in America, the need and desire to have conversations and develop actions to create a more equitable and inclusive society at Metro have only amplified.

To meet that need and implement this pillar, the Executive Officer, Equity and Race has met with various units and sometimes departments to present on the Equity Platform and discuss how Metro can advance equity through our work. She has also joined the Metro Chief Executive Officer and Chief Civil Rights Officer to facilitate an employee town hall to discuss the civil unrest. She has presented to SLT to introduce the Rapid Equity Assessment and explore eventually requiring an equity section in all board reports.

Metro will work to build the internal infrastructure to support a future required equity section in all board reports, that provides a substantive analysis of a decision's equity impacts. The Executive Officer, Equity and Race will continue meeting with staff across the agency and explore the development of a racial equity training for all staff. In the more immediate, the Executive Officer, Equity and Race is working to launch a voluntary Justice, Equity, Diversity, and Inclusion (JEDI) Book Club for employees who want to educate and empower themselves to be JEDI advocates.

- 2. Equity Liaisons** - In June 2020, the Executive Officer, Equity and Race established the Equity Liaisons Working Group, which includes one to two staff from each Metro department. The Liaisons were nominated by their respective SLT member and are leaders in their departments, with interest in helping Metro advance equity and a desire to learn and grow. The goal of the Equity Liaison Working Group is to build an internal team of equity fluent leaders to help support implementation of the Equity Platform. The Equity Liaison work plan includes, but is not limited to, learning key concepts related to justice, equity, diversity, and inclusion; being trained to use, help test, and strengthen the application of equity tools; advising on Equity Platform implementation efforts; and helping to identify opportunities and challenges to addressing equity within each department and the agency as a whole. The Equity Liaisons meet regularly and will continue through FY21 and beyond.

In summary, these highlighted initiatives should not be viewed as the only elements that will impact, support, or add to the implementation of the Equity Platform. The Platform will be carried out through an ongoing portfolio of agency actions.

FINANCIAL IMPACT

Implementation of the Equity Platform will in many cases involve shaping and adjusting the direction of current projects within existing budgets. In other cases, it will require new activities and program development. Metro will need to build the staff infrastructure and provide sufficient resources to support all Equity Platform implementation activities. Where a proposed equity-based initiative requires stand-alone revenues, a separate budget action would be taken.

Impact to Budget

There is no impact to the existing extended FY19-20 budget as a result of this Receive and File

report.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports strategic plan goals #1.1, 3.1, 3.2, 3.3, and 3.4 by helping Metro to target infrastructure and service investments toward those with the greatest needs and enhancing communities and lives through mobility and access to opportunity. Implementation of the equity framework is an explicit recommended action under the goals 1.1 and 3.3, and it supports actions under 3.1, 3.2, and 3.4.

NEXT STEPS

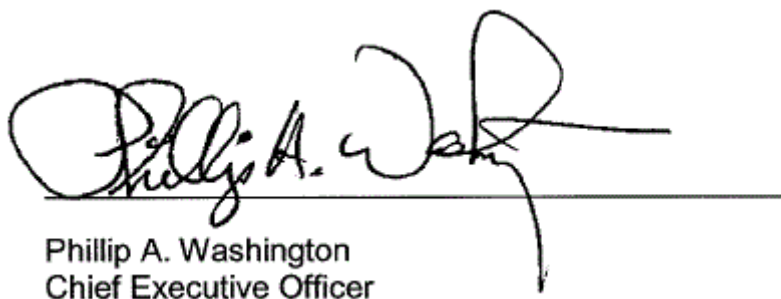
Staff will report on milestones achieved on individual Equity Platform actions and provide overall updates on an ongoing basis, as appropriate.

ATTACHMENTS

- Attachment A - Metro Equity Platform Report
- Attachment B - Equity Platform FY19 Activation Plan
- Attachment C - Rapid Equity Assessment Tool

Prepared by: KeAndra Cylear Dodds, Executive Officer, Equity & Race (213) 922-4850

Reviewed by: Nadine Lee, Chief of Staff, (213) 922-7950



Phillip A. Washington
Chief Executive Officer

**Board Report**

File #: 2020-0817, **File Type:** Informational Report**Agenda Number:** 10.

**FINANCE, BUDGET AND AUDIT COMMITTEE
JANUARY 20, 2021****SUBJECT: MID-YEAR FY 20-21 BUDGET EQUITY ASSESSMENT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE status report on Mid-Year FY 20-21 Budget Equity Assessment.

ISSUE

During the Executive Management Committee meeting on September 17, 2020, Director Garcetti requested a full analysis on current expenditures using the Equity Assessment Tool for our mid-year budget report. He further requested that the Equity Assessment Tool be used to evaluate each annual budget moving forward and that the Executive Officer, Equity and Race develop a racial and social economic equity action plan.

BACKGROUND

Metro believes that access to opportunity should be at the center of decision-making around public investments and services. This is especially true for transportation, which is an essential lever to enabling that access. Vast disparities among neighborhoods and individuals in Los Angeles County limit this access, making opportunity harder to reach for some, whether it is jobs, housing, education, health care, safe environments or other essential tenets of thriving, vibrant communities. Transportation infrastructure, programs, and service investments must be targeted toward those with the greatest mobility needs first, in order to improve access to opportunity for all. Equity means that Metro's service delivery, project delivery, policymaking, and distribution of resources account for the different histories, challenges, and needs of communities across Los Angeles County; it is what we are striving towards.

DISCUSSION**Considerations**

After a review of best practices and lessons learned from jurisdictions including the cities of Portland, Oregon, Denver, Colorado, San Antonio, Texas, and the County of Santa Clara, California, staff identified the need to create a specific equity tool for application in the Metro budget process. The

tool would be used to review new, expanded scope, or reduced budgetary requests and departmental budgets. A separate agency-wide equity assessment will be conducted to assess the entire Metro budget and investments, help identify key disparities and gaps in opportunity, and drive the development of an equity strategic action plan.

Accordingly, staff created the Metro Budget Equity Assessment Tool (MBEAT) (Attachment “A”). The MBEAT is a set of questions to guide Metro staff in considering racial and social equity explicitly in its budgetary decisions. The MBEAT has two parts. Part one applies to budgetary changes, including new, expanded scope, or reduced budgetary requests, and assesses each for positive and negative impacts on historically marginalized groups and other facing inequities. Part two applies to the department’s entire budget and looks holistically at how the budget supports community engagement and inclusion; targeted efforts to reduce disparities and create a diverse and inclusive workforce; funding gaps that limit equity opportunities; and data collection and tracking to measure equity impacts. Each part will be reviewed for approval by the Offices of Equity and Race and Management and Budget through the budget process.

Part one of the tool was piloted through the FY20-21 mid-year budget process.

MBEAT Process

The MBEAT process has challenged Metro staff to apply an equity lens and more explicitly explain how budgetary decisions might specifically benefit or potentially harm or negatively impact marginalized communities. To launch the MBEAT process, staff from the offices of Equity and Race and Management and Budget met with key staff from the departments who submitted mid-year budget requests to explain the MBEAT questions and apply it to sample budget requests. Each department was then charged with completing an assessment for each new, expanded scope, or reduced budgetary request. Going into the Annual budget process, staff will incorporate a broader MBEAT training session into the Metro Budget Training for staff. Staff will also enhance the online version of the tool to collect and track the large number of anticipated budgetary requests and ensure integration with the Metro budget process.

While there are some logistical details to address, the MBEAT process shows promise in setting a foundation for applying an equity lens to decision making. It will help capture details on potential impacts for marginalized communities, provide an opportunity to address identified potential harms or negative impacts, and highlight areas for an agencywide equity assessment to further assess. The MBEAT is the first equity assessment integrated into one of Metro’s agencywide processes. It will eventually become part of an iterative process where Metro applies an equity lens at different points through planning, implementation, and funding decisions to ensure that Metro’s process and outcomes are more equitable.

MBEAT Results: FY21 Mid-Year

The MBEAT was applied to 25 new or expanded scope budget requests from various departments including the Office of the CEO (Customer Experience), Operations, and Safety Security and Law Enforcement. The MBEAT assessments highlight how many of the requests will help improve access to opportunities for some of our most marginalized and/or vulnerable communities. Most of Metro’s

current riders are people of color, low-income, and/or essential riders. There are a range of requests that will improve the customer experience for them and all riders, including funding for the Bus Speed and Reliability program and a GPS based system that will improve rail service reliability. There is also a new Rescue Ride program which would improve mobility options for bus riders who have experienced pass-ups or canceled runs. This is particularly important for riders with few alternative options to transit, who often experience more detrimental impacts when transit is not available when they need it.

Additionally, there are requests that will allow Metro to test new programs to help connect people experiencing homelessness to housing and services, including funding for a temporary shelter program and participation in the flexible dispatch pilot program in the City of Los Angeles. There are also a series of requests that will support Metro as we enhance transparency in policing and begin to reimagine public safety to ensure that every customer and operator feels safe on our system. This includes funding for body cameras and the public safety advisory committee.

Several programs or projects funded by the requests are in the development or planning phase, and program staff noted that use of the tool was helpful in thinking through how to ensure benefit for those with the greatest needs from the start. There were also funding requests for programs or projects that aim to benefit all, for which staff has not identified a potential harm or negative impact, including the Tunnel and Intrusion Program and CCTV Video Analytics. Staff will continue to measure outcomes and monitor for any disparate impacts that emerge or are unveiled.

Overall, application of the MBEAT highlighted budgetary requests with a wide range of benefits for marginalized and/or vulnerable communities, helped staff identify potential barriers or harms to address, and helped staff consider adjustments to improve access and reduce potential barriers or harms. It also highlighted a need for broader training to not only answer MBEAT questions, but to help staff think through how investment, projects, programs, and policies might cause harm or not benefit all as intended, given historic and current disparities and systemic inequities. The midyear pilot served as a first step in building a foundation for a process that will improve with the use of data analysis and targeted community engagement to help detect and invest in a way that reduces disparities.

FINANCIAL IMPACT

There is no specific financial impact to the mid-year FY20-21 budget as a result of development and applications of the Metro Budget Equity Assessment Tool.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports strategic plan goals #1.1, 3.3, and 5.7 by helping Metro to target programmatic, infrastructure, and service investments toward those with the greatest needs and enhancing communities and lives through mobility and access to opportunity.

NEXT STEPS

For the second part of the pilot, the full MBEAT will be integrated into the FY22 annual budget process which launched in November 2020. Once the FY22 budget process is complete, staff will

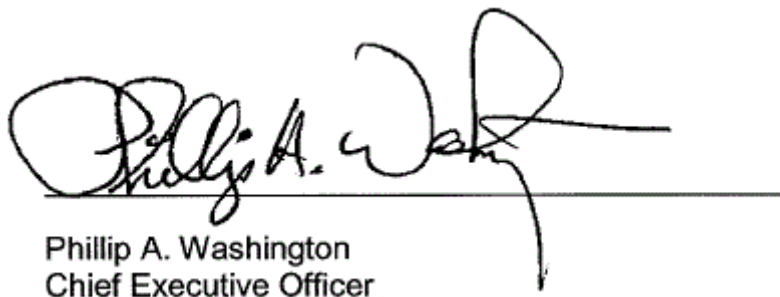
refine the MBEAT and its review process as necessary, enhance the MBEAT training process, and take the necessary steps to fully integrate the MBEAT into the Metro budget process before the development of the FY23 budget.

ATTACHMENTS

Attachment A - Metro Budget Equity Assessment Tool

Prepared by: KeAndra Cylear Dodds, Executive Officer, Equity & Race, (213) 922-4850
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Reviewed by: Nadine Lee, Chief of Staff, (213) 922-7950
Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Phillip A. Washington
Chief Executive Officer



Motion 31.1 Response: ACA 5

Executive Management Committee



Metro

Background

Assembly Constitutional Amendment 5

- Proposition 209 (1996)
- Impact at Metro:
 - Contracting
 - Employment
 - Education (Community Engagement)
- Proposition 16 (2020)
 - November 3, 2020 Election

Contracting

Consider new initiatives to inform advancement of equity and inclusion:

- Adjustment to certification size and Personal Networth thresholds for M/WBE and SBE programs
- Increase contract dollar threshold(s) for SB Prime
- Development of Local Business Enterprise incentive program
- Enhancement of capacity building initiatives

Assessment Timeline: December 2020 – March 2021

Staff recommendation to Board – April 2021

Disparity Study Update

- Last Study completed in 2017
- Receive and filed on February 15, 2018
- Study will inform upcoming FF21 – FFY23 Overall DBE Goal
- New 5-year Study update planned in FY22 (Contract Award)
- Courts point to the U.S. Commission on Civil Rights position that disparity studies using data that is more than five years old is considered stale.

Employment

- FTA requires that Metro's workforce is representative of the local community.
- Metro uses the Census EEO tabulation tables to determine availability of the five surrounding counties as the benchmark.
- To achieve goals, OCR currently reviews:
 - Job descriptions;
 - Posting period;
 - Recruitment plans (internal vs. external, sources, etc.);
 - Interview panel to ensure diversity;
 - Qualified applicant pool diversity; and
 - Concurs in the hiring and promotion process
- Prop 16 will allow Metro to be more flexible and consider race, gender or ethnicity in employment decisions whether or not there is underutilization based on labor market availability.
- If Prop 16 does not pass, OCR will continue to make effort to ensure Metro's demographic mix is the same as the local community per labor market availability.

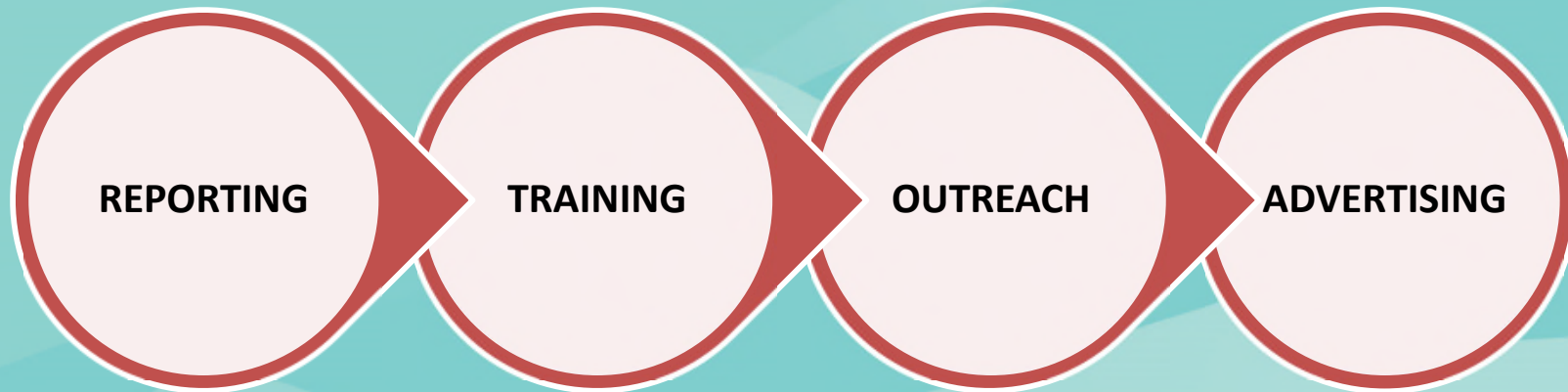


Metro

Employment

Public Employment Practices

To improve the agencies racial and gender disparities, Human Capital & Development and the Office of Civil Rights and Inclusion are prepared to expand the following:



Education (Community Engagement)

Two areas of focus:

- **Ease of Access** - Improve access to Metro policymakers, programs, projects, and initiatives by removing barriers to participation for all stakeholders.
 - Fully Implement the Community Based-Organization (CBO) Partnering Strategy
 - Promote and Advertise Oral Translation Services
 - Provide Childcare/Children's Activities at Metro Meetings and Events
- **Targeted Outreach and Engagement** - Metro can ensure more inclusive and representative engagement and outreach by targeting key stakeholders
 - Conduct surveys, focus groups, and listening sessions about community perceptions of equity and race at Metro
 - Establish baseline demographic information for targeted communities.

Education (Community Engagement)

Implementation Timeline

January 2020 – April 2021

- Finalize CBO-Strategy
- Research and analysis of childcare options
- Review of language resources
- Development of voluntary demographic surveys
- Develop surveys, and identify and schedule focus groups/listening sessions

May 2021 – June 2021

- Begin implementation of CBO Strategy
- Develop partnerships with key CBO's to implement community perceptions survey and engagement
- Initiate distribution and collection of voluntary demographic surveys

July 2021 – September 2021

- Complete first phase implementation of CBO Strategy
- Establish and review baseline demographic information
- Deploy surveys, focus groups, and listening sessions



Metro

Thank you





File #: 2021-0013, File Type: Oral Report / Presentation

Agenda Number: 43.

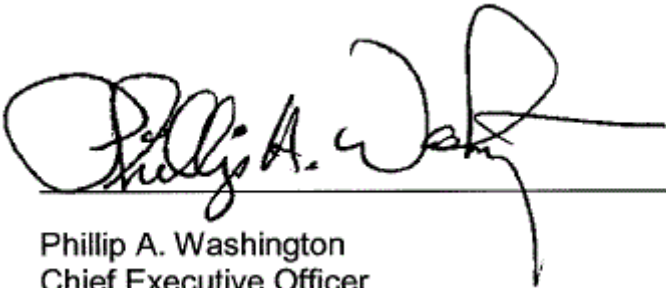
**EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021**

SUBJECT: FARELESS SYSTEM INITIATIVE UPDATE

ACTION: ORAL REPORT

RECOMMENDATION

RECEIVE Oral report on Fareless System Initiative.



Phillip A. Washington
Chief Executive Officer

Executive Management Committee

February 18, 2021



Fareless System Initiative (FSI)

Task Force set up in September: 19 Metro staff members from throughout the agency

Research and analysis of all issues associated with implementing fareless

- Operational needs
- Ridership impacts
- Equity considerations
- Safety and security considerations
- Costs to implement and ways to pay for fareless
- Relation to other transit operators in Los Angeles County

Why is Metro Considering a Fareless System?

- Equity benefit for many riders— 70% of all riders have annual incomes under \$35,000
- Fareless would save riders up to \$1,200 each annually; savings can be spent within local economies
- Incentive to return to transit in safe post-pandemic period
- Supports state's GHG reduction goals
- Creative national leadership for innovation and equity

Fareless Options Metro is Considering

Many different concepts are being examined

- Scenario 1 – Low-Income & K-12 Students (leading concept)
- Scenario 2 - Fully Fareless Pilot
- Scenario 3 - Peak/Off-Peak
- Scenario 4 - Bus Only
- Scenario 5 - Rail Only
- Scenario 6 - Geographic

Leading Concept: for Full Public Consideration and Comment

Phased Pilot Introduction: Low-Income & K-12 Students

Jan 1, 2022	August 1, 2022	June 30, 2023	July 1, 2023 forward
<ul style="list-style-type: none">Fareless for Low-income Riders (70% of Metro riders)<i>Launch of pilot contingent on Vaccinations/acceptable level of COVID-19 containment</i>	Fareless for students	Completion of pilot	Continuation and possible expansion subject to securing financing

Pilot Details

- Pilot will cover Metro bus and rail services
- Municipal Operators, Access Services, Metrolink would not participate in pilot phases
- Metro Bikeshare and Metro Micro not included in pilot
- TAP remains functioning throughout pilot (for Metro and Municipal Operators)

Fareless Pilot – Ridership & Operations

Pilot Boardings Projections

- 2019 boarding: 1.2 million boardings
- Current (COVID) boardings is 500k+
- Pilot current boarding estimates:
 - 740K+ (remainder of FY22), with increases throughout FY23
- Projected Increase in Daily Boarding: 138-141K
- Projected Increase in Annual Boarding: 76-77m

Operational and Security Readiness

- Additional fleet vehicles not required for pilot
- Additional Bus and Rail Operators are needed
- Evaluating Security Readiness

Pilot Costs for Leading Concept

(\$ millions)		
	FY2022 (6 months)	FY2023 (12 months)
Fare revenue loss	\$13.6 - \$16.3	\$134.4
Increased Transit Service	\$16.5 - \$24	\$72-96m
Increased Security	\$2.6	\$5.2
Marketing/Design/Admin	\$.6	\$-
Bond Defeasement	\$ 80	\$ -
Bond Defeasance Savings	\$-12	\$-12
Total	\$101 - \$112m	\$199-223m

Total costs =
(added service +
admin + fare revenue
not collected)

Preliminary 18-month
pilot costs:
\$301-\$335m

Assumes 50%-60% utilization in FY22, 75% utilization in FY23

Funding to Cover Costs of Initiative

Examining all possible sources of Federal, State, and Local funding

- Different funding sources have different eligibility requirements
- Examples of potential sources

Federal	State	New/Proposed
CMAQ (annually apportioned) <i>availability being reviewed</i>	The Transit and Intercity Rail Capital Program (TIRCP)	Freedom to Move demonstration grants (new bill pending in Congress)
FTA Innovation Grants	Low Carbon Transit Operations Program (LCTOP) <i>availability being reviewed</i>	

- From all of the existing and possible new funding sources, and Board funding discretion, reasonable to project funding for 18-month pilot

Fare Capping

September 2020: Directors Butts and Barger put forth [Motion 31](#)

- Directed development of budget & timeline for fare capping options
- To be presented in same Board cycle as FSI

Fare capping can work with FSI by offering a benefit to riders who do not participate in the FSI pilot

Next Steps

- Engagement with regional service providers:
 - Municipal Operators, Access Services, and Metrolink
- Communications and Outreach:
 - Virtual updates/briefings to be scheduled
 - Digital, social media, and print
- FSI Board Update (March and April 2021)
- Fare Capping Board Report (March 2021)
- Board Recommendation and Title VI Approval (May 2021)

Executive Management Committee

February 18, 2021



Fareless System Initiative (FSI)

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- Scenario 1 – Low-Income & K-12 Students (leading concept)
- Scenario 2 - Fully Fareless Pilot
- Scenario 3 - Peak/Off-Peak
- Scenario 4 - Bus Only
- Scenario 5 - Rail Only
- Scenario 6 - Geographic

Leading Concept: for Full Public Consideration and Comment

Phased Pilot Introduction: Low-Income & K-12 Students

Jan 1, 2022	August 1, 2022	June 30, 2023	July 1, 2023 forward
<ul style="list-style-type: none"> Fareless for Low-income Riders (70% of Metro riders) <i>Launch of pilot contingent on Vaccinations/acceptable level of COVID-19 containment</i> 	<p>Fareless for students</p>	<p>Completion of pilot</p>	<p>Continuation and possible expansion subject to securing financing</p>

Pilot Details

- Pilot will cover Metro bus and rail services
- Metro Bikeshare and Metro Micro not included in pilot
- Municipal Operators, Access Services, Metrolink would not participate in pilot phases
- TAP remains functioning throughout pilot (for Metro and Municipal Operators)

Fareless Pilot – Ridership & Operations

Pilot Boardings Projections

- 2019 boarding: 1.2 million boardings
- Current (COVID) boardings is 500k+
- Pilot current boarding estimates:
 - 740K+ (remainder of FY22), with increases throughout FY23
- Projected Increase in Daily Boardings:
 - 138-141K
- Projected Increase in Total Pilot Boardings:
 - 76-77m

Operational and Security Readiness

- Additional fleet vehicles not required for pilot
- Additional Bus and Rail Operators are needed
- Evaluating Security Readiness

Pilot Costs for Leading Concept

(\$ millions)		
	FY2022 (6 months)	FY2023 (12 months)
Fare revenue loss	\$13.6 - \$16.3	\$134.4
Increased Transit Service	\$16.5 - \$24	\$72-96m
Increased Security	\$2.6	\$5.2
Marketing/Design/Admin	\$1.6	\$2.0
Bond Defeasement	\$ 80	\$ -
Bond Defeasance Savings	\$-12	\$-12
Total	\$102-\$113m	\$201-225m

Total costs =
(added service +
admin + fare revenue
not collected)

Preliminary 18-month
pilot costs:
\$304-\$338m

Assumes 50%-60% utilization in FY22, 75% utilization in FY23

Funding to Cover Costs of Initiative

Examining all possible sources of Federal, State, and Local funding

- Different funding sources have different eligibility requirements
- Examples of potential sources

Federal	State	New/Proposed
CMAQ (annually apportioned) <i>availability being reviewed</i>	The Transit and Intercity Rail Capital Program (TIRCP)	Freedom to Move demonstration grants (new bill pending in Congress)
FTA Innovation Grants	Low Carbon Transit Operations Program (LCTOP) <i>availability being reviewed</i>	

- From all of the existing and possible new funding sources, and Board funding discretion, reasonable to project funding for 18-month pilot

Fare Capping

September 2020: Directors Butts and Barger put forth [Motion 31](#)

- Directed development of budget & timeline for fare capping options
- To be presented in same Board cycle as FSI

Fare capping can work with FSI by offering a benefit to riders who do not participate in the FSI pilot

Next Steps

- Engagement with regional service providers:
 - Municipal Operators, Access Services, and Metrolink
- Communications and Outreach:
 - Virtual updates/briefings to be scheduled, including Telephone Town Hall
 - Digital, social media, and print
- FSI Board Update (March and April 2021)
- Fare Capping Board Report (March 2021)
- Board Recommendation and Title VI Approval (May 2021)



File #: 2020-0913, File Type: Oral Report / Presentation

Agenda Number: 44.

**EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021**

SUBJECT: TRAFFIC REDUCTION STUDY

ACTION: ORAL REPORT

RECOMMENDATION

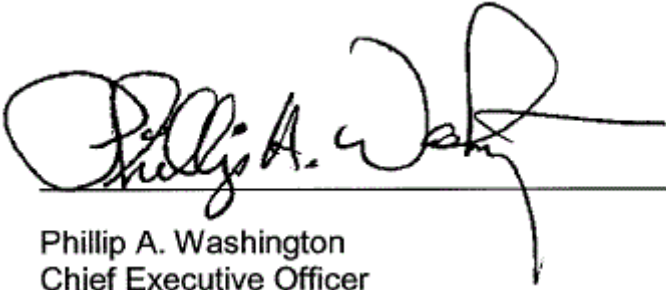
RECEIVE oral report on Traffic Reduction Study.

Prepared by:

Tham Nguyen, Senior Director, Office of Extraordinary Innovation, (213) 926-2724

Emma Huang, Principal Transportation Planner, Office of Extraordinary Innovation, (213) 660-9115

Reviewed by: Joshua Schank, Chief Innovation Officer, (213) 418-3345



Phillip A. Washington
Chief Executive Officer



February 2021

We're studying ways
to reduce traffic.



TRAFFIC REDUCTION STUDY

Traffic Reduction Pilot Program Framework

Goals of a pilot program



- Reduce traffic through congestion pricing, and
- Provide more high-quality options for getting around

We're striving for these additional positive outcomes:



Improve public health and safety



Support environmental and economic justice



Improve the economy

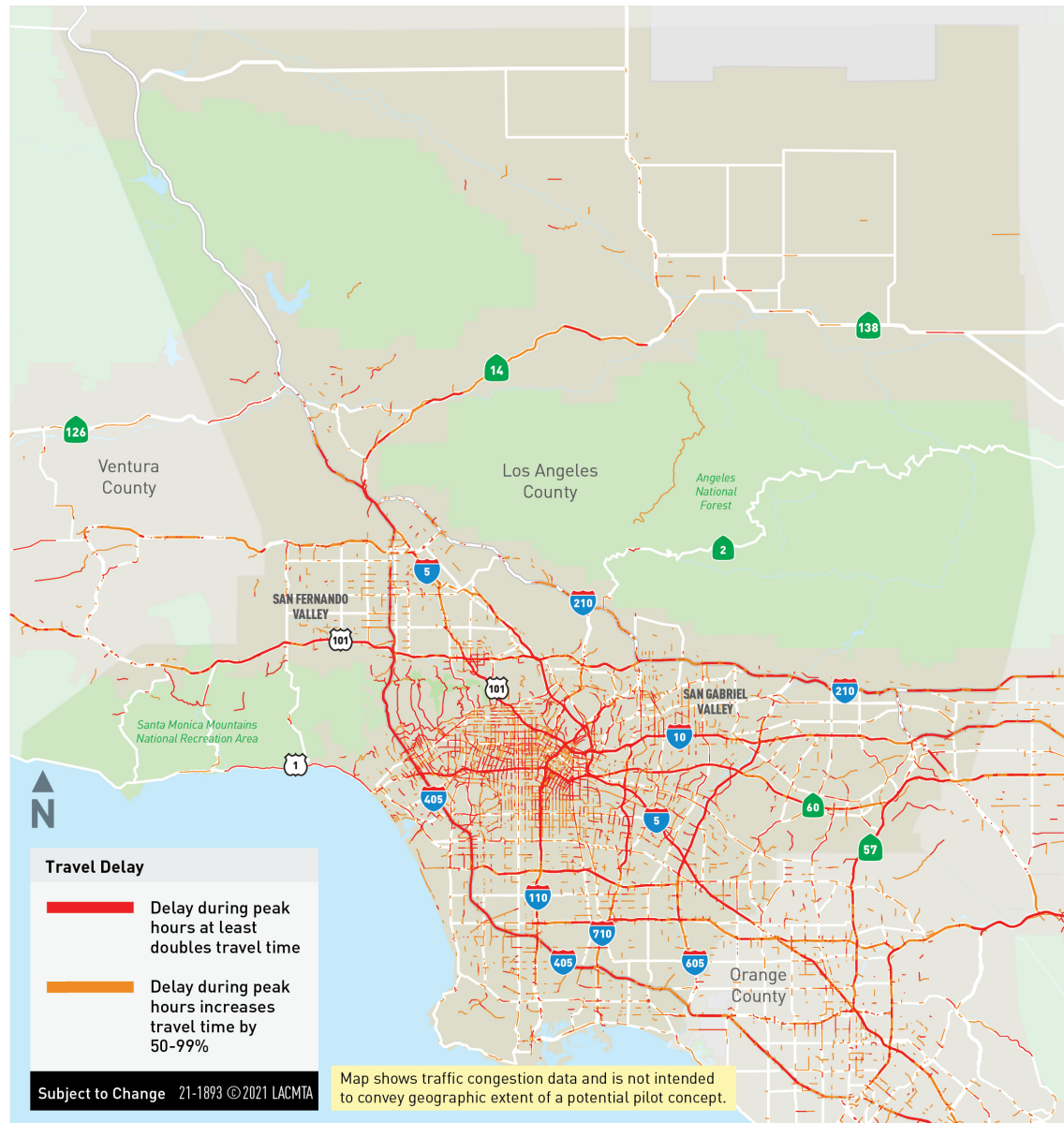


Re-invest net revenues in communities served/affected

Identify concepts for analysis

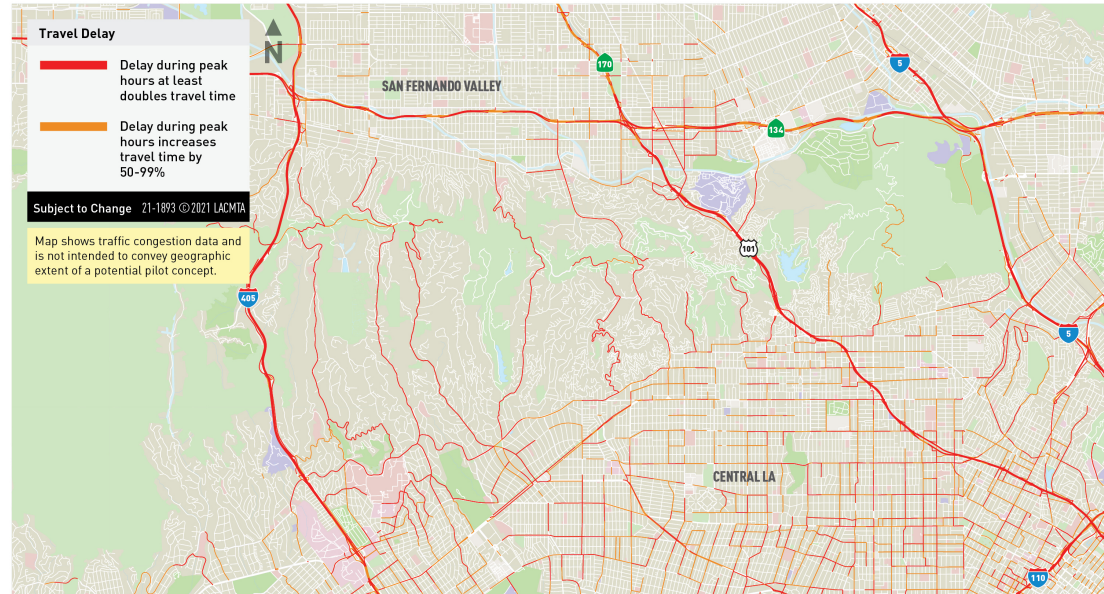
- Ability to respond to substantial congestion
- Traffic reduction benefits easily described
- Potential interested jurisdictions
- Potential for rich transit and mobility options before pilot implementation
- Potential to anticipate and minimize spillover traffic
- Use natural or human-made structures as boundaries to greatest extent possible
- Focus on commercial locations
- Avoid bisecting neighborhoods

Opportunity for Significant Traffic Reduction

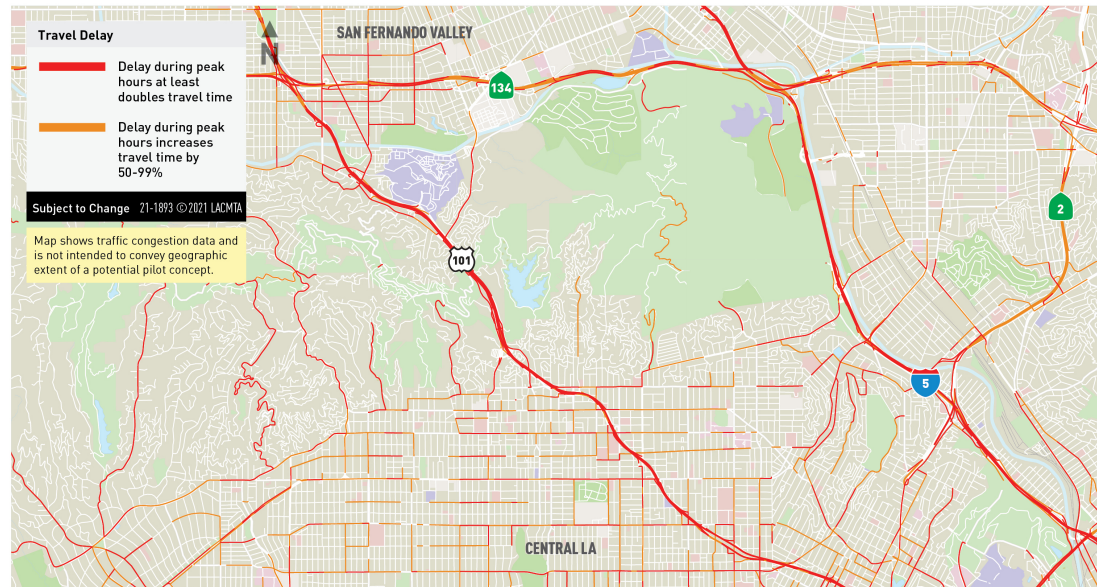


Concept Consideration Areas 1A & 1B

1A: Santa Monica Mountains (Corridor)

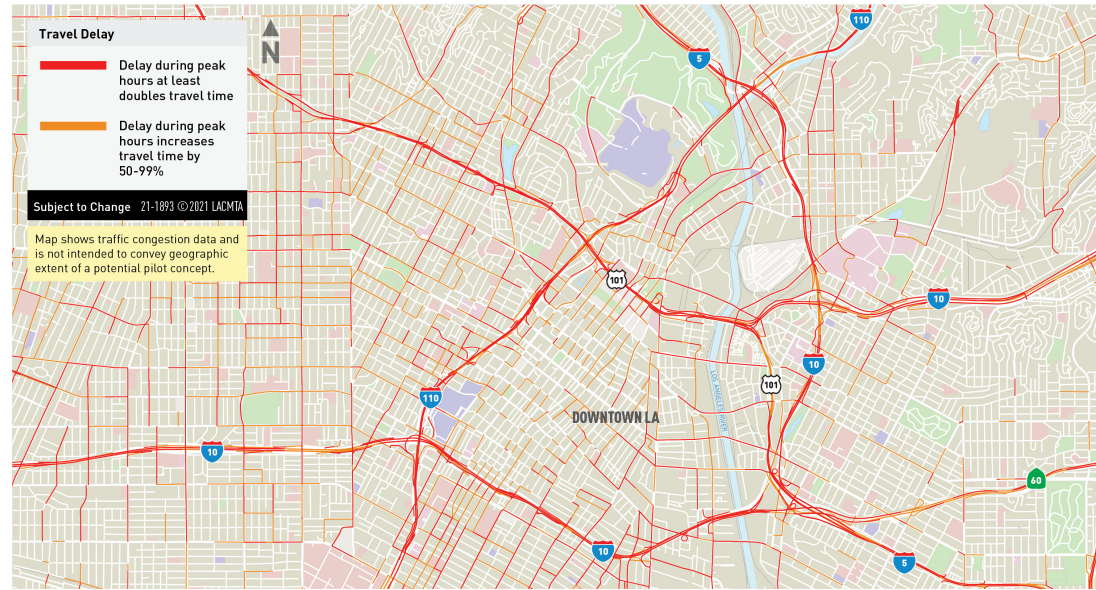


1B: US-101 & I-5 (Corridor)

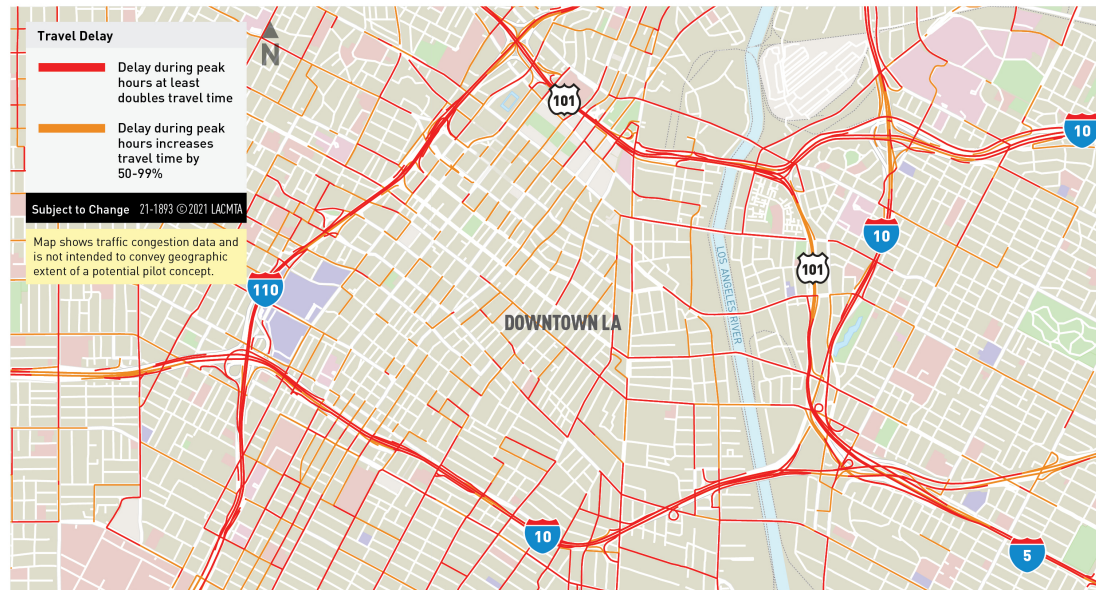


Concept Consideration Areas 2 & 3

2: Downtown LA Freeways (Corridor)





3: Downtown LA (Cordon)



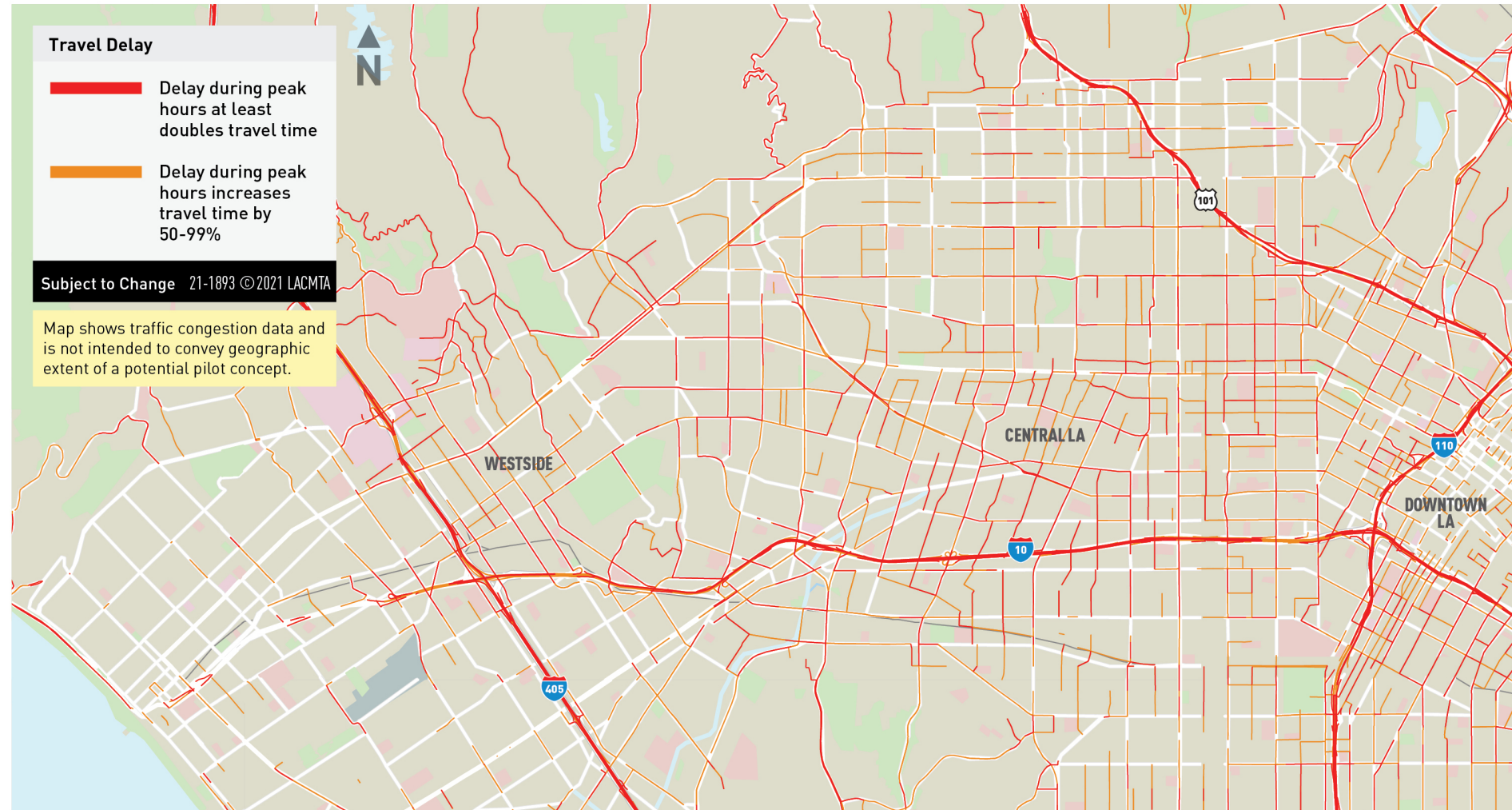
Concept Consideration Area 4: I-10 West of Downtown LA (Corridor)

Travel Delay

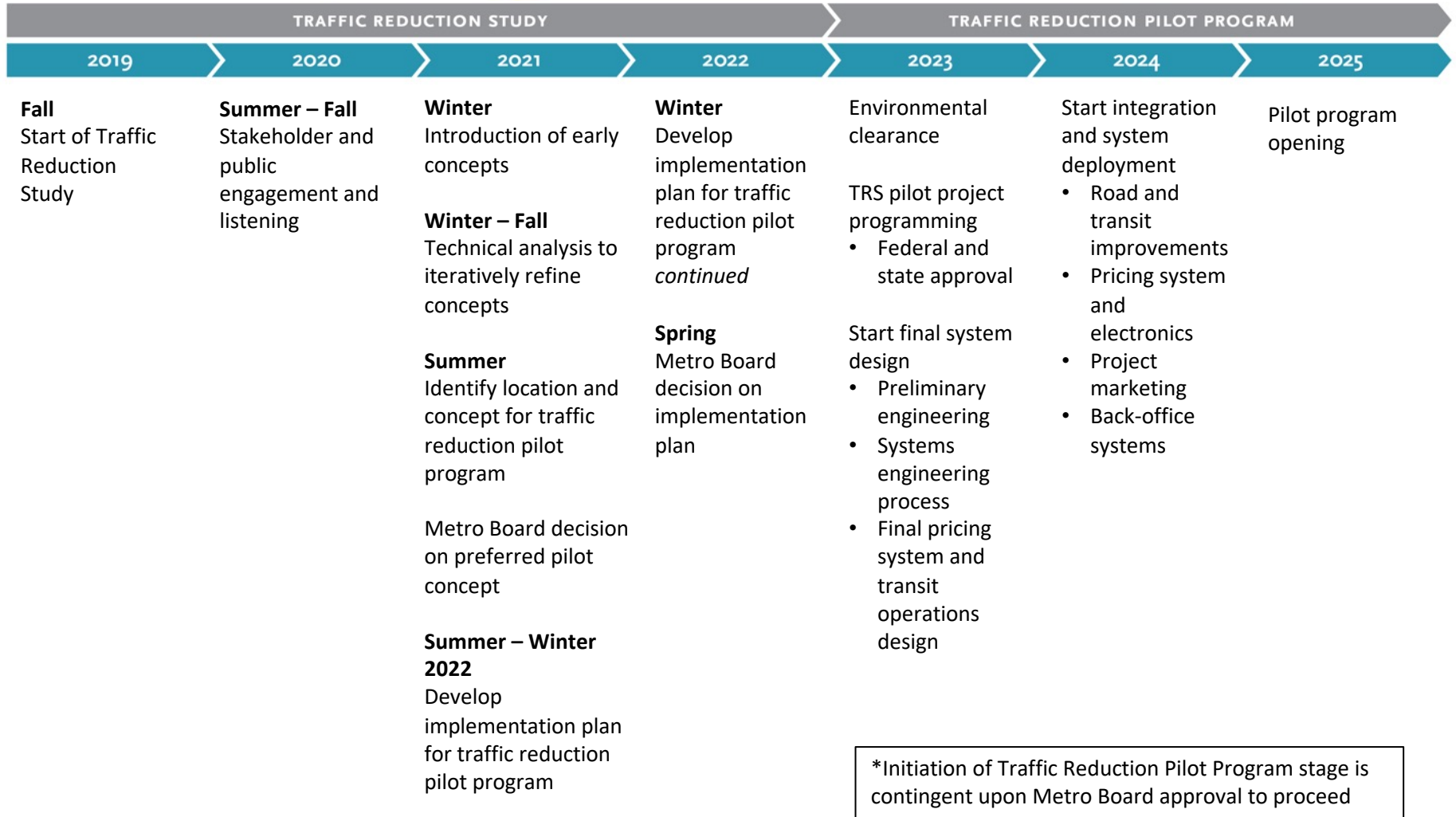
-  Delay during peak hours at least doubles travel time
-  Delay during peak hours increases travel time by 50-99%

Subject to Change 21-1893 © 2021 LACMTA

Map shows traffic congestion data and is not intended to convey geographic extent of a potential pilot concept.



Anticipated Schedule





Board Report

File #: 2020-0841, **File Type:** Oral Report / Presentation

Agenda Number: 45.

**EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2021**

SUBJECT: RECOVERY TASK FORCE FINAL REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE Metro Recovery Task Force Final Report

ISSUE

Metro's Recovery Task Force submits its final report ("Attachment A").

BACKGROUND

The Recovery Task Force ("Task Force") is an internal staff committee at Metro responsible for providing advice and recommendations to the Metro Senior Leadership Team (SLT) and Chief Executive Officer (CEO) on recovery from the novel coronavirus (COVID-19) pandemic. Task Force goals and deliverables include: 1) identifying and recommending actions Metro can take to respond to the pandemic, to recover after the pandemic, to help lead an equitable economic recovery for LA County, and to advance mobility without congestion as the 'new normal' after the pandemic; 2) issuing periodic reports to Metro decision makers, the public, and stakeholders on the work of the Task Force, including the status of early action items; and 3) drafting a final report, which includes updates on Metro's early actions and final recommendations with implementation plans.

DISCUSSION

The Recovery Task Force Final Report contains recommendations to help Metro respond to the pandemic and recover after the pandemic. The final report includes 20 Early Action Recommendations that the Recovery Task Force identified and recommended during the spring and summer of 2020 in immediate response to the pandemic. The Task Force hosted virtual public meetings to get public and staff input on the early action recommendations and presented these to the Board of Directors for feedback.

During the second half of 2020, the Task Force developed 17 final recommendations. The Recovery Task Force then hosted a second set of virtual public meetings for public and staff input, and also presented them to the Board of Directors in November 2020.

After incorporating comments and further refining the recommendations, Metro's Recovery Task Force released its draft final report to the public in December 2020. English and Spanish-language online feedback forms were posted to Metro.net/recovery seeking input on the report's 17 final recommendations (and any other input) by February 8, 2021.

During the comment period, the Recovery Task Force received and reviewed approximately 1000 items of feedback on different recommendations from approximately 240 individuals, plus comment letters from three councils of government, Metro's Citizens' Advisory Council, and several coalitions of non-profit organizations and businesses. A summary of the feedback received and how it was incorporated into the final report can be seen at "Attachment B".

FINANCIAL IMPACT

Receiving and filing the Recovery Task Force Final Report has no impact to the agency's budget. Should implementation of a recommendation require Board action or budgetary resources, it will be accompanied by financial analysis prior to seeking approval.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Each of the 37 recommendations outlined in the Recovery Task Force Final Report identify specific Metro Vision 2028 Strategic Plan goals they support and are aligned with.

NEXT STEPS

Following release of the final report, Metro staff will focus on implementing recovery recommendations. This includes steps outlined in the implementation plans for each final recommendation, plus continued work on early actions that have not been completed. Staff will also aim to develop, track, and share metrics to assess the impacts and progress of implementation. When implementation of individual recommendation reaches a point that requires action by the Board, they will be brought to the Board with opportunity for public comment.

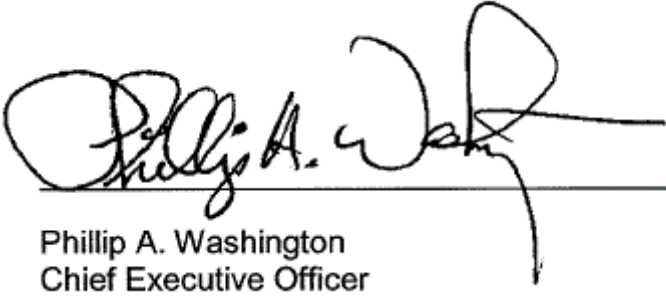
ATTACHMENTS

Attachment A - Recovery Task Force Final Report

Attachment B - Summary of and Response to Public Feedback on Draft Final Report

Prepared by: Emma Huang, Principal Transportation Planner, OEI, (213) 922- 5445
Mark Vallianatos, Executive Officer, OEI, (213) 922-5282

Reviewed by: Joshua Schank, Chief Innovation Officer, OEI (213) 418-3345



Phillip A. Washington
Chief Executive Officer

A PATH FORWARD

Metro's Recovery Task Force

FINAL REPORT – FEBRUARY 2021

Metro



Metro®

Letter from the CEO

Powered by Leadership, Rooted in Vision

When we formed Metro's Recovery Task Force in April 2020 in response to the COVID-19 pandemic we knew that unprecedented challenges would lie ahead. From the outset we were determined that Metro would not only maintain service for essential workers, but also would emerge from this pandemic stronger than when we started. This is why we created a task force, led by our Chief Innovation Officer Joshua Schank, to compose a diverse, multidisciplinary group of emerging leaders at Metro.

As we release this task force report, LA County continues to struggle with the pandemic even as the promise of a vaccine begins to provide a glimmer of hope. Residents of LA County, and in particular our low-income and minority communities, continue to suffer both the human and economic tolls of the health crisis. The central mission of the task force is to help Metro and the region respond to and recover from the effects of the pandemic as quickly and robustly as possible.

During the initial months of this crisis, we saw a glimpse of what Los Angeles can be when we prioritize the movement of people over cars. No traffic congestion, free-flowing buses and cars on roads and highways, cleaner air, open streets enjoyed by families, outdoor dining parklets, and a surge in cycling and bike sales were all inspiring. We saw a vision of what a more sustainable and more equitable mobility landscape could look like in Los Angeles County.

Now more than ever we believe in the promise of a more equitable LA that doesn't require every adult to own a car, where all people have a multitude of mobility options that are convenient and accessible, and where it is safe and healthy to live your life in public spaces no matter your race or economic status. The recommendations in this report from the Recovery Task Force offer such a promise.

While there are still many miles to go on the path to recovery, I know we are headed in the right direction. I'm proud of how Metro's staff has responded to the COVID-19 pandemic both operationally and through the Recovery Task Force's recommendations. I believe our workforce is the best in the business. For example, the dedication shown by our operators, maintenance teams, cleaning crews and frontline Customer Care personnel are a benchmark for the industry. These frontline employees continue to deliver for our customers under difficult conditions.

We are pleased to present this final report from the Recovery Task Force, which we believe can be the foundation for a new beginning for mobility and equity in LA County.



Phillip A. Washington
CEO, Metro

Dedication

This effort is dedicated to the Metro employees who passed away from COVID-19. We appreciate and recognize their invaluable service to Metro and to the broader Los Angeles County community. Our thoughts are with their families and friends.

Table of Contents

Letter from the CEO	i
About the Task Force	1
The Path Forward	4
COVID-19 Impacts on Mobility and Transportation in LA County – A Year Later	8
A Recovery Framework for Metro	16
Task Force Progress to Date	22
Early Action Recommendations	25
Phase One: Respond and Prepare	26
1. Survey Riders.....	27
2. Fund Safe Streets.....	28
3. Expand and Innovate Cleaning.....	29
4. Distribute Masks to Riders.....	31
5. Allow Mask Vending.....	32
6. Implement Visual Payment on <i>Transit</i> App	33
7. Improve Online Meetings.....	34
8. Increase Ventilation	35
9. Support Working Parents	36
Phase Two: Relaunch	37
10. Restore Service.....	38
11. Study New Bike Share Models	39
12. Promote Biking	40
13. Allow and Promote Telework.....	41
14. Install More Bus Lanes	43
15. Launch “We’re Here for You” Communications	44
16. Use More Customer Ambassadors	45
17. Explore New Mobility Solutions	46
18. Use Budget to Advance Recovery	47
19. Reimagine Capital Projects.....	48
20. Better Address Homelessness.....	49



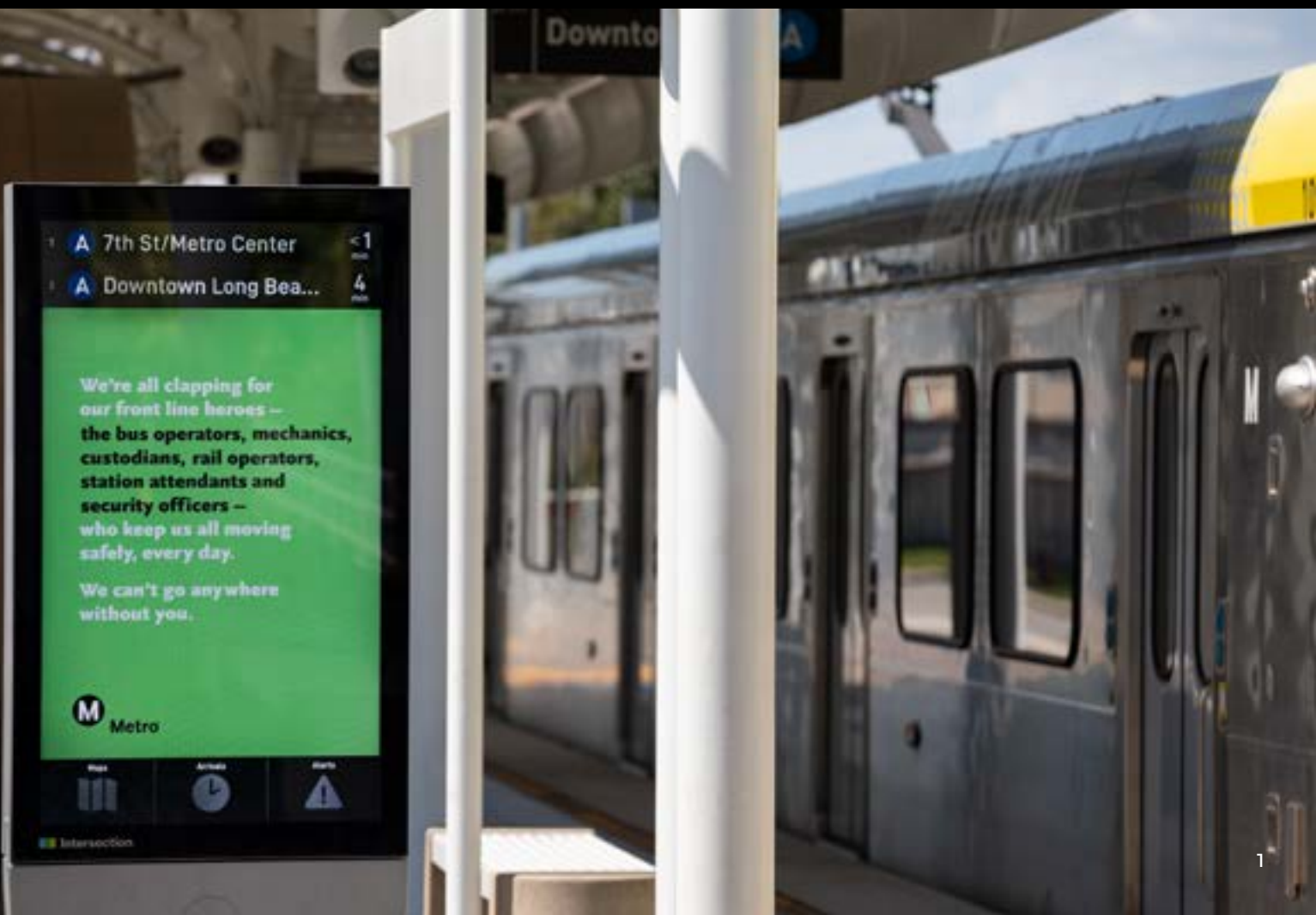


Final Recommendations	50
New and Improved Services	51
21. Run Express Buses on Improved HOV and Express Lanes.....	52
22. Accelerate Networks of Complete Streets	55
23. Fully Integrate Transit in LA Region.....	58
24. Offer Incentives to Reduce Car Ownership	61
25. Improve Station Amenities	63
Responsive Metro	65
26. Improve Public Engagement and Strengthen Rider Voices	66
27. Gather More Data on Equity and Travel Patterns	71
28. Share Data and Information More Openly and Effectively	74
Vibrant Future	77
29. Accelerate Joint Development and Transit-Oriented Communities	78
30. Expand Region’s Broadband Infrastructure.....	81
31. Create Green Jobs and Green Infrastructure.....	83
32. Reimagine <i>Destination Discounts</i>	86
Help Pay for Recovery Recommendations	89
33. Study Reducing Capital Construction Costs	90
34. Build Staff Capacity.....	93
35. Use M and R Ordinances.....	95
36. Expand Revenue Opportunities	97
37. Identify Funding for Incentives to Reduce Car Ownership	100
Next Steps	102
Acknowledgments	103
Appendix	105



About the Task Force

The COVID-19 Recovery Task Force is a staff committee at Metro responsible for providing advice and recommendations to the Senior Leadership Team (SLT) and Chief Executive Officer (CEO) on recovery from the novel coronavirus (COVID-19) pandemic.



Task Force Goals and Responsibilities

The task force recommends a set of actions that Metro can take to respond to the COVID-19 pandemic and recover from it. Task force goals and deliverables include:

- 1 Identifying and recommending actions Metro can take to respond to the pandemic, to recover after the pandemic, to help lead an equitable economic recovery for LA County and to advance mobility without congestion as the 'new normal' after the pandemic
- 2 Issuing periodic progress reports to Metro decision makers, the public and stakeholders on the work of the task force, including the status of early action items.
- 3 Drafting this final report, which includes updates on Metro's early actions and final recommendations with implementation plans.



Task Force Members

The task force is chaired by Metro's Chief Innovation Officer and staffed by the Office of Extraordinary Innovation and the Communications department. Members of the task force were nominated by the Senior Leadership Team (SLT) and chosen to represent a diversity of experiences and perspectives, with a preference for graduates of, or participants in, Metro Leadership Academy, Eno Multi-Agency Exchange Program and the Women & Girls Governing Council. Metro's Executive Officers for Equity & Race and Customer Experience are also on the task force.

Joshua Schank, *Office of Extraordinary Innovation – Chair*
Aida Berry, *Office of Civil Rights & Inclusion*
Stephanie Burke, *Human Capital Development*
Lilian de Loza-Guttierez, *Communications*
KeAndra Cylear Dodds, *Office of the CEO*
Imelda Hernandez, *Systems Security & Law Enforcement*
Nancy Hinojosa, *Risk, Safety & Asset Management*
Kyle Holland, *Office of Management & Budget*
Rani Narula-Woods, *Operations*
Sharyne Ng, *Human Capital Development*
Olivia Nelson-Richard, *Transportation Communications Union*
Melissa Park, *Congestion Reduction*
Heather Repenning, *Program Management*
Heather Severin, *Program Management*
Fumi Sotozono, *Management Audit Services*
Jessica Spearman, *Vendor/Contract Management*
Quintin Sumabat, *Operations*
Alvin Trotter Jr., *Program Management*
Elezanbee Vue, *Operations*
Kyle Wagner, *Vendor/Contract Management*
Aaron Weinstein, *Office of the CEO*

Staffed by

Mark Vallianatos, *Office of Extraordinary Innovation*
Emma Huang, *Office of Extraordinary Innovation*
John Gordon, *Communications*



The Path Forward

In these unprecedented times, amid a deadly pandemic and an economic recession, there is still cause for optimism. Tectonic shifts are occurring in all aspects of daily life, including transportation.

The events of 2020 have taken a terrible human toll and will leave LA County with enormous economic and social challenges. But they also create opportunities to reimagine mobility in our region and to chart a return to a new and better “normal.”



In April 2020, Metro created a Recovery Task Force to respond to the COVID-19 pandemic. Our mandate was to recommend actions that address immediate, frontline safety concerns for Metro workers and riders, help the agency recover from the seismic impact of lost revenue, chart a course for an equitable economic recovery for LA County and pursue ‘mobility without congestion’ as the new normal.

We deliver this final report amid myriad challenges and at a time when LA County is still battling the worst public health crisis in more than a century. Rates of infection, hospitalization and death, already at shocking levels, were still climbing as 2020 drew to a close. And with millions out of work and public resources stretched thin, the pandemic’s incalculable physical, mental and economic impacts seem sure to reverberate for months and years to come.

For its part, Metro, like other transit systems around the country, faces a daunting combination of budget cuts and reduced ridership at a time when the need in many of the communities it serves is especially acute. Meanwhile, generational disruptions in how people get around, shop, communicate and work continue unabated with no clear roadmap for where the future leads or for how these changes will affect demand for mobility services once the pandemic ends. Recovery is a moving target, and longing for a return to normalcy can be a powerful coping mechanism.

The Recovery Task Force offers these recommendations recognizing that many of the problems highlighted by the pandemic have their roots in LA County’s pre-pandemic “normal.” Long-standing and well-documented inequities – in transportation, education and housing policies – have grown starker in the current crisis, and continue to put the most vulnerable at highest risk. In this context, Metro has a responsibility to put forward ideas that can help prevent a return to vast disparities in access to opportunity, to gridlocked and dangerous streets and to run-away climate change. Our hope is these recommendations force a reckoning that ensures we leave the congested and unsustainable normal of the past behind and move forward to a better, healthier and fairer LA County.

In this environment, recovery is a moving target, and longing for a return to normalcy can be a powerful coping mechanism. But the crisis has also highlighted the many ways that our pre-COVID “normal” was failing the people of LA County, shining a harsh light on longstanding inequities in transportation, education and housing that now, more than ever, are putting the most vulnerable at risk.

Despite these challenges we remain optimistic, not only that Metro can be a potent force for recovery, but that Metro has an opportunity – indeed, a responsibility – to take actions that will ensure a more effective, equitable and sustainable transportation system long after COVID-19 has been vanquished.

The recommendations in this report provide a partial roadmap for building that system. They build on many positive initiatives that are already underway, on the ideas and programs put forward in Metro’s Vision 2028 Plan and on other initiatives that are still in the planning phase.

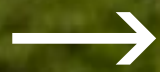
In the pages that follow we begin by reporting on the action items the task force identified during the early months of the pandemic. Some of these actions have already been completed, while others are still in progress. The second half of the report introduces 17 new action recommendations that are designed to address the longer-term goals of (1) advancing mobility and equity as Metro and LA County recover from the pandemic, and (2) finding ways to pay for these improvements.

Figure 1 shows all of the task force’s recommendations for early and longer-term actions. It summarizes the status of each recommendation as of early December 2020.

FIGURE 1: TASK FORCE RECOMMENDATIONS

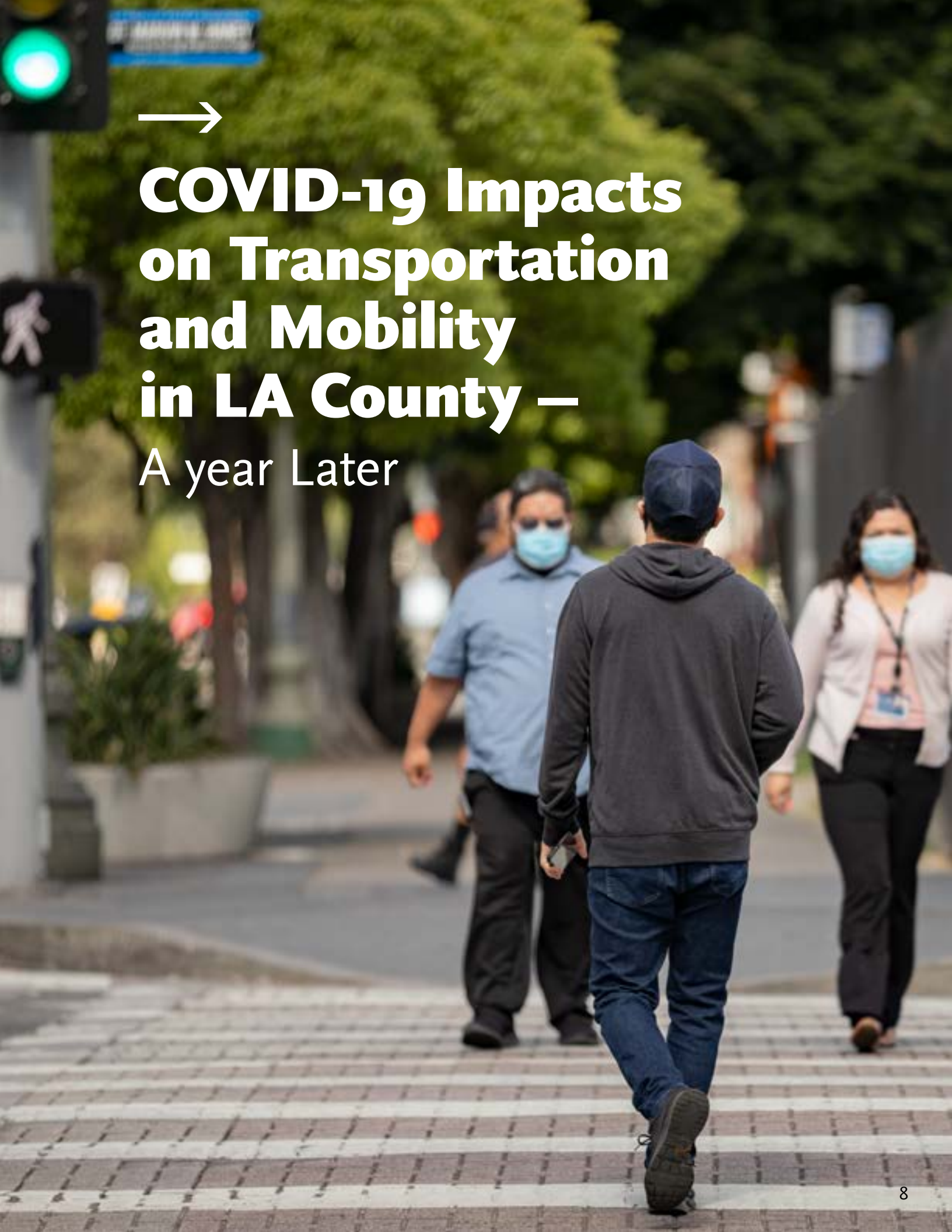


*On Hold



COVID-19 Impacts on Transportation and Mobility in LA County –

A year Later



As we wrote the final version of this report, LA County was approaching a year since COVID-19 triggered Safer at Home orders in March 2020. The task force has continuously monitored the impacts of COVID-19 on transportation and mobility in LA County to ensure that our recommendations are supported by data.

This section builds on findings from the last three task force progress reports to summarize the developments that have informed our analysis. As new evidence emerges, Metro will continue to adjust its response to the pandemic and its approach to implementing the recommendations in this report.

January 2021 was the deadliest month of COVID-19 in LA and California – December 2020 followed closely behind.

- > As of January 28, 2021, LA County had registered 1,092,128 confirmed cases and 15,915 deaths. Since January 21, 2021, the county has averaged 7,621 new cases per day and 214.1 new deaths per day.¹
- > Within Metro’s own workforce, as of January 27, 2021, there were 1,503 confirmed cases and 10 deaths.²
- > Hospitals were critically overcrowded and overwhelmed in December and January, with relief only beginning in late January as hospitalizations from coronavirus began to decline. At its peak, nearly 800 new patients were hospitalized daily. As of January 28, 2021 that number is now about 500 a day.³
- > Governor Gavin Newsom imposed another stay-at-home order in December as coronavirus cases worsened. The order was tied to ICU capacity dropping below 15%. This order was not lifted until late January, returning the state to a system of county-by-county restrictions.⁴
- > LA County began vaccinating frontline health care workers in December. The county began vaccinating people 65 and older in late January, and estimated that it could take until June before moving on to offer the vaccine to the general public.⁵
- > As part of a plan for how and when Metro employees can get vaccinated once it is available, the agency is identifying potential Metro-owned sites that can be used for administering vaccinations.

¹See <https://www.latimes.com/projects/california-coronavirus-cases-tracking-outbreak/los-angeles-county/>

²See <https://www.metro.net/about/about-metro/metro-tracks-covid-19-cases/>

³See <https://www.latimes.com/california/story/2021-01-28/amid-crowded-hospitals-la-covid-cases-start-to-decline>

⁴See <https://www.cbsnews.com/news/california-covid-stay-at-home-order-lifted/>

⁵See <http://publichealth.lacounty.gov/acd/ncorona2019/covidvaccinedistribution/>

People of color have been disproportionately impacted by the pandemic.

- > COVID-19 has exacerbated existing social inequities, causing far higher mortality among low-income and non-white populations. Black and Latino residents of LA County are dying at disproportionate rates. Mortality among those living in the poorest areas of the county is four times higher than among people living in the most affluent areas.⁶
- > Differences in working and living conditions put low-income Black and Latino residents at greater risk of exposure. These residents are more likely to be essential workers and to hold low-wage jobs that involve frequent contact with the public. Many work at sites or in environments where health and safety precautions are not always enforced.⁷
- > The rate of confirmed COVID-19 cases per 1,000 residents is 3.7 times higher in neighborhoods with large numbers of people per household than in neighborhoods with lower household density. About two-thirds of Californians who live in overcrowded homes are essential workers or live with at least one essential worker. Of those, 75% live in poverty and 92% are people of color.⁸
- > The LA region had the nation's highest unemployment rate in June, magnifying existing income inequality in the region. Unemployment rates were higher for lower-income families, at around 28%, compared to 11% for workers in households earning above \$100,000. Unemployment rates for workers in informal jobs, many of whom are non-citizens, are as high as 20.5%. Immigrants without legal status, who disproportionately hold these jobs are also ineligible for traditional unemployment insurance, making them more economically vulnerable.⁹

Working moms bear the brunt of remote learning and the closure of childcare centers. LA Unified remains closed to in-person classes.

- > As of September 2020, women were leaving the workforce at four times the rate of men.¹⁰
- > In October 2020, a third of unemployed working aged women said they left the workforce because of childcare demands. This compares to 12% of unemployed men who cited the same reason.¹¹
- > Women are also more likely to shoulder the burden of closed schools and closed day care centers, on top of being more likely to have lost a job during the pandemic. This has long-lasting repercussions for women's lifetime earnings, family income, women's representation in the labor force and gender pay equity.¹²
- > Women of color and single mothers are the most burdened. Due to a variety of intersecting factors, they are likely to have the most unpredictable schedules, the fewest benefits and be the least able to afford childcare. Because they also fill most of the essential jobs that are not conducive to telework, they also face greater risks for exposure to the virus.¹³

Vehicle traffic is returning faster than transit ridership, and travel patterns are changing.

- > Vehicle miles travelled (VMT) in the Southern California region declined by nearly 80% in early April 2020 compared to January of the same year. VMT began increasing again in mid-April, and was nearing pre-pandemic levels by August 2020.¹⁴

⁶See <http://publichealth.lacounty.gov/media/Coronavirus/data/index.htm#info-deathrate>

⁷See <https://laborcenter.berkeley.edu/front-line-essential-jobs-in-california-a-profile-of-job-and-worker-characteristics/>

⁸See <https://calmatters.org/projects/california-coronavirus-overcrowded-neighborhoods-homes/> and <https://www.racecounts.org/covid/>

⁹See <https://www.rand.org/blog/2020/08/la-has-the-nations-highest-unemployment-for-some-groups.html>

¹⁰See <https://www.npr.org/sections/coronavirus-live-updates/2020/10/02/919152104/jobs-growth-continues-to-slow-in-last-employment-report-before-election>

¹¹See <https://www.nytimes.com/2020/11/17/business/economy/women-jobs-economy-recession.html?searchResultPosition=2>

¹²See <https://www.nytimes.com/2020/06/03/business/economy/coronavirus-working-women.html>, <https://www.census.gov/library/stories/2020/08/parents-juggle-work-and-child-care-during-pandemic.html>

¹³See <https://www.americanprogress.org/issues/women/reports/2020/10/30/492582/covid-19-sent-womens-workforce-progress-backward/>

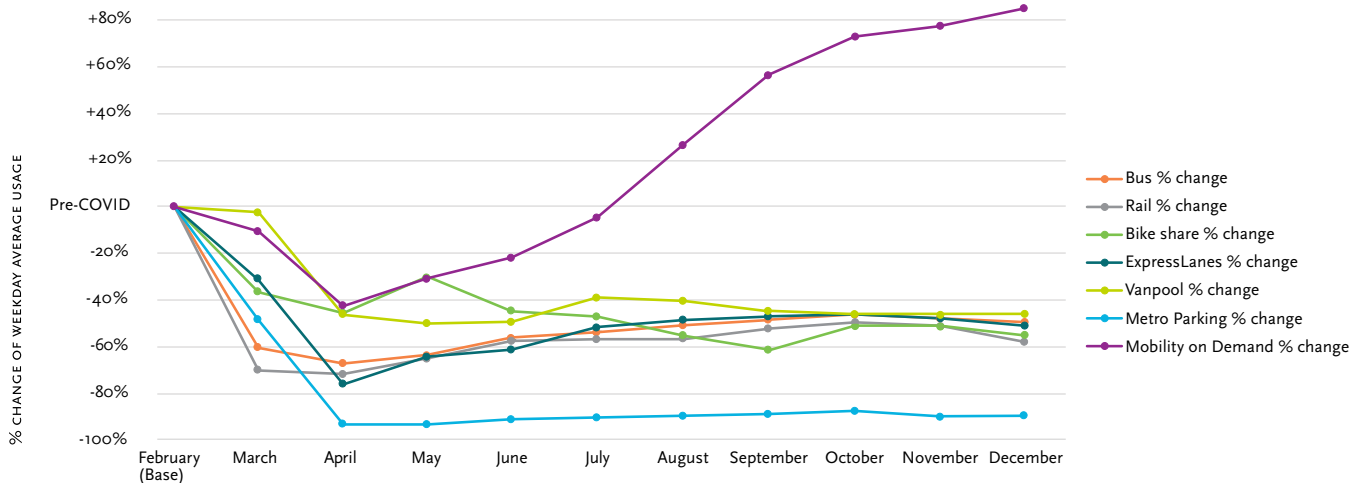
¹⁴See http://www.scag.ca.gov/Documents/scag-COVID-19-Transportation_Impacts.pdf

> A VMT analysis of the LA metro region by StreetLight found tremendous changes in peak commuter travel. Instead of a sharp increase in morning travel followed by a drop and then an afternoon peak, VMT data collected in August 2020 found weekday traffic built gradually through the morning toward a more sustained afternoon high.¹⁵ Streetlight describes an additional “mini rush hour” just after lunch, with lower levels of congestion but for a longer period of time during the afternoon peak. That peak begins earlier but ends sooner, with freeways returning to normal loads as much as an hour earlier compared to the same time period in 2019.

Streetlight has hypothesized that the added flexibility of telecommuting has allowed for more midday trips.

> Figure 2 details the percent change in weekday average usage for all of Metro’s mobility services relative to pre-pandemic usage (using February 2020 as a baseline). A 0% change means complete recovery of usage in the months following February, whereas a negative percent change means a reduction in usage. All services, except for Mobility on Demand¹⁶, saw a decrease in usage due to Safer-at-Home orders and changing travel patterns during the pandemic.¹⁷

FIGURE 2: METRO SYSTEMWIDE USAGE CHANGE (ALL MODES), 2020



> The pandemic resulted in a significant decline in bus and rail ridership along with use of other Metro services, starting in March 2020. Ridership increased between May and July 2020 as Safer at Home orders were relaxed and has remained steady at about 50% below pre-COVID-19 forecasts since then, with the exception of December when bus and rail ridership declined slightly.

> Transit use has been slower to recover in the United States than in the rest of the world, and California ridership lags behind that of the country as a whole.¹⁸ Returning riders are more likely to be low-income people of color who have little or no access to private vehicles.¹⁹

¹⁵See <https://learn.streetlightdata.com/covid-transportation-trends>

¹⁶Mobility on Demand has increased usage by 60% from February 2020 largely due to new services offered for riders.

¹⁷For a more detailed analysis of COVID-19 ridership and service level analysis, see Attachment C and Attachment D of Board Report File # 2020-0709.

¹⁸See “Monitoring adjustments to transit service during a pandemic,” Brian D. Taylor; UCLA ITS.

¹⁹See “Monitoring adjustments to transit service during a pandemic,” Brian D. Taylor; UCLA ITS.

The pandemic has had a major financial impact on individual households and small businesses, leading to food and housing insecurity.

- > The seasonally adjusted unemployment rate in LA County was 11% in December 2020, up from 10.9% the month before. This was higher than the state unemployment rate of 9% and the national rate of 6.7%. By contrast, the county's unemployment rate was just 4.3% in December 2019. These numbers do not capture people who have dropped out of the job market (figures show that the overall size of the labor force has declined as a result of the pandemic).²⁴
- > In California, leisure and hospitality continues to be the sector most affected by COVID-19 (based on comparisons to October 2019). These jobs have plummeted 30% this year, and are also more likely to be held by vulnerable workers who do not have high school degrees, are more likely to be women, be Black or Latino, or be foreign-born.²⁴
- > As of December 31, 2020, total small business revenue in Los Angeles had decreased by 29.9% compared to January 2020.²⁵
- > The pandemic and resulting economic fallout have created severe hardship with many households struggling to put food on the table, pay their rent or mortgage, and cover basic household expenses. Data collected between November 25 – December 21, 2020, revealed that 19% of Californians reported that children in their household were not eating enough because they couldn't afford food, 20% reported not being caught up on rent and 40% reported difficulty covering usual household expenses.²⁶

Metro's FY21 budget has been amended from \$6.23 billion to \$6.99 billion due to slightly improved revenues.

- > More than 60% of Metro's revenue comes from sales taxes. Consumer spending in LA County directly impacts those revenues. In Los Angeles, as of January 3, 2021, total spending by all consumers had decreased by 12.8% compared to January 2020. Consumption is expected to remain well below trend for the foreseeable future.²⁷
- > Metro's adopted budget for fiscal year 2021 was \$6.23 billion, a 13% reduction from its FY20 budget of \$7.2 billion. However, Metro adopted an amended FY21 budget of \$6.99 billion, because revenues are now projected to be \$765M, 12.3% higher than the original FY21 budget.²⁸
- > In July 2019, Metro had already estimated a \$3.3 billion capital funding shortfall for four priority projects. These include the Sepulveda Transit Corridor, Eastside Transit Corridor Phase 2, West Santa Ana Branch Corridor and C Line (Green) Extension projects. Funding shortfalls are likely on other projects as well, due to rising construction costs.²⁹

²⁴See <https://www.latimes.com/business/story/2021-01-22/california-unemployment-spiked-december-covid-surged>

²⁵See <https://www.tracktherecovery.org/>

²⁶See <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and> and <https://covid19pulse.usc.edu/>

²⁷See <https://www.tracktherecovery.org/>

²⁸See <https://boardagendas.metro.net/board-report/2020-0726/>

²⁹See <https://media.metro.net/2020/FY21-Adopted-Budget.pdf>

The public health literature finds that riding public transit can be relatively safe, with COVID-19 infection risks that are comparable to those for other public settings.

- > Early fears of rampant coronavirus spread via surfaces like poles and turnstiles proved exaggerated, as infectious disease experts identified respiration as the primary vector of transmission. Overwhelmingly, epidemiological investigations have found that major spreading events can be traced to venues where there is sustained conversation and/or physical exertion, such as gyms, clubs and restaurants – not transit.³⁰
- > A review of the public health literature by the UCLA Institute of Transportation Studies finds that traveling by public transit during COVID-19 can be relatively safe, and that the risk to riders is lower than in many other settings. This is because people generally spend less time on transit and speak less during that time, and are therefore less exposed than in many other settings such as schools, workplaces and homes. However, safer travel does depend on several factors including mask-wearing and hand hygiene, time spent and ability to social distance while riding, vehicle sanitation, air ventilation and filtration on transit vehicles and in stations, and the effectiveness of the community-wide public health response.³¹

- > Tests commissioned by other transit agencies, including Transport for London and Govia Thameslink Railway, have found no evidence of COVID-19 on touch areas across the transit network.³²
- > Public health institutions continue to recommend mask wearing in public settings and when people interact with individuals from other households, whether in public or private spaces.³³
- > On February 1, 2021 the Centers for Disease Control and Prevention issued an order requiring travelers on airplanes and public transportation to wear face masks. This followed an executive order announced January 21, 2021 by recently inaugurated President Biden.³⁴



³⁰See <https://www.sciencemag.org/news/2020/05/japan-ends-its-covid-19-state-emergency>

³¹See <https://escholarship.org/uc/item/1s59g67d>

³²See https://www.standard.co.uk/news/transport/no-covid-govia-thameslink-railway-trains-london-b71450.html?utm_source=flexmail&utm_medium=e-mail&utm_campaign=newsfromnorthamerica6977697720201120t181158807z&utm_content=standard and <https://usa.streetsblog.org/2020/11/20/studies-show-riding-transit-during-pandemic-is-safer-than-you-think/>

³³See <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/cloth-face-cover-guidance.html> and <https://covid19.lacounty.gov/face-coverings/>

³⁴See https://www.cdc.gov/quarantine/pdf/Mask-Order-CDC_GMTF_01-29-21-p.pdf



A Recovery Framework for Metro



What's in the report?

The first part of this report documents progress in implementing the 20 Early Action Recommendations that the Recovery Task Force developed during the spring and summer of 2020 in immediate response to the COVID-19 pandemic. The second part of the report describes 17 Final Recommendations designed to help Metro bring back a transportation system for LA County that is more equitable, more effective and more sustainable.

Our early action recommendations can be grouped in two categories:

1. **Respond and prepare:** This category includes short-term actions that focus on safety for Metro customers and staff.
2. **Relaunch:** This category includes medium-term actions to be implemented when Safer at Home orders are loosened.

The implementation timeframe for actions in both categories overlaps to some extent and was expected to shift as pandemic conditions change.

The 17 longer-term recovery recommendations are organized into two categories and several subcategories:

1. Improve Mobility and Advance Equity in LA County
 - a. New and improved services
 - b. Responsive Metro
 - c. Vibrant future
2. Help Pay for these Improvements
 - a. Save money
 - b. New revenues

Because the Recovery Task Force is a recommending committee, not a decision-making body, decisions about whether and how to implement these recommendations will be made by the responsible parties. Based on our extensive collaboration with multiple Metro departments in developing these recommendations, however, we believe that there is significant buy-in within the agency to undertake the actions described in this report.

How did the task force choose its recommendations?

The Recovery Task Force began by identifying and researching a large number of ideas. We then applied a defined set of criteria to narrow our recommendations to those actions that we believe are most promising and most critical to post-pandemic recovery. As a package, these recommendations reflect the mix of pragmatism and optimism that has defined the task force's approach from the outset. In particular, we have tried to "follow the evidence" in terms of how the pandemic is impacting Metro and LA County, while also building on Metro's strengths, leveraging existing programs and embracing bold goals for mobility and equity. In selecting recommendations, we asked whether particular actions:

- > Fulfill the Recovery Task Force Charter?
- > Are based on evidence of COVID-19 impacts?
- > Advance Metro's Vision 2028 Strategic Plan?
- > Advance equity?
- > Build on Metro plans, programs and progress?
- > Reflect global best practices?
- > Are timely, feasible and fiscally responsible?

What were the specific goals of the Recovery Task Force?

Fulfill Task Force Charter

Our charter identifies four interrelated COVID-19 recovery goals.

1. Respond to the pandemic by adjusting Metro operations to prioritize the health and safety of customers and staff. For example, one of our early action recommendations focuses on measures to improve air flow in Metro vehicles and stations through open windows, safe ventilation and air exchange.
2. Recover after the pandemic, by taking steps that help Metro get back to the business of providing the critical mobility services on which people rely. For example, the task force has supported the Service Recovery Plan developed by Metro's Operations Department as a way to bring back service, while staying ahead of overcrowding – and doing so in a way that aligns with the NextGen Bus Plan.

3. Help lead an equitable economic recovery for LA County by looking beyond aggregate trends to acknowledge and address the disparities in income, wealth and opportunity that pre-date the pandemic. This is especially important in light of the disparate impacts of the pandemic on low-income people and communities of color. Several task force recommendations, such as Green Jobs, *Destination Discounts* and Incentives, will help advance Metro's equity goals.
4. Advance mobility without congestion as the 'new normal' after the pandemic. This goal aligns with several key elements of Metro's Vision 2028 Strategic Plan:
 - a. Increased prosperity for all by removing mobility barriers
 - b. Swift and easy mobility throughout LA County, anytime
 - c. Accommodating more trips through a variety of high-quality mobility options

Reduced congestion has been one of the few silver linings of the pandemic. Therefore, many of our longer-term recommendations aim, through new or improved services and incentives, to improve mobility and keep congestion lower even after the pandemic wanes and the economy recovers.

Address Real-world Impacts

Figure 5 shows how task force recommendations are tailored to help address the real-world impacts of COVID-19.

We also considered how these impacts might worsen – or ameliorate – challenges that pre-date the pandemic, which include:

- > High levels of congestion and slow travel speeds on LA roads and freeways
- > High levels of solo driving and policies that favor drive-alone trips
- > Rising car ownership and declining ridership on Metro services
- > A worsening housing and homelessness crises
- > Lack of direct ability to manage streets to allow faster and more reliable transit
- > High and rising construction costs for capital projects

- > Inequities in access to opportunity and mobility in both its transportation and economic meaning in LA County

Fortunately, Metro can draw on a number of assets and resources to address these challenges:

- > An established network of transportation services, including bus, rail and bike share, that are already providing mobility options across much of LA County
- > Permanent sources of local funding, thanks to tax measures approved by voters
- > A transit system expansion program that was underway before the pandemic, with several projects in the construction and planning phase
- > A strategic plan for the agency that is clearly focused on improving and expanding mobility for those who need it most

Advance Metro's Vision 2028 Strategic Plan Goals

Metro Vision 2028 articulates five core goals, together with specific actions and initiatives to advance each goal:

1. Provide high-quality mobility options that enable people to spend less time traveling
2. Deliver outstanding trip experiences for all users of the transportation system
3. Enhance communities and lives through mobility and access to opportunity
4. Transform LA County through regional collaboration and national leadership
5. Provide responsive, accountable and trustworthy governance within the Metro organization

In our discussion of each COVID-19 recovery recommendation, we list the specific elements of the Vision 2028 goals that would be advanced by the recommendation.

FIGURE 5: HOW RECOVERY RECOMMENDATIONS ADDRESS COVID-19 IMPACTS

MAJOR COVID-19 IMPACTS + DATA	RECOMMENDATIONS THAT CAN HELP ADDRESS IMPACTS
COVID-19 was and remains a dangerous pandemic.	Expand and innovate cleaning, increase ventilation, distribute masks to riders, allow mask vending, fund safe streets, survey riders, allow and promote teleworking, use more customer ambassadors, launch “We’re here for you” communications, restore service, better address homelessness
People of color have been disproportionately impacted.	Distribute masks to riders, allow mask vending, launch “We’re here for you” communications, restore service, improve public engagement and strengthen rider voices
Working moms bear the brunt of remote learning.	Support working parents, allow and promote teleworking, expand region’s broad infrastructure
Vehicle traffic is returning faster than transit ridership.	Survey riders, restore service, install more bus lanes, study new Bike Share models, promote biking, run express buses on Improved HOV and Express Lanes, accelerate network of complete streets, fully integrate transit in LA region, study how Metro can reduce capital construction costs, improve station amenities, offer incentives to reduce car ownership, allow and promote teleworking, gather more data on equity and travel patterns, accelerate Joint Development and Transit-oriented Communities
Returning transit riders are more likely to be low-income people of color with little or no access to private vehicles.	Survey riders, restore service, distribute masks to riders, install more bus lanes, improve station amenities, gather more data on equity and travel patterns, better address homelessness, improve public engagement and strengthen rider voices, offer incentives to reduce car ownership
The pandemic has had a major negative financial impact on individual households and small businesses.	Reimagine <i>Destination Discounts</i> , offer incentives to reduce car ownership, create green jobs and green infrastructure, accelerate Joint Development and Transit-oriented Communities, study how Metro can reduce capital construction costs, share data and information more effectively and openly
The pandemic has caused Metro’s own budget to be reduced by 16.5% due to lower sales tax revenues.	Study how Metro can reduce capital construction costs, build staff capacity, use Measure M and R ordinances, expand revenue opportunities, identify funding and incentives to reduce car ownership, share data and information more effectively and openly
Riding public transit can be relatively safe with mask usage.	Distribute masks to riders, allow mask vending, expand and innovate cleaning, increase ventilation, use more customer ambassadors, survey riders, launch “We’re here for you” communications, install more bus lanes, accelerate network of complete streets

Advance Equity

The task force used a **Rapid Equity Assessment Tool** to analyze how Metro’s recovery planning and actions can support this goal. Specifically, the task force considered the following questions:

1. Will the action impact any equity groups?
2. Could it present an equity opportunity?
3. Who will benefit from or be burdened by the action?

4. How will implementation prioritize the needs of historically marginalized communities and others most impacted by the COVID-19 crisis?
5. What are strategies to mitigate any potential negative impacts of the action?
6. Should we consider changes to the action based on the equity assessment?

Our discussion of each recommendations summarizes key takeaways from the equity assessment.

Build on Metro Plans, Programs and Progress

Because task force members are drawn from diverse departments within Metro, the task force was attuned to actions the agency is already taking to respond to the pandemic and prepare for recovery. In fact, many of our recommendations are meant to reinforce, support and build on ongoing Metro actions and programs. For each of our longer-term recommendations, we summarize related activities that Metro is already undertaking.

In the last year, Metro has also launched several major new internal initiatives and supported some important external partnerships and policies that did not arise from this task force but strongly align with our recommendations.

Internal Initiatives with Recovery Synergies

Customer Experience Plan. Metro's first Customer Experience was approved by the Board in December 2020. The Plan can help Metro understand customer perspectives during and after the pandemic and enhance ridership.³⁵

Fareless System Initiative. Metro CEO Phil Washington launched a new internal Metro exploratory task force that started working in September 2020 on a proposal to eliminate fares for riders on Metro buses and trains. Reduced or free fares can expand ridership after the pandemic.³⁶

LA County Goods Movement Strategic Plan. This plan was adopted by the Metro Board in January 2021. Implementing the strategic initiatives in the plan will support the region's economic recovery. The importance of delivery has grown during the pandemic.³⁷

Long Range Transportation Plan. The 2020 LRTP lays out how Metro will plan, build, operate, maintain and partner for improved mobility in the next 30 years. The plan was adopted by the Metro Board in September 2020; its strategies can help advance mobility without congestion.

Moving Beyond Sustainability Plan. The Metro Board adopted this plan in September 2020. It provides a framework for green investments and jobs and cleaner transportation.³⁸

NextGen Bus Plan. This plan aims to implement a new, competitive bus system in LA County that is fast, frequent, reliable and accessible. It was shaped with significant rider and public input and adopted by the Board in October 2020. Our recommendations for bringing back and improving bus service are based on elements of the NextGen Bus Plan.³⁹

Traffic Reduction Study. Public outreach on this study, which is examining a pilot congestion pricing program and other options, was launched in 2020 and shared potential pilot areas with the public in February 2021. Congestion pricing is among the most promising strategies for improving mobility without congestion.⁴⁰

Transit App Partnership. In May 2020, Metro partnered with *Transit* app,⁴¹ to let Metro customers use Transit's popular trip-planning functions. In August 2020, Transit introduced a feature that predicts crowding levels on Metro buses based on past ridership levels. These types of features promote safety and can help retain and grow ridership.⁴²

Transit Oriented Communities Implementation Plan. This plan was adopted by the Metro Board in October 2020. Its implementation can advance equity goals and promote transit-supportive communities where fewer trips are made by solo drivers.⁴³

External Partnerships and Policies with Synergies for Recovery Efforts

American Public Transportation Association (APTA) Recovery and Restoration Task Force. Metro CEO Phil Washington chairs this national-level task force, which launched in April 2020 to develop a post-pandemic roadmap for public transportation services. The report of the APTA task force, released in November 2020, contains a number of recommendations that align with Metro's recovery plan.⁴⁴

CARES Act. Metro received funding from the federal CARES Act, which was intended to cushion the economic impacts of the pandemic on Metro and on LA County residents and businesses.⁴⁵

³⁵See <http://metro.legistar.com/metro/attachments/42dc3a77-de0a-46ba-bfd1-fe78aa526c6a.pdf>

³⁶See <https://www.metro.net/news/media-kits/fareless-system-initiative/>

³⁷See <https://metro.legistar.com/View.ashx?M=F&ID=9072361@GUID=B6B0F1BF-5B8B-4C30-B1FA-BA8D9B0180BE>

³⁸See <http://media.metro.net/2020/Moving-Beyond-Sustainability-Strategic-Plan-2020.pdf>

California Senate Bill 288 was signed into law in October 2020. It creates a two-year exemption from California Environmental Quality Act (CEQA) requirements for many transit and active transportation projects.

This provision, which Metro supported, can help the agency plan and implement mobility projects more rapidly.⁴⁶

Global Best Practices

In developing recommendations, the task force looked to global best practices that can help Metro more effectively respond to, recover from and advance mobility without congestion after the pandemic. In some areas, clear world-class standards already exist. In others, Metro has an opportunity to help establish new best practices. We highlight best practices for each of our recommendations where these examples exist.

Key Considerations: Timeliness, Feasibility and Fiscal Impacts

Timeliness was a key consideration for our early recommendations given the urgency of the immediate health and safety crisis. Timeliness was also a consideration for our longer-term recommendations, in the sense that the task force prioritized recommendations for which implementation can begin soon. Political and technical feasibility were also important considerations, which required balancing the need for bold action against the likelihood that a recommendation would be implemented. In light of the additional budget challenges created by COVID-19, the task force sought to make its overall package of recommendations revenue neutral or revenue positive. We discuss budget impacts, including potential cost savings and revenue opportunities for each of our recommendations.

³⁹See <https://www.metro.net/projects/nextgen/>

⁴⁰See <https://www.metro.net/projects/trafficreduction/>

⁴¹See <https://thesource.metro.net/2020/05/18/metro-partners-with-transit-app-to-making-riding-and-trip-planning-easier-and-more-accurate/>

⁴²See <https://thesource.metro.net/2020/08/13/how-full-is-your-metro-bus-transit-app-will-tell-you/>

⁴³See <https://media.metro.net/2020/Metro-TOC-Implementation-Plan-Final.pdf>

⁴⁴See https://www.apta.com/wp-content/uploads/APTA-Task-Force-Report_11-23-2020.pdf

⁴⁵See <https://www.congress.gov/bill/116th-congress/house-bill/748>

⁴⁶See https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB288



Task Force Progress to Date

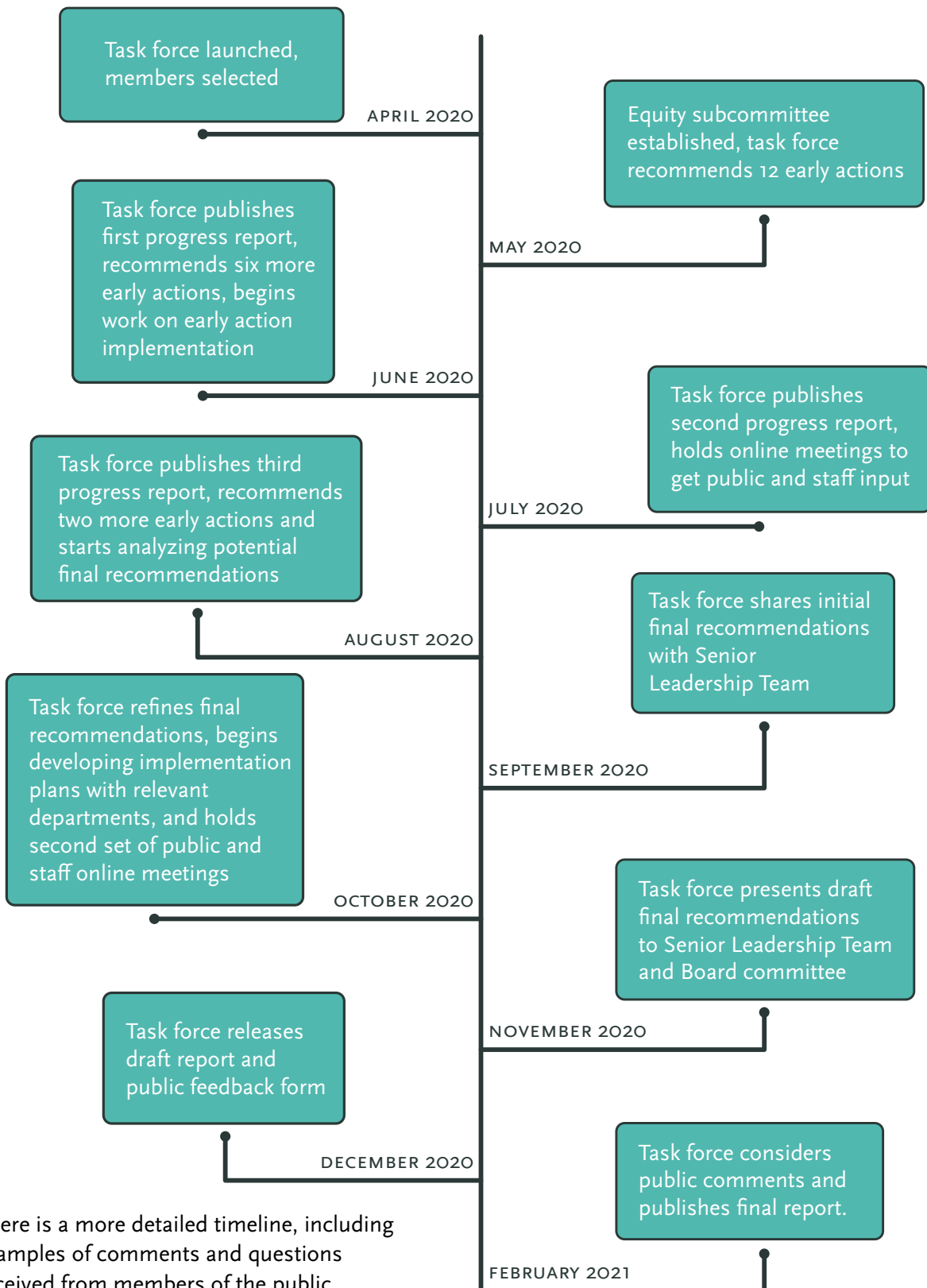


Metro

Welcome Aboard
Bienvenidos



FIGURE 6: STEPS THE TASK FORCE HAS TAKEN



There is a more detailed timeline, including examples of comments and questions received from members of the public and from Metro staff, provided in the appendix.

A Sample of Actions Metro Took Outside of the Recovery Task Force to Respond to COVID-19

- > Adapted service in response to Safer at Home orders
- > Implemented COVID-19 safety customer messaging and signage
- > Launched the TAP mobile app which gives customers a safe and contactless way to pay for transit using an iPhone or Apple Watch
- > Persisted to finalize public outreach to advance NextGen
- > Increased cleaning and sanitation in facilities and on Metro's fleet
- > Expedited capital project delivery
- > Implemented rear-door boarding and relaxed fare enforcement
- > Received FTA Grant to test innovations in air filtration
- > Launched crowding information on *Transit* app
- > Partnered with First Five LA to provide food delivery through the Mobility on Demand Pilot Program
- > Discounted Metro Micro fares in consideration of financial hardships associated with COVID-19
- > Improved Access Services response time – in some cases, same day service was provided to patrons
- > Created human resources learning tools for FFCRA leave, reporting of COVID-19 cases and provided return to work resources
- > Instituted an emergency telecommuting policy to support low-risk workplaces
- > Developed an internal Path Forward Plan to provide guidance in transitioning Metro's workforce back to Gateway Headquarters
- > Maintained strong communication with all labor unions through weekly meetings
- > Allocated transit-related funding provided by the CARES Act to regional transit agencies
- > Allowed electronic bids/proposals and conducted pre-proposal/pre-bid meetings and small business and workforce events virtually
- > Collaborated with business associations and local jurisdictions to share resources with small businesses and encouraged more businesses to become small business enterprise and/or disadvantaged business enterprise certified



Early Action Recommendations

Beginning in May 2020, the task force recommended early actions that the agency could take in immediate response to the COVID-19 crisis. These were time-sensitive measures that would be more effective the sooner they were implemented. Some of these early actions respond to near-term health and safety priorities. Others are steps that can help Metro prepare for and position itself for recovery.

Some early action task force recommendations have already been substantially accomplished, some are no longer needed due to changing circumstances and many are still being pursued. We provide updates on all 20 early action recommendations in this report, in the interests of transparency and to provide a full picture of the work of the Recovery Task Force.

For each recommendation we provide the following information:

- > Summary of the recommendation
- > Justification for the recommendation based on how it helps recovery efforts
- > Summary of equity impacts
- > Relevant goals from Metro's Vision 2028 Strategic Plan
- > Cost estimate for the item
- > Update on implementation progress
- > Relevant best practice examples from other organizations



Phase One: Respond and Prepare



1. Survey Riders

Recommendation

Survey Metro customers on their current transportation patterns and modes, future transportation plans and overall customer experience during the COVID-19 pandemic.

Justification

Help identify how quickly ridership may recover and gain insights on customer experience priorities, including what makes customers feel safe to use our Metro services.

Equity

Surveys can determine how different racial, ethnic and income groups have experienced transportation during the pandemic and how they plan to travel in the future.

Vision 2028 Goals

- 2.3 Improve customer experience at all customer touch points.
- 3.3 Conduct genuine public and community engagement to achieve better mobility outcomes for the people of LA County.

Cost Estimate

Costs were negligible. The effort was entirely in-house.

Update

The survey was conducted May 29 – June 24, 2020. A link to an online questionnaire was emailed to approximately 11,000 Metro customers who previously filled out Metro on-board surveys over the last three years. The response rate was 23%. Data from the survey was then weighted to match the income and race characteristics of Metro riders.

Survey responses pointed to the importance of masks, cleaning and disinfecting, and addressing homelessness on the system. Metro has incorporated this feedback in efforts around mask distribution, audio messages about the importance of mask wearing, and disinfection practices.

Metro conducted a follow-up online survey in October 2020 and will resume on-vehicle surveys when it is safe to do so.



Best Practices

Denver Rapid Transit District conducted a survey of nearly 2,700 people that showed the public remains apprehensive about engaging in social activities amid the spread of the coronavirus, including using public transit services. The majority of those who had not used transit in the past 30 days said they will take a wait-and-see approach to the pandemic before riding again.⁴⁷

The Port Authority of Allegheny County surveyed riders before restrictions were gradually eased. Riders were asked a series of questions about whether they were aware of safety precautions the authority had taken, whether they expected to return to work soon and how often they expect to use transit.⁴⁸

⁴⁷ See metro-magazine.com/management-operations/news/738409/public-cautious-about-using-transit-rtd-survey-shows

⁴⁸ See post-gazette.com/news/transportation/2020/05/13/Port-Authority-survey-increase-service-Campos-Allegheny-County-COVID-19/stories/202005130135

2. Fund Safe Streets

Recommendation

Work with the Metro Board to authorize cities that received 2020 Open Street grants to repurpose some or all of funding on safe/slow street programs. Explore ways to encourage other LA County jurisdictions to implement safe/slow streets.

Justification

Create more space for safe, distanced walking and biking for transportation and recreation; showcase how road space can be repurposed for more multi-modal transportation.

Equity

Safe street efforts offer an equity opportunity to serve low-income communities, which tend to have more overcrowding, less access to parks and open space, higher levels of vehicle collisions and injuries, and fewer bike lanes. To ensure marginalized communities are engaged in a solution, Metro should encourage cities to partner with community-based organizations for outreach and education.

Cost Estimate

This is a no-cost program since grants have already been awarded.

Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.2 Improve safety on the transit system and reduce roadway collisions and injuries.
- 1.2 Improve connectivity to provide seamless journeys.
- 3.2 Catalyze transit-oriented communities and help stabilize communities where these investments are made.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan (including improving multi-modal transportation options).
- 5.1 Leverage funding and staff resources to accelerate the achievements of goals and initiatives prioritized in the Vision 2028 Plan.

Update

Metro's Board of Directors passed Motion 40 implementing this idea at its May 2020 meeting.⁴⁹ Four cities that are grantees in the current Open Streets funding cycle have approached Metro about the possibility of repurposing their funding. The City of Long Beach has repurposed their entire funding for their local Open Streets Program. The City of Santa Monica has partially repurposing their funding. The City of Los Angeles has also indicated their intent to submit a request to partially repurpose funding. Other cities have decided to postpone their events.

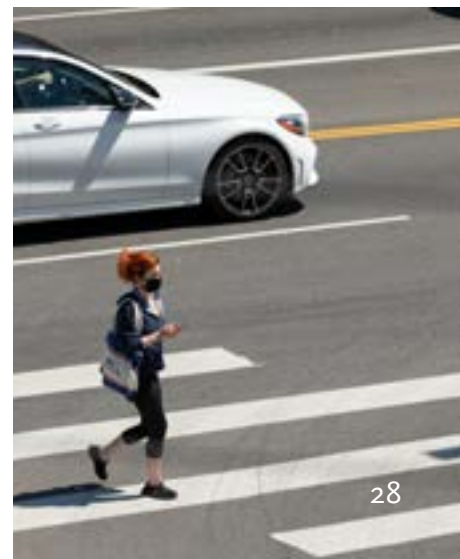
Best Practices

Oakland Department of Transportation (OakDOT) launched a "Slow Streets" initiative that designates 74 miles of neighborhood streets for bicycle, pedestrian, wheelchair and local vehicle use only across the city. Oakland utilized streets identified in its 2019 bike plan update and relied on a "light-touch" approach that leveraged volunteers and existing in-house resources.⁵⁰

Philadelphia, Boston, San Francisco and Los Angeles and dozens of other cities have also enacted some policies related to Slow Streets/ Safe Streets/Open Streets.

⁴⁹See <https://boardagendas.metro.net/board-report/2020-0375/>

⁵⁰See oaklandca.gov/news/2020/city-of-oakland-announces-oakland-slow-streets-program-starting-saturday-to-enable-safer-walking-cycling





3. Expand and Innovate Cleaning

Recommendation

Test, adopt and publicize new cleaning methods, such as UV, ozone and autonomous robotic floor cleaners, while also better publicizing existing cleaning practices, especially through videos.

Justification

Testing and implementing new cleaning practices will help protect the health and safety of riders and Metro staff. Publicizing current and new cleaning practices will help inform and reassure riders who are currently using the system and people who will be making transportation decisions as Safer At Home orders are modified. Innovative cleaning technologies can help maximize productivity and offer revenue generating opportunities. For example, utilizing robotic floor cleaners allows maintenance crews additional time to clean other station areas while the autonomous robots clean and sweep floors.

Equity

Enhanced cleaning will benefit Metro's riders, a group that disproportionately includes low-income people, people of color and people with underlying health conditions that make them more vulnerable to COVID-19. Metro can also look for opportunities to support small and DBE businesses in any new cleaning contracts and should study the side effects of new cleaning methods to protect sensitive riders/staff.

Vision 2028 Goals

- 1.2 Improve safety on the transit system.
- 2.2 Improve legibility, ease of use and trip information (including safety and comfort) on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.6 Foster and maintain a strong safety culture.

Cost Estimate

The estimated cost for enhanced cleaning is an additional \$2.2 million per quarter. Metro also recently ordered 30 portable UV light tripods at a cost of \$168,000 to test this technology on our buses, rail vehicles and facilities.

Update

Currently, Metro is using disinfectants on our trains, buses and facilities that have been tested by the EPA and shown residual efficacy against viruses for several weeks. Metro has also increased the cleaning frequency for the public high touch point areas at stations, platforms and restrooms.

Metro Operations is conducting research and engineering work on new ways to disinfect infrastructure and high touch point areas. Metro tested the use of UV-C lights in coordination with the Environmental Protection Agency. The tests showed that an extended amount of time was needed for UV-C exposure to kill surrogate viruses (MS2 and PHI6). This timeline does not work with Metro cleaning protocols and timelines. Metro Operations has therefore ceased UV-C research activities.

The agency continues to investigate other cleaning methods including electrostatic foggers, autonomous floor cleaning and copper wrap solutions. The unsolicited proposal process is being used to evaluate the efficacy of copper wrap solutions. Metro is expecting to install copper in one bus, one train and some locations within Union Station by February. Additionally, Metro is researching how to equip buses and trains with hand sanitizer dispensers.

Best Practices

The New York Metropolitan Transportation Authority (MTA) has launched a \$1 million pilot program to kill COVID-19 on buses and trains and at stations using UV light.⁵¹

Pittsburgh International Airport is utilizing autonomous robots with Ultraviolet Light Technology.⁵²

⁵¹See <https://www.cnn.com/2020/05/20/us/new-york-transit-uv-light-trnd/index.html>

⁵²See <https://www.globenewswire.com/news-release/2020/05/05/202748610/en/Pittsburgh-International-Airport-to-Become-first-U-S-Airport-to-Utilize-Autonomous-Robots-with-Ultraviolet-Light-Technology.html>

4. Distribute Masks to Riders

Recommendation

Explore ways to distribute masks to riders. Distribution of masks can focus on hot spots identified by bus operators, riders and public health data.

Justification

Distributing masks can increase compliance with face covering requirements, enhancing health benefits. It can also help avoid conflicts and uncertainty if customers try to ride without masks.

Equity

Mask distribution presents an equity opportunity if efforts are focused in areas with high concentrations of COVID-19 cases, particularly where residents lack resources to purchase masks. Distribution can be accompanied by culturally-competent education.

Cost Estimate

Approximately \$25,000 a week.



Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.2 Improve safety on the transit system.
- 2.2 Improve legibility, ease of use, and trip information (including safety and comfort) on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.6 Foster and maintain a strong safety culture.

Update

Metro's Public Relations department organized mask distribution from July 6, 2020 to August 27, 2020, and then again from September 8, 2020 through September 24, 2020. Four times a week, 22 street team members were assigned to major bus and rail hubs, and boarded trains and buses for six hours to distribute individually packaged masks to Metro riders. Street teams were able to reach 80 Metro bus lines and all six rail lines. The distribution strategy was based on areas with high numbers of COVID-19 cases, Equity Focus Communities and high ridership locations. Visual counts by operations personnel suggest that distribution of masks helped increase compliance with the face-covering requirement. From December 7 through December 24, 2020, 16 street team members again distributed masks to Metro riders. Metro plans to distribute masks, hand sanitizer and travel tips between late February and mid-March. Continued mask distribution will help respond to a new federal executive order requiring masks on transit and airlines.

(See the recommendations Use Budget to fund recovery for task force support of continued mask distribution.)

Best Practices

As supply chains have improved, and with new CDC guidance, several transit agencies across the nation have begun distributing free masks to customers. Some are relying on ambassadors to distribute, others are installing mask dispensers on buses. These agencies include SEPTA, CapMetro, Greensboro Transit, Montgomery County's Ride On Bus System, Detroit DOT, RTC Rashoe, etc.⁵³

⁵³See <https://whyy.org/articles/septa-is-giving-masks-to-riders-after-backlash-to-face-covering-mandate/>;
<https://whyy.org/articles/septa-is-giving-masks-to-riders-after-backlash-to-face-covering-mandate/>;
<https://spectrumlocalnews.com/tx/austin/news/2020/04/18/capmetro-to-distribute-free-masks-to-riders>;
https://www.greensboro.com/news/local_news/greensboro-transit-agency-offers-free-cloth-masks-to-riders-on-thursday/article_f8fb9b3c-15ae-5e4e-8f08-7c9720b0868.html;
<https://www.silive.com/coronavirus/2020/07/mta-rolls-out-ppe-vending-machines-at-some-subway-stations.html>;
https://www.greensboro.com/news/local_news/greensboro-transit-agency-offers-free-cloth-masks-to-riders-on-thursday/article_f8fb9b3c-15ae-5e4e-8f08-7c9720b0868.html;
<https://www.silive.com/coronavirus/2020/07/mta-rolls-out-ppe-vending-machines-at-some-subway-stations.html>

5. Allow Mask Vending

Recommendation

Supplement mask distribution by licensing vendors to sell masks and potentially personal hand sanitizer at some of Metro stations. Mask distribution should continue based on equity considerations and need. Metro should also establish a program for quickly licensing vendors at some stations where Metro is not distributing free masks.

Justification

There is increasing evidence, from Hong Kong and elsewhere, that public transit is fairly safe to ride if there is widespread use of face coverings by riders and operators. (See discussion of *covid impacts* on page 10.) Allowing one mask vendor per station at stations where Metro is not distributing free masks will allow riders who forgot to bring a mask to purchase one before they ride. This program will also help vendors, some of whom were previously selling food before sidewalk food vending was banned due to COVID-19.

Equity

This program will support street vendors who tend to be low-income, immigrants and people of color – all demographics that continue to be disproportionately impacted by COVID-19. It will be especially helpful to vendors who have not been allowed to go back to work at their old locations. In organizing a mask vending program, Metro should incorporate lessons learned from the MacArthur Park Community Market and engage street vendor leaders.

Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.2 Improve safety on the transit system.
- 2.2 Improve legibility, ease of use, and trip information (including safety and comfort) on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.5 Expand opportunities for small and emerging businesses.
- 5.6 Foster and maintain a strong safety culture.

Cost Estimate

Depending on program design, Metro may be able to use the existing vending program structure and staffing at no additional cost.

Update

Metro has agreed to minimal fees for vendors. In addition, staff is exploring issuing a limited number of permits so as not to overcrowd existing individual vendors' sales areas.

Best Practices

Cities, including Los Angeles, have waived permit processes, created more flexible rules and/or supplied infrastructure to help restaurants and other retail establishments to operate outside.⁵⁴

⁵⁴See <https://ladot.lacity.org/coronavirus/apply-al-fresco>

6. Implement Visual Payment on *Transit* App

Recommendation

Rapidly introduce a contactless, visual ticket purchase and payment option in Metro's new official app, *Transit*, as an option to accompany TAP card payment. To smooth out demand, make off-peak service free or discounted for a limited, promotional period when ridership rises and there is a risk of crowding on Metro bus and rail. Note: this recommendation is not intended to change enforcement practices.

Justification

A non-contact payment option will reduce physical risks and can help reassure customers. It may also increase payments during a period when fares are not being enforced. A limited-time promotion with free or reduced non-peak fares can help encourage customer to download the *Transit* app and can help reduce crowding during peak times.

Equity

Providing new, safer ways to pay presents an equity opportunity by reducing risks and increasing access for Metro customers. Contactless payment modes will be available to all people with smart phones who can use the *Transit* app, regardless of income, race, or other demographics. Metro will continue to offer options for customers who do not own smart phones.

Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.2 Invest in a world-class bus system that is reliable, convenient, and attractive to more users for more trips.
- 1.2 Improve connectivity to provide seamless journeys.
- 1.2 Improve safety on the transit system.
- 2.2 Improve legibility, ease of use, and trip information (including safety and comfort) on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.6 Foster and maintain a strong safety culture.

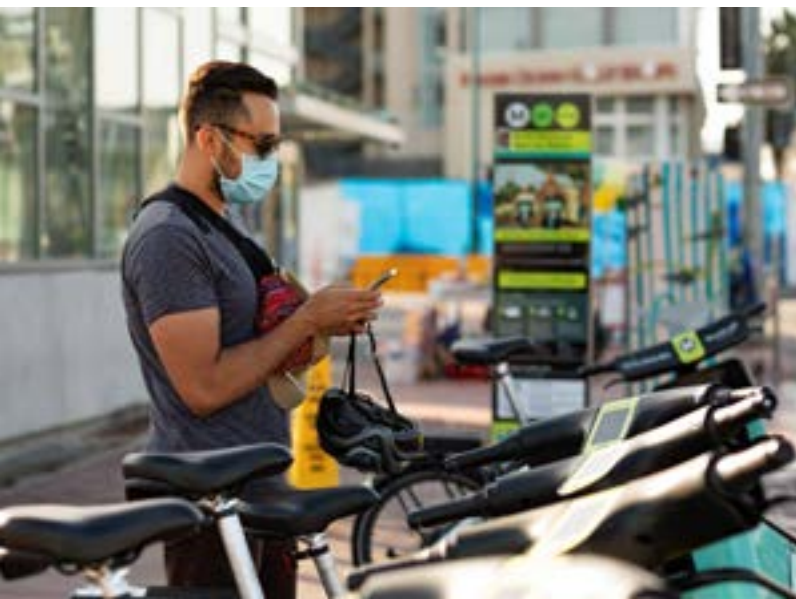
Cost Estimate

Revenue positive. Revenue would come from fare purchases that would not otherwise be paid (because many bus riders are not paying for rides due to rear boarding during the pandemic).

Update

Launch of contactless payment on *Transit* app is on hold. Contactless payment option is currently available via TAP app.⁵⁵ Could be revived if customers need additional visual payment options.

⁵⁵See <https://thesource.metro.net/2020/08/27/metro-to-study-and-consider-eliminating-bus-and-rail-fares/>



Best Practices

At least nine transit agencies have accelerated or started the process of introducing mobile ticketing in response to COVID-19. Greater Dayton Regional Transit Authority, for example, is already integrated with *Transit*, and moved up the launch of mobile ticketing to May.

7. Improve Online Meetings

Recommendation

Metro should refresh, share and follow protocols for online public meetings. This should include establishing accounts with software platforms that can provide the features needed to ensure inclusive and equitable community engagement, such as closed-captioning in multiple languages, chat, hand raising, polling, break-out rooms, and moderation tools. To ensure that stakeholders who may not have internet access can participate, Metro should deploy staff or vehicles and work with local partners to provide free WiFi hotspots and potentially distribute laptops/tablets to help community members during online meetings.

Justification

With all public meetings moved online due to the pandemic, Metro should ensure that all staff and projects follow best practices and agency protocols when hosting external meetings online. Adding new software platforms to the agency's set of online meeting tools will be beneficial if these platforms offer useful accessibility features. Not all LA county residents have reliable online access, so bringing WiFi hotspots to the community can, in certain cases, provide more opportunity for participation.

Equity

Combining virtual platforms with translation and accessibility features and potential deployment of WiFi hotspots will support better access for marginalized and vulnerable communities, including people who do not have internet access, do not speak English and/or have hearing or visual impairments.

Vision 2028 Goals

- 1.1 Expand the transportation system as responsibly and quickly as possible.
- 3.3 Genuine public and community engagement to achieve better mobility outcomes for the people of LA County.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.
- 5.4 Apply prudent commercial business practices to create a more efficient agency.

Cost Estimate

Cost for ten Zoom licenses is \$3,200. Each WiFi hotspot costs \$50 and can be set up at different meetings. If set up by a staff member, the cost would be time for that staffer; setting up WiFi on a bus requires a full shift and costs approximately \$1,400. This approach makes sense only if there is no other method or location to provide a WiFi hotspot.

Update

- > Metro's Communications Department purchased 10 Zoom business licenses to host virtual community meetings. Successful use of this platform and the desire of other Metro departments to likewise utilize Zoom for external communications prompted Metro's Information Technology Services (ITS) department to begin the process of purchasing 100 Zoom Enterprise accounts.
- > Metro's Community Relations Department will be partnering with local activity centers and community-based organizations to provide WiFi access while also deploying Metro-owned mobile hotspots within targeted communities.
- > See long-term task force recommendation #30, on expanding broadband.

Best Practices

Sacramento Regional Transit is providing free WiFi hotspots.⁵⁶

⁵⁶See <https://www.kcra.com/article/sacramento-transit-buses-free-wi-fi-hot-spots/32371876#>

Washington's Pierce Transit is launching a pilot program to provide free mobile WiFi hot spots for students who do not have reliable Internet access but still need to complete remote school assignments during Washington's "Stay Home, Stay Healthy" order.⁵⁷

⁵⁷See <https://www.metro-magazine.com/10112745/pierce-transit-using-buses-to-create-wi-fi-hot-spots-for-students>

8. Increase Ventilation

Recommendation

Assess options to improve air flow and air filtering to reduce the risk of COVID-19 transmission. This could include keeping bus windows open and enhancing cleaning and filtration for HVAC systems in vehicles, stations and buildings.

Justification

Evidence increasingly suggests that most COVID-19 transmission occurs through airborne droplets when people are in sustained, close contact – especially when people are coughing or talking loudly in enclosed spaces. Improving air flow and air filtration in vehicles and buildings should help reduce transmission.

Equity

Increasing ventilation will help protect Metro riders, who are mainly low-income persons of color.

Cost Estimate

This is a new issue so more research is needed to develop cost estimates. There will likely be costs to upgrade HVAC systems and filters and add new capabilities.

Vision 2028 Goals

- 1.2 Improve safety on the transit system.
- 2.2 Improve legibility, ease of use, and trip information (including safety and comfort) on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.6 Foster and maintain a strong safety culture.

Update

Typically, buses start service with all windows closed to maintain a controlled HVAC environment. If a patron boards a bus with operable windows, it is up to the patron to open the windows or leave them closed. In the summer of 2020, Metro tested the approach of opening both the operator window and the rear hatch to create more directed air flow, without overtaxing HVAC systems or compromising climate control for passengers. Findings from this test are under review. Staff are also considering posting signs that explain the safety benefits of partially open windows. In parallel with Metro's open window studies, staff is exploring the possibility of increasing fresh air intake by HVAC systems and improving the frequency of fresh air exchange in buses during normal operations.

For Metro rail, vehicle engineering is testing a three-stage HVAC filtration system that has shown good efficacy based on independent lab results. Currently, these results are under review with the EPA. If proven effective as a means of enhanced air cleaning, vehicle engineering staff will continue to design integration for rail vehicle installation and develop cost estimates for systemwide implementation for Metro's consideration.

Best Practices:

East Japan Railway encourages passengers to open windows and educates them about air flow benefits from ventilation systems, opening and closing of doors at stops, and open windows. This information is intended to reassure customers. East Japan Railway also asks customers to refrain from talking while riding.⁵⁸

Bus drivers in Jerusalem have been instructed by the transportation ministry to keep windows open.⁵⁹

The American Public Transportation Association recommends that windows be opened slightly while revenue vehicles are in use and that ventilation rates on HVAC systems be maximized.⁶⁰

⁵⁸Akiko Ito, JREast Representative to APTA; Director, East Japan Railway Company. Via APTA.

⁵⁹See <https://hamodia.com/2020/03/09/coronavirus-bus-rules-windows-open-no-standing-stay-away-driver/>

⁶⁰See https://www.apta.com/wp-content/uploads/COVID-19_Transit_Guide_FINAL_04132020.pdf

9. Support Working Parents

Recommendation

Explore long- and short-term actions to support Metro employees with children or guardianship responsibilities, including those who work from home and those who cannot work from home. Such actions could include:

- > Research the possibility of a time off with pay (TOWP) donation for family leave for classes of employees who cannot telecommute (i.e. frontline staff)
- > Create an employee resource group to support working parents and guardians through peer-to-peer support.
- > Develop a parental support matching program to connect employees who live close to each other for childcare support.
- > Utilize the LA County Voucher Program, which serves essential workers and low- income families.
- > Create a supportive work culture that reinforces compassion in supervising employees who need accommodations during this time.
- > Create “Metro Villages” at key stations that are supportive of distance learning/ telecommuting in outdoor settings.

Justification

This recommendation aims to support employees with children and guardianship responsibilities as they deal with new challenges posed by the COVID-19 crisis. As Metro continues operating essential transit services, these strategies can support Metro employees and help reduce financial stress and anxieties related to parental and guardianship responsibilities. Helping employees increase their productivity without the added stress of caring for family members will also increase employee motivation and further Metro’s goal of building a world-class workforce.

Equity

While equally valid and important, the needs of employees who can work from home and those who cannot are different. This recommendation will benefit women, as data indicates that more women have taken on the role of primary caregiver in the COVID-19 crisis (see impacts section of this report for details). However, this recommendation will benefit all parents and caregivers, providing support, flexibility and options to ensue that Metro employees can do their jobs while also meeting their family obligations. Thoughtful consideration is being given to options for addressing these employees’ disparate circumstances and ensuring that Metro supports all its workers during the pandemic, when childcare centers and schools are closed and elder care options are limited.

Vision 2028 Goal

5.7 Metro will build and nurture a diverse, inspired, and high-performing workforce.

Cost Estimate

Costs for this recommendation are revenue-neutral.

Update

Metro is currently operating under an emergency telework policy. Metro has also extended FFCRA leave provisions through March 31, or until another law is passed, for employees who have not yet exhausted their entitlements.

Metro’s Human Capital & Development Department has finalized an agreement with Care.com that can assist working parents with finding child or senior care, meeting other household needs or supporting long-distance learning. Additionally, Employee & Labor Relations partnered with Well-Being Services and Accounting to work with Metro’s labor unions on a side letter agreement, which will expand options for employees to donate paid leave to other Metro employees.



Phase Two: Relaunch



10. Restore Service

Recommendation

Restore more frequent transit service to stay ahead of demand, and retain rear-door boarding as an option.

Justification

Restoring more frequent bus and rail service in stages and retaining rear-door boarding on buses as an option can allow physical distancing, reduce overcrowding and make transit a more competitive choice. There is evidence that service cuts during past crises led to long-term reductions in ridership.

Equity

Prioritizing more frequent service and retaining rear-door boarding on lines that currently experience overcrowding can help essential workers and Metro's primarily low-income, minority ridership access mobility services and stay healthy.

Cost Estimate

Increasing service will have costs, but even with early phased increases, revenue service hours (RSH) will still be below pre-COVID levels. RSH was at 7.0 million on an annualized basis as of December 2019. Post-COVID, the annualized RSH for April 2020 was 5.0 million. In Phase 1, Metro is planning for 5.5 million RSH on an annualized basis.

Vision 2028 Goals

- 1.2 Improve safety on the transit system.
- 1.3 Develop simplified, sustainable, and comprehensive pricing policies to support the provision of equitable, affordable, and high-quality transportation services.
- 2.2 Improve legibility, ease of use, and trip information (including safety and comfort) on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.6 Foster and maintain a strong safety culture.

Update

Metro entered Phase 1 of its four-stage service recovery plan on June 21, 2020, increasing service hours by 7%–8%. This included adding service to 95 lines (over half of all Metro lines) and increasing frequency on certain select Tier 1 and Tier 2 lines.⁶¹ On September 24, 2020, the Metro Board of Directors requested the development of a FY 2021 Operations Recovery Plan to outline a decision-making framework for restoring service. The NextGen Bus Plan was approved by the Metro Board of Directors on October 22, 2020, with first-phase implementation of service changes expected to begin in December 2020. A board motion passed in January 2021 dedicated \$24.3 million to restore service on highly-traveled bus routes and pursue capacity that would allow full restoration of service by the June 2021 shake-out.



Best Practices

Pittsburgh Port Authority is assigning longer, articulated buses to trips with the highest ridership to allow riders to maintain a safe distance from each other. It is also maintaining off-peak service.⁶²

⁶¹See <https://thesource.metro.net/2020/06/18/service-changes-begin-this-sunday-june-21-with-more-trips-on-95-bus-lines/>

⁶²See post-gazette.com/news/transportation/2020/04/07/Port-Authority-nonessential-riders-COVID-19-bigger-buses-pittsburgh/stories/202004070119

11. Study New Bike Share Models

Recommendation

Study options to enhance the Metro Bike Share program, with the goals of adding locations (especially in Equity Focus Communities) and promoting increased use. Two options to study are:

- > Re-bid contract to a third-party operator or develop a business partnership to manage the program under a cost-effective or revenue-neutral configuration.
- > Bring Metro Bike Share operations and maintenance in house, to be performed by Metro staff.

Justification

Many cities around the world are promoting biking as an alternative to driving during and after the pandemic. Other bike share systems in the region are struggling, providing an opportunity to reexamine bike share in LA County.

Equity

Expanding bike share can enhance equity if more bikes are available in areas where residents of low-income and marginalized communities live and work. Expanded service should be accompanied by safety improvements to reduce collisions and injuries, which tend to be higher in these neighborhoods. Study should examine locations, cost and payment options and messaging/promotion to diverse communities.

Cost Estimate

Cost estimates will be developed as part of the study, which is being conducted in-house on staff time.



Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.2 Improve connectivity to provide seamless journeys.
- 3.2 Catalyze transit-oriented communities and help stabilize communities where these investments are made.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan (including improving multi-modal transportation options).
- 5.1 Leverage funding and staff resources to accelerate the achievement of goals and initiatives prioritized in this Vision 2028 Plan.

Update

Metro's Planning Department is managing the revisioning of the Metro Bike Share study. As part of the study, staff released an RFI in July 2020 seeking information pertaining to a cost-effective and expandable bike share program for the region. The RFI received nine responses. Metro is currently working on a parallel study of bike share options as an in-house operation. Staff plans to present options to the Board in early 2021.

Best Practices:

Capital Bike Share in the Washington D.C. region has made rides of up to 30 minutes free for essential workers during the pandemic.⁶³

⁶³See capitalbikeshare.com/blog/essential-workers-program

12. Promote Biking

Recommendation

Promote the quick roll-out of more bike infrastructure and bikes. This could include partnering with cities on strategies for rapid deployment of bike improvements, fully funding Metro Active Transportation (MAT) Cycle 1, accelerating Measure M regional bike capital projects, and developing and launching a pilot to distribute bicycles.

Justification

Encouraging more cycling in Metro's service area can help prevent overcrowding on transit. It can also help avoid a surge in driving when Safer At Home orders are lifted, thereby contributing to Metro's strategic goal of fewer single occupancy vehicle trips.

Equity

The MAT program targets high-need locations, based on equity factors. In supporting bike programs, Metro should learn from community recommendations related to community outreach, over-policing and racial profiling. We also recommend community education to ensure safe riding, and exploring the potential to donate unclaimed bikes collected on our system and at stations to high-need communities.

Cost Estimate

MAT Cycle 1 and capital projects would draw from existing funding. The cost to develop and launch an "Adopt-A-Bike" program using abandoned bikes is estimated at \$120,000.

Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.1 Expand the transportation system as responsibly and quickly as possible.
- 1.2 Improve connections to provide seamless journeys.
- 1.2 Improve safety on the transit system and reduce roadway collisions and injuries.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.

Update

MAT Cycle 1 funding was passed by the Metro Board of Directors in January 2021. Each month, Metro collects 400–500 bicycles that are left on the Metro system and on Metro property. The current Metro procedure dictates that unclaimed bicycles are to be sold at auction. Staff developed an "Adopt-a-Bike" program that would allow unclaimed bicycles to be offered free of charge to LA County residents and the unhoused. Metro's Board approved the program in August 2020.⁶⁴ Bike adoptions are anticipated to begin in 2021.

Best Practices:

Paris has plans to create 650 kilometers (over 400 miles) of bike lanes. Fifty km (30 miles) were rapidly installed, almost overnight. Mayor Hidalgo recently announced that these temporary bike lanes will become permanent, which will vastly improve traffic flow and cycling connectivity. The regional government in Paris is also providing subsidies of around 500 euros for residents to purchase electric bikes and 50 euros toward bike repairs. Public bike rentals are seeing record demand.⁶⁵

England is reallocating public space to cyclists by widening pavements and creating cycle and bus-only corridors. The government is investing \$310 million toward this effort.⁶⁶

Milan created 35 km of new paths for cyclists and pedestrians, and the Italian government introduced a 70% subsidy for buying bikes.⁶⁷

⁶⁴See <https://metro.legistar.com/LegislationDetail.aspx?ID=4617385&GUID=DDF06C69-FB0F-47C2-8364-807C3C20FD28&Options=ID|Text|&Search=>

⁶⁵See <http://www.rfi.fr/en/france/20200701-paris-temporary-bike-lanes-to-be-come-permanent-after-hidalgo-re-election-mayor-green-pollution-cars>

^{66,67}See <https://www.nytimes.com/2020/06/12/business/paris-bicycles-com-mute-coronavirus.html>



13. Allow and Promote Telework

Recommendation

Update Metro’s telework policy to allow more staff to telework – even after the pandemic – and engage with major employers, agencies and other stakeholders to promote expanded teleworking and implement staggered work hours where feasible.

Justification

Teleworking can help avoid a surge in single occupancy vehicle trips and congestion when more businesses open. It can also reduce crowding and related COVID-19 spread in offices, and reduce costs of leases and office supplies.

Equity

Expanded teleworking presents an equity opportunity by increasing job opportunities for people with disabilities and for workers who can work from home but need flexibility in their work schedule to care for family members. Workers who can work from home are less likely to be from marginalized communities, so employers should track the demographic characteristics of teleworkers to understand who benefits and if there are unintended consequences.

Cost Estimate

Costs for telework include costs to purchase laptops, remote work software and training for employees and software (approximately \$2,000 per employee). These outlays can be more than offset by savings from reduced need for office space outside of Metro headquarters (estimated at \$13 million annually), and from reduced job turnover, which can result in savings of \$10,000 to \$30,000 per employee.⁶⁸

Vision 2028 Goals

- 1.3 Manage transportation demand in a fair and equitable manner.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.
- 4.2 Drive mobility agendas, discussions, and policies at the state, regional and national levels.
- 5.4 Apply prudent commercial business practices to create a more effective agency.

⁶⁸See <https://www.gsb.stanford.edu/faculty-research/publications/does-working-home-work-evidence-chinese-experiment?pid=>

Update

Metro is currently operating under an emergency telework policy, which encourages flexibility in allowing telework wherever feasible. Existing telework guidelines, provisions and procedures have been relaxed to expedite decisions regarding teleworking arrangements. Approximately 14% of Metro's workforce is currently teleworking.

An inter-departmental team, led by Human Capital & Development, developed Metro's new telework policy. It was adopted in January 2021 and will give departments flexibility to allow many employees to continue to work remotely after the pandemic. In addition, Metro ITS has convened an internal working group to ensure that Metro and its employees are technologically equipped for an effective teleworking culture under the new policy.

Metro's Shared Mobility Program has held a telecommuting workshop for large employers, included telecommuting information in newsletters to employers, provided individual assistance to employers that wish to write or update telecommuting policies and hosted a regional telecommuting workshop in January 2021.

Best Practices

The U.S. federal government, the nation's largest employer, has issued new guidance on liberalizing telework and has urged other agencies to maximize telework flexibilities.⁶⁹

LA County administers a Telework Program designed to be an innovative workplace option contributing to the improvement of work quality, increased productivity, and achievement of air quality and traffic reduction goals.⁷⁰

The State of North Dakota estimates a cost savings of \$1.2 million a year in lease savings if employees were to telework.⁷¹

Large private employers, including Twitter, Amazon, Microsoft, Facebook, Google, Apple, Airbnb, Lyft, Chevron, Square, The Washington Post, The New York Times and The Los Angeles Times, have either encouraged or mandated employees to telework as a result of the pandemic and some have announced that options for remote work will be made permanent.⁷²

Twitter and Square have announced that employees will have the option of working from home indefinitely.⁷³

⁶⁹See brookings.edu/blog/the-avenue/2020/03/17/covid-19-makes-the-benefits-of-telework-obvious/

⁷⁰See <https://employee.hr.lacounty.gov/wp-content/uploads/2019/12/Telework-Procedures-4.0-Fillable.pdf>

⁷¹See <https://www.govtech.com/workforce/North-Dakota-Could-Realize-1-2M-Savings-in-Telework-Switch.html>

⁷²See latimes.com/business/story/2020-03-12/amazon-google-workers-work-from-home-coronavirus

⁷³See <https://www.usnews.com/news/cities/articles/2020-06-29/how-teleworking-may-accelerate-the-shift-away-from-big-cities>

14. Install More Bus Lanes

Recommendation

Partner with local jurisdictions to accelerate implementation of bus-only lanes and other speed and reliability measures in areas that Operations has identified as congestion hot spots in the past. Pursue consistent and equitable enforcement of bus-only lanes to realize the mobility benefits of existing and future lanes. Implementation and expansion of bus priority lanes, transit signal priority, all-door boarding and layover optimization are part of Metro's Speed and Reliability toolkit.

Justification

The current period of lighter-than-usual vehicle traffic offers an opportunity to implement more bus lanes with fewer conflicts with traffic and parking. Bus-only lanes will allow greater speed and reliability, helping keep buses competitive with single occupancy vehicles. Faster travel can also contribute to greater frequency and less crowding. Speed and reliability measures are also key tools within Metro's adopted NextGen Bus Plan.

Equity

This approach offers an equity opportunity by prioritizing bus lanes on routes used by essential workers, who are primarily low-income people of color, and routes that connect Equity Focus Communities. To allow input from and to get information to non-English speaking populations and riders without smart phones, staff can streamline outreach and rapidly introduce lanes and survey riders for feedback.

Cost Estimate

Funds for planning and installing bus lanes and other priority measures are included in the current budget and in the NextGen Bus Plan's capital program.

Vision 2028 Goals

- 1.0 Provide high-quality mobility options that enable people to spend less time traveling. Improving the speed and reliability of the bus network will reduce transit travel times, while also improving competitiveness with other transportation options.
 - 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
 - 2.0 Deliver outstanding trip experiences for all users of the transportation system. These initiatives help to move more people within the same street capacity, where currently transit users suffer service delays and reliability issues because of single occupant drivers.
 - 3.0 Enhance communities and lives through mobility and access to opportunity. With faster transit service and improved reliability, residents have increased access to education and employment.
 - 4.0 Transform LA County through regional collaboration and national leadership.

Update

The LA Department of Transportation (LADOT), in collaboration with Metro, has installed bus lanes and protected bike lanes on 5th Street and 6th Street in downtown Los Angeles. Metro, in coordination with LADOT, is on schedule to implement the bus signal queue jumper at 5th Street/Flower Street and curb treatments on the Aliso Street bus-only lane. Metro and LADOT continue to analyze potential prioritization measures for other corridors, with a target to complete two to three corridors per year for bus lanes, along with a gradual expansion of transit signal priority and all door boarding.

Best Practices

MBTA is considering adding more dedicated bus lanes to speed up travel to meet expected demand as ridership slowly returns and congestion returns. MBTA believes that dedicated bus-only lanes will allow buses to move faster, allowing the buses to make more trips with people safely spread out on the buses.⁷⁴

⁷⁴See wbur.org/bostonmix/2020/05/11/mbta-reopening-service-plan

15. “We’re Here for You.”



Recommendation

Launch a communications campaign with multiple goals as Safer At Home orders are relaxed, including messages to:

- > boost brand and ridership
- > encourage use of non-single-occupancy vehicle services
- > encourage safe use of services
- > convey equity and that everyone is welcome

Justification

A communications campaign is an opportunity to address questions and inform riders and the public about how Metro is bringing back more service and how riders can travel safely. It also provides an opportunity to refresh Metro’s brand in the context of all of the major changes and events of 2020.

Equity

Messaging and outreach can provide an equity opportunity if it is focused on targeting and hearing from historically marginalized/underserved communities. The campaign should acknowledge riders who continued using Metro services for essential trips. Messaging should also reflect input from riders gathered through customer surveys.

Best Practices

NY MTA has launched a “Welcome Back” PSA Campaign as New York reopens. A public service announcement that reminds customers they must wear a face covering when riding public transportation was played across 22 radio stations in the five borough area, in English and in Spanish.⁷⁶

CTA has launched a new ridership information dashboard to help customers travel smarter

Cost Estimate

\$500,000

Vision 2028 Goals

- 2.2 Improve legibility, ease of use, and trip information on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 3.3 Commit to genuine public and community engagement to achieve better mobility outcomes for the people of LA County.

Update

Metro’s “We’re Here for You” campaign was launched in English and Spanish in July 2020 with two objectives: (1) let riders know what they can do to create a culture of safety while on the system and (2) inform the public about what Metro is doing to keep operators and riders safe. The first objective falls under the banner of “Travel Safe” and features in-system messaging and tactics, including digital ads, social media ads, printed posters and voice announcements that reinforce wearing face coverings, maintaining social distance when possible and washing hands. The second objective targeted current and lapsed riders using Facebook, Instagram and digital display ads. It included messages about enhanced cleaning efforts, service adjustments, rear-door boarding and the bus crowding feature Metro launched within the *Transit* app. As of September, “We’re Here for You” has generated over 21.5 million paid media impressions. The paid campaign finished in December, but we will continue to promote through our system signage and adjust messaging to reflect the latest updates to COVID-19 policy and safety - for example to encourage customers and employees to get vaccinated. Metro has also adopted APTA’s Safety and Health Commitment program and is integrating its Seal of Commitment into safety-related marketing.⁷⁵

and more safely. The dashboard will provide a bus crowding report that shows available capacity of each route is. CTA is also posting new signs and stickers to encourage use of masks and social distancing.⁷⁷

⁷⁵See <https://www.apta.com/commitments/>

⁷⁶See <http://www.mta.info/press-release/mta-headquarters/mta-launches-%E2%80%98welcome-back%E2%80%99-psa-campaign-new-york-reopens>

⁷⁷See <https://www.masstransitmag.com/technology/miscellaneous/press-release/21142380/chicago-transit-authority-cta-cta-launches-new-ridership-information-dashboard-customer-awareness-campaign>

16. Use More Customer Ambassadors

Recommendation

Deploy non-security staff at stations as customer service agents and ambassadors to encourage safe riding (mask usage, distancing, etc.). The design of this program and roles for ambassadors can draw on recommendations from Metro Leadership Academy teams and their capstone projects, from customer survey results and from public conversations and Metro Board motions on how to improve security on Metro.

Justification

Expanding the number of non-security staff who can help and interact with riders advances three goals: It can help riders use services safely. It can provide better customer service in general and address specific concerns identified through customer surveys. And it can address concerns about disparities in policing.

Equity

Utilizing non-security personnel can help ensure that Black, Latinx and other riders who are not comfortable with law enforcement, feel safe approaching and listening to customer service agents. Agents that speak various languages, have had cultural sensitivity training and are instructed to focus on education will maximize benefits for marginalized communities.

Vision 2028 Goals

- 2.1 Improve security.
- 2.2 Improve legibility, ease of use, and trip information on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 3.3 Commit to genuine public and community engagement to achieve better mobility outcomes for the people of LA County.

Cost Estimate

Annual cost estimates from the leadership academy proposals for staff, equipment and training vary depending on the source and number of staff, as well as equipment and training needs:

- > \$55,000 for 25 repurposed FTEs
- > \$740,000 for 25 part-time staff
- > \$7.4 million for 50 new FTEs

Staff are looking at partnering with a community organization to conduct a pilot.

Update

Staff are working to respond to Metro Board Motion #37 on re-envisioning security, and are establishing a committee of community members that will provide input concerning what an Ambassador Program would look like. An internal steering committee working on Board Motion #37 recently met to discuss the program concept and potential partnerships with community organizations. This effort is being aligned with the Fareless System Initiative.



Best Practices

Phoenix's Valley Metro has implemented an ambassador program successfully utilizing "Customer Experience Coordinators" who engage with riders, assist them however possible as well as to support system safety, ensure station cleanliness and, ultimately, contribute to an overall positive experience for customers.⁷⁸

⁷⁸See <https://www.valleymetro.org/news/customer-experience-coordinators-welcome-riders>

17. Explore New Mobility Solutions

Recommendation

Pilot and expand alternative mobility services that incorporate lessons learned from Metro pilot programs and plans, such as the MicroTransit and Mobility on Demand contracts. This effort may include partnerships with public, private and community operators for complimentary programming.

Justification

Additional mobility programs and services can expand transportation options, reduce crowding on some high-demand transit routes and offer new learning on non-single-occupancy-vehicle options.

Equity

As with Metro’s on-demand pilots, efforts to expand alternative mobility services can and will prioritize Equity Focus Communities and people who face challenges accessing either traditional transit or private services.

Vision 2028 Goals

- 1.1 Expand the transportation system as responsibly and quickly as possible.
- 1.2 Improve connectivity to provide seamless journeys; explore opportunities for expanding access to shared, demand-responsive transportation options for everyone.
- 2.3 Improve customer satisfaction at all customer touch points.

Cost Estimate

N/A

Update

On August 11, 2020 Metro released a Mobility Services RFI. The original due date for submissions was September 4, 2020, but was extended to September 18, 2020.

Metro received 10 responses, which reflected a range of modes, models and perspectives on the RFI’s problem statement. Staff reviewed responses, briefed members of Senior Leadership, and set up cross-functional review teams. The review teams have met several times to evaluate the proposals and are developing recommendation and work plans and pursuing partnerships.



Best Practices

LA Metro’s on-demand services have effectively adapted and adjusted service models to accommodate essential trips for customers who need to access services, such as grocery stores, pharmacies and medical centers.⁷⁹

The Portland Department of Transportation has temporarily waived e-scooter daily fees in exchange for Spin, reducing the cost of a ride by about 50%. Healthcare workers can apply online for free, unlimited 30-minute Spin rentals and a helmet.⁸⁰

⁷⁹See thesource.metro.net/2020/03/25/metros-mobility-on-demand-service-now-running-point-to-point-trips-within-service-zones/

⁸⁰See www.oregonlive.com/bikes/2020/04/07/the-portland-bureau-of-transportation-is-slashing-fees-for-biketown-and-e-scooter-rides/

18. Use Budget to Advance Recovery

Recommendation

Metro's Fiscal Year 2021 budget can advance important recovery priorities. We support several FY21 budget elements:

- > Show a funding line-item for the NextGen Bus Plan and other bus improvements.
- > Prioritize funding for mask distribution through the end of calendar year 2020" to "through mid-2021.
- > Accommodate the launch of the Measure M Visionary Seed Fund in FY21.

Justification

While Metro is facing budget challenges due to the pandemic, there is still some flexibility to use funds to advance recovery. NextGen is important, both to prevent overcrowding as ridership shifts and rises, and to achieve better mobility. Promoting mask wearing is crucial to protect rider and operator health and to address concerns about the safety of using buses and trains. The Visionary Seed fund is a potential tool to incentivize new ideas that can help Metro address recovery challenges.

Equity

More and better bus service and masks benefit low-income riders. The Visionary Seed fund can apply an equity lens in choosing topics and submissions.

Cost Estimate

Mask distribution costs approximately \$50,000 per week. The visionary seed fund is part of Measure M; the budget for an initial two-year grant program would be \$1 million.

Vision 2028 Goals

- 1.2 Invest in a world-class bus system.
- 5.1 Align financial resources to reflect Vision 2028 plan.
- 5.4 Free up capacity for innovation.
- 5.6 Foster and maintain a strong safety culture.

Update

- > Metro's adopted FY21 budget included funding levels for NextGen: "\$7 million for speed and reliability improvements and other service enhancements; \$16.3 million for station and bus plaza expansion, and \$106.8million for enhancement of service on BRT routes and other transit corridors."
- > Mask distribution was paused in October and November and resumed in December.
- > In early 2021, OEI will submit a request to launch the visionary seed fund.

19. Reimagine Capital Projects

Recommendation

Improve major capital projects based on criteria such as enhancing mobility and ridership, advancing equity and Title VI compliance, and supporting health and economic development. Projects can be examined and improved within the parameters of funding measure ordinances.

Justification

Budget challenges, the economic and job benefits of capital construction, and the opportunity for a new normal of mobility without congestion provide motivation to help projects proceed on schedule and maximize their recovery impacts.

Equity

As projects are planned and built, equity analysis should be used to maximize their benefits for vulnerable populations and to avoid harm to those populations. Equity Focus Communities should be considered, along with impacts on small business enterprises, disadvantaged business enterprises and disabled veterans business enterprises.

Cost Estimate

The initial cost of this recommendation is for staff time to consider how recovery criteria can help improve projects.

Vision 2028 Goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 1.1 Expand the transportation system as responsibly and quickly as possible.
- 1.2 Invest in a world-class bus system that is reliable, convenient, and attractive to more users for more trips.
- 1.2 Improve connectivity to provide seamless journeys.
- 3.1 Leverage its transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.
- 5.1 Leverage funding and staff resources to accelerate the achievement of goals and initiatives prioritized in the Vision 2028 Plan.
- 5.2 Exercise good public policy judgment and sound fiscal stewardship.

Update

The Recovery Task Force's major capital projects subcommittee developed a project assessment matrix tool that is intended to help inform decision making on projects within the parameters of funding ordinances. The tool was not used to determine which projects should proceed during the pandemic, but the research may be useful to help maximize the benefits of capital projects.

Best Practices

King County Metro, an agency with a similarly large capital infrastructure program, has also been negatively impacted by tax revenue shortfalls. KCM has projected a 30-40% reduction in their Capital Improvement Program. To tackle this, KCM developed criteria and is using a newly created Mobility Framework, an equity focused policy tool, to re-evaluate their capital program.⁸¹

⁸¹See <https://www.theurbanist.org/2020/06/23/deeper-transit-cuts-loom-as-metro-faces-serious-financial-constraints-in-2021-and-2022/> and KCM's "Update on Metro's COVID-19 Response and Recovery: Regional Transit Committee and Mobility & Environment Committee" dated June 17, 2020

20. Better Address Homelessness

Recommendation

Expand social service resources and partnerships, including on-site services, to better connect unhoused riders on the Metro system with services and housing. Explore use of Metro property for transitional housing.

Justification

The presence of riders who are taking non-essential trips prevents social distancing, threatens the public health of all riders and makes some feel uncomfortable. Research shows that enforcement is not effective in addressing homelessness. Transit agencies cannot solve the problem of homelessness alone, but with the right policies, partnerships and programs, they can create a safer and more comfortable environment for all transit users. Additionally, helping unhoused riders find housing and services contributes to Metro's strategic plan goal 3.4 which calls for helping to solve homelessness.

Equity

Helping unhoused people find housing and services directly addresses equity issues and allows essential riders to socially distance while reducing public health risks.

Vision 2028 Goals

- 2.1 Improve security.
- 2.3 Improve customer satisfaction at all customer touch points.
- 3.4 Play a strong leadership role in efforts to address homelessness in LA County.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.

Cost Estimate

Metro initiated new, no-cost partnerships with the Dream Center and LA Door. Substantially expanding outreach would have costs; for benchmarking, the current main service contract is \$5 million per year. Efforts to explore the use of Metro property are at an early stage.

Update

Metro is continuing to partner with service providers to help place homeless riders. The agency also added two new service provider partners and has been working with Judge David O. Carter's team in securing 100 beds with social services at a discounted rate. Staff is reaching out to community organizations within pre-identified council districts to secure partnerships. Metro has not yet identified property that could be used to build transitional shelters.

Best Practices

Transit agencies in Durham, Minneapolis/ St. Paul and Edmonton have helped transport homeless people to shelters during the pandemic.⁸²

⁸²See <https://www.masstransitmag.com/safety-security/article/21132995/agencies-work-to-transport-homeless-populations-to-shelter-as-threat-of-covid19-intensifies>

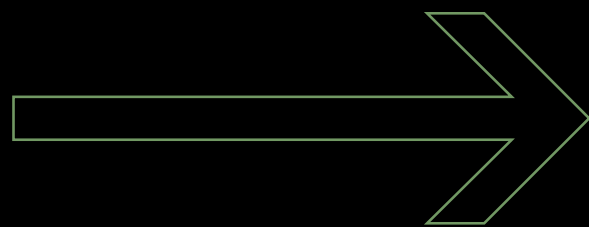


Final Recommendations

Final recommendations aim to improve mobility and equity after the pandemic, and to help pay for these improvements.

For each recommendation we provide the following information:

- > Summary
- > Justification
- > Benefits
- > Costs or cost savings
- > Equity analysis
- > Which Vision 2028 goals does this help implement?
- > Best practices
- > Current practices
- > Recommendation
- > Implementation Plan



New and Improved Services

21. Run Express Buses on Improved HOV and Express Lanes

Summary

Metro will work with Caltrans and elected officials to explore the possibility of increasing capacity to run express and commuter buses on high-occupancy vehicle (HOV) lanes. This could be accomplished by raising minimum occupancy requirements on select HOV lanes in LA County as a way to maximize the efficiency of the transportation system as a whole. Metro will also work with Caltrans and other stakeholders to explore ways to rapidly implement planned Express Lanes.

Justification

Although the pandemic temporarily reduced traffic on LA roadways, the county's freeway and arterial system experiences heavy recurring congestion under normal circumstances.

On congested freeway corridors in LA, HOV lanes are frequently as slow as general-purpose lanes. Carpool occupancies are minimal and do not effectively reduce the burden on the general purpose lanes. Running buses on HOV lanes under current congested conditions has not encouraged higher ridership.

Costs or cost savings

Major costs include:

- > Staff time
- > Funding Express Lanes faster
- > Infrastructure updates due to upgrading HOV lane occupancy requirements
- > Funding for new express bus service
- > Marketing and outreach
- > Technical analysis for HOV lane occupancy changes

Benefits

Providing safe, reliable and efficient express bus service on HOV and Express Lanes could reduce traffic congestion on freeways, specifically during the peak congestion periods for long distance commuters. This would encourage mode shift and reduce the number of vehicles on our freeways.

Raising the occupancy requirements for some HOV lanes could mitigate degradation of the lanes. When HOV and Express Lanes operate efficiently, the entire system works more efficiently and effectively, which allows more people to move faster and could benefit transit services that operate on these routes. This improves reliability and travel-time consistency and, thus, transit operations for Metro and other providers.

A more efficient system also allows incident response to occur faster, which improves safety for all motorists. When freeway incidents are addressed quickly, the probability that secondary incidents will occur is reduced.

2014-2016 STATEWIDE HOV LANE DEGRADATION

YEAR	JANUARY TO JUNE	JULY TO DECEMBER
2014	784 lane miles (59%)	844 lane miles (63%)
2015	817 lane miles (62%)	874 lane miles (67%)
2016	864 lane miles (65%)	902 lane miles (68%)

Equity analysis

A rapid equity assessment of this recommendation identifies the need to ensure that low-income drivers – whether carpooling or driving solo – have more rather than fewer mobility options. Adding express buses could help this population, depending on routes and cost. Low-income discounts for Express Lanes and express buses, as well as express routes that expand access to jobs and amenities for vulnerable populations, would help ensure equity.

Which Vision 2028 goals does this help implement?

- 1.1 Expand the transportation system as responsibly and quickly as possible.
- 1.2 Invest in a world-class bus system that is reliable, convenient and attractive to more users for more trips.
- 1.3 Implement the Express Lanes Tier 1 network within the next 10 years
- 4.2 Help drive mobility agendas, discussions, and policies at the state, regional and national levels.
- 5.2 Exercise good public policy judgment and sound fiscal stewardship.

Best practices

- > For the 1984 Olympics, the Southern California Rapid Transit District (one of Metro's predecessor agencies) successfully implemented additional service for attendees and athletes that included express buses on freeways and bus lanes on streets.⁸³
- > A 2019 redesign of express bus routes between Staten Island and Manhattan led to increased frequency and ridership.⁸⁴
- > Other counties in the region (San Bernardino,⁸⁵ Riverside and Orange⁸⁶) are starting to upgrade their HOV occupancy levels to 3+ to improve mobility on those managed lanes.
- > In late 2019, Santa Clara Valley Transportation Authority in the Bay Area increased occupancy requirements in one of their express lanes from 2+ to 3+.⁸⁷

Current practices

- > Metro currently operates Express Lanes and has a strategic plan to deploy additional Express Lanes throughout the county over the next 30 years.
- > During peak hours, Express Lanes offer users a significant time savings as compared to driving in the general purpose lanes.

MORNING PEAK DRIVE	AVERAGE SPEED	AVERAGE TIME SAVINGS (FULL LENGTH OF EXPRESSLANE)
I-110 ExpressLanes	51.6mph	12.6 minutes
I-10 ExpressLanes	53.2mph	13.7 minutes

- > Several transit agencies in the region currently operate commuter bus service. Those routes and services can be enhanced with this recommendation.



⁸³See <http://metroprimaryresources.info/28-years-ago-this-week-the-world-returns-for-los-angeles-gold-medal-performance-in-olympic-traffic-relief/4310/>

⁸⁴See <https://new.mta.info/SIM-Bus-Network-Redesign>

⁸⁵See <https://www.gosbcta.com/project/i-10-corridor-project-phase-i/>

⁸⁶See <https://www.ocregister.com/2019/12/10/toll-lanes-on-the-5-in-orange-county-it-could-happen-in-a-decade/>

⁸⁷See <https://www.vta.org/faq/what-are-carpool-occupancy-requirements>

Recommendation

This recommendation includes several components that would require coordination with partner transit agencies and Caltrans:

1. Raise the HOV occupancy requirement to mitigate degradation and bring degraded lanes back into compliance. This could be implemented as a uniform increase across Metro’s service area or on a freeway-specific basis depending on current conditions.
2. Explore ways to deploy Express Lanes more rapidly. This could include legislation to allow conversion of general-purpose lanes, as well as quicker funding and review of proposed new Express Lanes.
3. Ensure that HOV lanes and Express Lanes can be easily and fairly enforced, which may require legislation to allow automated camera enforcement.
4. Promote existing express and commuter bus service on HOV lanes. Explore how to expand and implement new point-to-point express bus service on corridors with improved occupancy requirements and on future Express Lanes. This effort could be supported through partnerships and grant funding.

Implementation Plan

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET (IN FTE OR DOLLARS)
Collaborate with Caltrans, Metro Congestion Reduction groups and existing taskforce on HOV degradation to evaluate the performance of the HOV system in LA County and identify opportunities for system improvements.	●	●	●	●	Metro Highways	Staff time
Select routes for higher vehicle occupancy pilot project(s) combined with express buses on HOV lanes to test/identify the effectiveness of combined use for higher passenger throughput without significant impact on general purpose lanes.	●	●			Metro Highways with Caltrans and Metro Congestion Reduction group	
Prepare a plan of action with a list of activities to be performed, agencies that will have to be involved and their roles and responsibilities, and an implementation schedule for planned actions. Present plan to a Steering Committee comprised of Metro CEO, Caltrans District 7 Director, select Metro Board members and other key decision-makers to be identified during the plan development process.	●	●			Metro Highways and Congestion Reduction	
Identify existing service opportunities to leverage selected corridors and/or investigate pilots for potential additions to point-to-point express bus service.		●	●		Metro Operations (Service Planning & Scheduling)	
Work with Metro Highways and Congestion Reduction to explore legislation that would make it easier and faster to deploy new Express Lanes and raise occupancy requirements for HOV lanes.		●	●	●	Government Relations	

22. Accelerate Networks of Complete Streets

Summary

To fulfill our mission of delivering world class transportation, Metro needs to be able to consistently, rapidly and cost-effectively influence street designs and infrastructure to allow people to move through LA County without needing to drive alone. The types of complete street improvements that would benefit Metro's mission include networks of bus lanes, measures to prioritize bus and light rail, networks of protected bike lanes and better bus stops.

Justification

Most trips on Metro's services use on- or cross-surface streets. The design and condition of streets profoundly impacts customer experience, safety, travel speeds and ridership. Metro, however, does not typically have decision-making authority with respect to whether there are bus lanes on high ridership routes or with respect to other street improvements that might be critical to, for example, provide bike lanes that feel safe to the majority or residents or bus stops that are well designed and offer a dignified place to wait (as opposed to just poles with blades). Partly as a result, LA County lacks full and effective networks of measures that prioritize transit and complete streets.

Benefits

If Metro had additional tools for working with jurisdictions on street design and infrastructure, complete street networks could be implemented more consistently, quickly and cost-effectively. This would provide LA County residents with more high- quality transportation options. It would also reduce congestion, fatalities and injuries from vehicle collisions, air pollution and greenhouse gas emissions.

Costs or cost savings

Implementing more complete street infrastructure more rapidly could increase costs in the short to medium term. Bus prioritization measures are already included in the NextGen capital budget so these would not be new costs. And innovative, cost-effective approaches to partnering with jurisdictions and delivering improvements could offset some or all remaining costs.

Equity analysis

A rapid equity analysis of this recommendation indicates that low-income people of color, who account for the majority of Metro riders, would benefit from bus prioritization and more bus stop amenities. Vehicle-related fatalities and injuries are most prevalent in Equity Focus Communities, so better active transportation infrastructure would improve health equity. Planning and implementation to rapidly expand networks of complete streets should reflect input from disadvantaged communities.

Which Vision 2028 goals does this help implement?

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
Expand the transportation system as responsibly and quickly as possible.
- 1.2 Invest in a world-class bus system.
Improve connectivity to provide seamless journeys.
Reduce roadway collisions and injuries.
- 2.3 Improve customer satisfaction at all customer touch points.
- 4.1 Work with partners to build trust and make decisions that support Vision 2028 goals.
- 4.2 Help drive mobility agendas, discussions and policies.



Best practices

- > King County Metro collaborated with Seattle and other local cities on a RapidRide program to implement bus speed improvements on six key corridors.
- > Transport for London manages a 350-mile 'red route' network consisting of 5% of street miles within its service area that carry 25% of trips.⁸⁸
- > Bogota, Mexico City and other metro regions in Latin America have implemented large networks of bus rapid transit service.
- > Transport for London invests in its own bus stops and then uses advertising money to pay back the capital investments.
- > The Paris region is planning to implement hundreds of miles of cycleways to help avoid a surge in driving related to the pandemic.

Current practices

- Metro advances its complete street goals in a variety of ways, including by partnering with other organizations.
- > Metro and the City of LA's joint speed and reliability working group recently implemented a bus-only lane pilot and built two new bus-only lanes and protected bike lane corridors in downtown Los Angeles.
 - > Metro is planning several Bus Rapid Transit corridors as capital projects. Metro is also identifying future BRT corridors via a BRT Vision + Principles Study.
 - > Metro's NextGen Bus Plan includes a capital program to invest in bus prioritization measures.
 - > As part of its 2016 Active Transportation Strategic Plan, Metro funds and provides technical assistance on complete streets through a variety of programs.⁸⁹

⁸⁸See <https://tfl.gov.uk/modes/driving/red-routes>

⁸⁹See <https://www.metro.net/projects/active-transportation/>

Recommendation

This recommendation seeks to build on existing efforts and expand the toolkit of partnerships through which Metro can encourage networks of complete streets. Options include:

- > Continue the speed and reliability working group – which has a technical planning and design component and a public outreach component – to focus on more corridors and expand to collaborate with more jurisdictions.
- > Bring together existing plans for different types of complete street infrastructure to create an internal Metro complete streets plan. The plan would identify priority corridors to fill gaps in complete street networks. Consider partnering with cities on a countywide major streets plan.⁹⁰

- > Consider planning appropriate active transportation, BRT and light rail projects using SB288.
- > Consider innovative project delivery methods for complete streets, such as co-investing with cities and offering funds to cities to build out the map of priority complete street networks.
- > Prioritize extension of complete street networks in places with high levels of injuries and deaths from vehicle collisions.
- > If discussions with partners indicate that Metro should play a larger role on regionally significant corridors, state legislation could grant Metro partial planning authority for a network of major arterial streets.

⁹⁰In 1924, a joint County and City commission sponsored “a comprehensive plan for the reconstruction of the ill-arranged collection of streets of Los Angeles into a well-ordered system of traffic arteries.” The resulting report, A Major Traffic Street Plan for Los Angeles, was influential in encouraging street construction and widening and in envisioning a future network of grade-separated high-speed roads (the genesis of LA’s freeway network). A 21st century major streets plan could advance complete streets and accompanying mobility, safety and environmental benefits.

Implementation Plan

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
Continue and expand speed and reliability working group.	●	●	●	●	Operations and Community Relations	
Create plan of complete street networks on major streets in LA County (overlying existing plans and identifying and filling gaps)	●	●			Planning, Operations, OEI	
Partner with jurisdictions on better bus stop amenities.	●	●	●	●	Service Planning, Community Relations, Stops and Zones and OEI, via Better Bus Working Group	
Partner with jurisdictions on active transportation infrastructure.	●	●	●	●	Planning	
Convene partner cities and agencies to discuss master plan of LA County arterials.		●			Planning, OEI, Community Relations	
Explore new ways to collaboratively plan and fund complete streets.	●	●			Program Management, OEI	
Pilot new way(s) to plan and fund complete streets.		●	●	●	Program Management, Planning	
Seek state legislation if needed to allow/encourage better coordination on complete streets.		●	●	●	Government Relations, Planning, OEI	

23. Fully Integrate Transit in LA Region

Summary

As a result of COVID-19, many transit agencies in LA County are adjusting service offerings, level of service, service span and service frequency. In an effort to establish an efficient and cohesive transportation network, Metro and its partners should integrate fare structures and service provisions, while also providing customers with a single, unified location for obtaining information on transit and transportation services across the region.

Justification

With less service during the pandemic from all agencies, customers need their transit experience to be as seamless as possible, from trip planning to trip completion. Greater integration will also help make the system more accessible to returning and new transit patrons after the economy reopens and people decide how to travel.

Benefits

Leveraging existing inter-agency relationships throughout the region to integrate transit service will allow customers to experience better connectivity, avoid redundancy and spend less time traveling. An integrated transit experience in LA County will result in better schedule coordination, improved customer experience and more ridership across all providers. Customers will be able to navigate the region with ease when all information is available at one centralized location to better enable trip planning.

Equity analysis

Transit patrons region-wide, regardless of service provider, will benefit from greater integration of transit service, fares and information. These changes will improve the travel experience for all, especially for those who need to navigate multiple transit operators within the same trip. All transit operators should be involved in coordinating their planning.

Costs or cost savings

Integrating transit throughout the region will take an investment of staff time. In addition, there will be costs associated with:

- > Enhanced data management and partner coordination through RIITS
- > Updates and enhancements to SoCal 511 (funded through LA SAFE)
- > Marketing and communications
- > New signage at shared bus stops; costs to fund any new coordination entities and to update information technology

Which Vision 2028 goals does this help implement?

- 1.1 Expand the transportation network and increase mobility for all users.
- 1.2 Invest in a world-class bus system that is reliable, convenient and attractive to more users for more trips.

Partner with Metrolink to increase the capacity of the regional transportation system.

Improve connectivity to provide seamless journeys.
- 1.3 Develop simplified, sustainable and comprehensive pricing policies to support the provision of equitable, affordable and high-quality transportation services.
- 2.2 Improve legibility, ease of use and trip information on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 4.2 Drive mobility agendas, discussions and policies at the state, regional and national levels.

Best practices

A number of regions in Canada, Europe and Australia that, like LA County, have a mix of urban and suburban jurisdictions, have metropolitan transit coordination bodies with responsibility for transit planning, setting a single fare and pass, marketing, procurement, monitoring and, sometimes, operations. In these regions, which include Toronto, Milan, Frankfurt, Stockholm and Sydney, coordination has led to gains in transit ridership.⁹¹



Current practices

- > Metro supports collaboration across regional service providers by regularly convening the general managers of these services through ongoing “General Managers Meetings.”
- > TAP offers integrated fare payment across 26 transit agencies in LA County.
- > Metro is currently investigating the viability of going fareless on our system. Decisions made as part of this effort will affect fare integration across the region.
- > Metro’s regional rail program collaborates with Metrolink.
- > Metro currently provides routing, scheduling and fare information for 70 transit agencies, from Santa Clarita to Riverside, providing the patron starts in LA County. Updating Metro’s trip planner to include real-time data from the other transit agencies would give riders consistent information.
- > 511 is the federal standard for traveler information, and SoCal 511 provides multi-modal transportation information across five counties (Los Angeles, Ventura, Orange, Riverside and San Bernardino).

⁹¹See <https://transweb.sjsu.edu/sites/default/files/2001-DeRobertis-Characteristics-Effective-Metropolitan-Transit.pdf>

Recommendation

Fully integrating transit across the county should be looked at in two ways:

(1) operationally integrating services across cooperating service providers in the region and (2) ensuring that the public has one place to go for information.

Operational integration will ensure that customers have an improved and seamless experience while traveling across the county. To effectively integrate transit service, Metro should:

> Pursue greater coordination with partner transit agencies.

> Work toward better integrated and expanded service, such as by coordinating schedules so transferring is easier, synchronizing shakeout dates (the times when agencies update service), and working with Metrolink and other regional rail services to provide more mid-day service and build towards frequent, through-running regional rail.

> Transition county service providers to one consistent fare (or fareless) structure.

Customers need a unified and centralized location to plan their trips. To integrate transit information for the public, Metro should leverage and optimize 511 service, TAP and third party apps to ensure a seamless experience for users, potentially including touchless payment functionality.

Implementation Plan

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET (IN FTE OR DOLLARS)
Create subcommittee of Metro staff (Operations, Planning [Regional Rail], CP&D, TAP, RIITS, OEI, OCEO [Customer Experience]; general managers of other transit agencies; and other stakeholders to lead planning for integration.	●				Planning, Operations with general managers	Staff time
Consider and begin implementing Fareless Transit Initiative recommendations.	●				FSI, OCEO, TAP	
Gather data on schedules and fares and make recommendations to regularize operations.	●	●			Integration subcommittee	
Develop 511 optimization plan based on integration plan.		●	●		Congestion Reduction (LA SAFE)	
Make recommendations and take steps towards seamless integration.		●	●	●	Integration subcommittee	
If needed, develop and pursue legislation to authorize formal metropolitan transit coordination entity.			●	●	Integration subcommittee and Government Relations	

24. Offer Incentives to Reduce Car Ownership

Summary

Develop a program that provides options, such as free or discounted bikes, e-bikes and similar personal mobility devices, mobility wallets, free transit, better bus operations and other incentives for households willing to go car-free or car-light.

Justification

LA County residents have been acquiring vehicles at an unsustainable rate for many years. If other cities around the world are any indication, the pandemic could increase that demand. More effective mobility alternatives to car ownership need to be incentivized quickly to prevent another surge in car purchases. In addition, substantial discounts should be provided to those who travel by other means, whether by choice or necessity.

Benefits

Well-designed incentives could potentially help shift many Angelenos away from driving as their default mode, thus enabling a more equitable and sustainable transportation system for LA County. Benefits would include reductions in traffic congestion, pollution, and vehicle deaths and injuries. Buses would move faster and come more frequently, offering a more viable alternative for people who, by necessity or choice, don't own a car.

Costs or cost savings

A separate recommendation looks at how to raise funds for incentives to reduce car ownership this idea. The cost will depend entirely on the size of the program, which will be limited by the amount of funding that can be raised. However, as a rough estimate, the cost of a new e-bike – approximately \$1,500 – could be used as a benchmark for the level of incentive needed per person who agrees to give up their car. Applying this figure, the cost to get 10,000 cars off the road and bring 10,000 new people to transit and other alternative modes would be approximately \$15 million. Compared to the several-billion-dollar

cost of new rail lines that typically garner fewer than 100,000 passengers per day, this type of program would appear to be a bargain.

Equity analysis

This recommendation will distribute benefits to people who do not own vehicles or who are willing to sell their vehicles to make their households car-free or car-light. In LA County, households without vehicles are disproportionately low income. The intention is to fund the program through a progressive fee that exempts low-income people.

Which Vision 2028 goals does this help implement?

Vision 2028 includes a goal of doubling the share of trips taken in non-drive-alone modes.

- 1.3 Explore opportunities for expanding access to shared, demand-responsive transportation options for everyone.
- 3.2 Catalyze transit-oriented communities.
- 4.2 Drive mobility agendas, discussions and policies at the state, regional and national levels.

Best practices

- > This concept resembles the Obama-era federal “Cash for Clunkers” program where Americans were encouraged to trade in their old vehicle to get a new one that would be less polluting. However, this national program was meant as a federal stimulus to boost car purchases, which is the opposite of the program described here.
- > California’s Clean Cars 4 All program was recently updated to allow funds to pay for e-bikes and memberships in bike share programs.⁹²
- > Lithuania is providing incentives for people to trade in their cars for scooters.⁹³
- > British Columbia provides a range of incentives for owners to scrap their vehicles.⁹⁴

⁹² See <https://nextcity.org/daily/entry/scrap-and-replace-program-helps-low-income-californians-afford-cleaner-cars>

⁹³ See <https://thenextweb.com/shift/2020/10/29/lithuania-cash-for-clunkers-scheme-old-cars-out-escooters-in-ebikes/>

⁹⁴ See <https://scrapit.ca/otherincentivechoices/>

Current practices

Metro is currently looking at providing free fares for all transit riders through the Fareless System Initiative. However, even if fares are eliminated, there are numerous other incentives a new incentives program could offer, including bike/scooter share discounts, TNC discounts and vouchers for bikes and e-bikes.

Metro is about to test an incentives program called “Travel Rewards” under a grant from the Federal Transit Administration. This program will use a technology platform to provide incentives for people to switch away from driving alone toward other modes. If successful, it could offer lessons for the larger program proposed here.

Recommendation

Metro should develop a program that offers residents of LA County the opportunity to sell their vehicles in exchange for a set of supplemental mobility benefits, in addition to the value of the vehicle (those who do not currently own a vehicle will also be eligible for these benefits). The benefits would be contingent on participants agreeing to not purchase a vehicle for one year. Metro will research best practices to frame the benefits packages to be offered, but they may include giving away or providing vouchers for bicycles or e-bikes or similar mobility devices, providing mobility wallets that enable a package of mobility options, including TNC rides, free transit, bike/scooter sharing or simply free transit. Implementation of the program will be contingent upon funding, ideas for which are included in a separate recommendation.

Implementation Plan:

Implementation Structure

This project will be led by OEI in partnership with Planning and Operations.

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET (IN FTE OR DOLLARS)
Internal analysis. Research and analyze potential benefits packages that could be offered in exchange for agreeing to forgo vehicle ownership. This will include a robust analysis of similar programs, such as “Cash for Clunkers,” and their outcomes to identify lessons learned.	●				OEI, Planning, Operations	Staff time
Internal refinement. Circulate proposed program within Metro to receive more feedback and improve the proposal.	●				OEI, Planning, Operations	
Outreach. Bring the idea to the public for additional feedback in order to refine further.	●				Integration subcommittee	
Final recommendation. Bring final recommendation to Metro’s Board of Directors, including specific implementation plan and direction. Further implementation will be contingent upon identifying funding.		●	●		Congestion Reduction (LA SAFE)	

25. Improve Station Amenities

Summary:

Test and expand amenities at transit stations including more retail, surface-level restroom facilities and technologies that enable customers to enjoy a better customer experience while also generating revenue for Metro.

Justification

To benefit essential riders, bring riders back to the transit system and encourage more people to use its services, Metro must focus on improving the customer experience. One of the primary challenges to a better customer experience is the lack of amenities in our stations. These amenities can often be provided at no cost or they offer revenue potential that could help Metro's budget.

Benefits

Station amenities can be a mechanism for bringing riders back into our system, while also providing existing riders with more comfort and convenience. An added benefit can be to increase foot traffic in and near stations, which can potentially improve security.

Costs or cost savings

Many station amenities can be installed at limited cost to Metro and some of them have the potential to generate revenues. However, if new amenities generate trash or food waste, they could potentially increase operational costs for Metro. Other amenities that do not create revenue streams, such as surface-level restrooms or shelters, can add both capital and operating costs.

Equity analysis

Special attention should be paid to location, with an eye toward ensuring that Equity Focus Communities are a priority for new station amenities.

Which Vision 2028 goals does this help implement?

2.3 Improve customer experience at all customer touch points.

Best practices

Station amenities, including retail outlets, are a prominent feature of metro systems worldwide, particularly in Asia.⁹⁵ In some cities, the stations become destinations unto themselves, as well as strong revenue generators. While this is not necessarily realistic for Metro in the near term, Metro could be a leader in this area in the U.S.

Current practices

Metro Operations already has a group focused on station improvements; in addition, Metro recently established a Test Station Working Group as a component of the Integrated Station Design Solutions group. This will enable ideas for new station amenities, received through unsolicited proposals or other means, to be fast-tracked and tested at one station location before being expanded throughout the system. Current practice for Metro is to prohibit eating or drinking on the system (though this rule is rarely enforced), and typically Metro does not encourage selling food in stations due to the potential costs associated with increased cleaning.

⁹⁵ See <https://www.nippon.com/en/features/jg00055/>; https://www.mtr.com.hk/en/corporate/properties/mtrshopping_centres.html

Recommendation

Elevate and accelerate the development of passenger amenities at stations in order to improve customer experience, generate revenue, and increase transit ridership. Work to solicit and rapidly test ideas at proposed test stations as LA county emerges from the pandemic, with an emphasis on Equity Focus Communities.

Analyze the anticipated costs and benefits of adding food and other retail outlets at stations, which could potentially increase maintenance costs, but could also improve customer experience and deliver ridership and mobility benefits. Build on Metro Systemwide Design’s analysis of global best practices and estimated costs and benefits of installing restroom facilities (for both customers and employees) in strategic locations, such as transfer, terminus and high-volume stations.

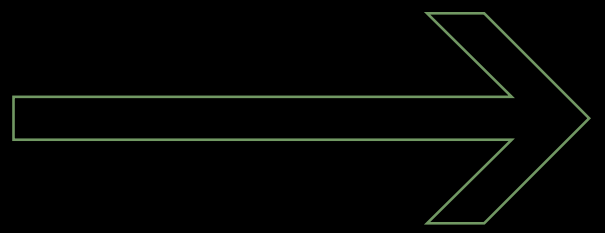
Implementation Plan

Implementation Structure

Implementation will be divided into two separate strategies. One component will be the installation of amenities and retail at rail stations. This will be a joint project of Planning, OEI, Operations and the existing Test Station Working Group.

A second component will focus on bus station amenities off of Metro property and will be included in the Better Bus initiative, which is multi-departmental.

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET (IN FTE OR DOLLARS)
Develop and run rider survey to determine which types of improvements are most desired at rail stations and bus stops.	●				OEI, OCEO (Customer Experience), Planning, Operations	\$50,000 for survey
Assess survey results and consider market outreach on highly rated amenities through an RFI and/or pursuing implementation through an RFP or lease agreement.	●				OEI, OCEO (Customer Experience), Planning, Rail Operations; Better Bus Working Group for bus stops	1 FTE combined
Bring information to the Test Station Working Group for consideration. That group will determine which amenities to test, and will develop key performance indicators (KPIs) – including revenues – to measure success.	●				Test Station Working Group for rail; Better Bus Working Group for bus stops	
Test amenities, evaluate KPIs, survey customers on their experience with amenities, and implement highly performing amenities at more stations.		●	●	●	Test Station Working Group, Planning, Operations; Better Bus Stop Working Group for bus stops	



Responsive Metro

26. Improve Public Engagement and Strengthen Rider Voices

Summary

Public engagement is a framework for guiding strategies and approaches that are tailored to each unique effort or community. This recommendation seeks to enhance public engagement in all of Metro’s programs, initiatives and projects and to help Metro prioritize feedback from our customers and under-represented populations.

Justification

COVID-19 has required Metro to develop alternative ways of engaging with and involving the public. As we continue to reach stakeholders utilizing diverse methods, we want to enhance public engagement activities to allow for better substantive input to Metro’s decision-making. Enhanced public engagement will ensure that Metro’s Vision 2028 goals are met along with the our Equity Platform and Public Participation Plan.

Benefits

Enhancing public engagement activities, tools and processes with an equity lens to ensure all engagement activities are inclusive will allow Metro to better understand how we can meet the needs of all our stakeholders. This is especially important to benefit our riders and to reach and involve those stakeholders who are harder to reach, who have been most impacted by COVID-19 and who have been historically disenfranchised from public investment.

More engagement will allow Metro to develop solutions that support community needs and improve the overall customer experience.

Vision 2028 goal

3.3 Metro is committed to genuine public and community engagement to achieve better mobility outcomes for the people of LA County.

Costs or cost savings

A small investment to enhance public engagement can help improve services and projects, reduce delays in project schedules and ensure meaningful involvement in all Metro policy decisions via more effective engagement tools. These recommendations can be delivered within the existing staffing framework and allocated FTEs within Communications. The FTE resources assume filling all existing vacant positions within the department.

Equity analysis

This recommendation supports the implementation of activities that will encourage all stakeholders to meaningfully participate in planning and decision-making activities for the agency. Some populations find it challenging to participate in person and/or online meetings. Metro will seek alternative and diverse ways to engage these stakeholders. For example, Metro will:

- > Partner with community centers or community-based organizations to offer WiFi access in targeted areas throughout LA County.
- > Ensure all virtual meetings include telephone connections that allow stakeholders to participate via phone.
- > Record proceedings so that stakeholders can view these proceedings on demand and be able to provide comments via mail, phone, email, etc.
- > Host in-person and online meetings during diverse timeframes to ensure there are various convenient times for working individuals, students and families to participate.

Best practices

Metro goes above and beyond just “checking the box” for inclusive and meaningful public engagement activities. For all engagement programs and activities, we consider everything from ADA compliance, language needs, literacy needs, the need to communicate in simple and easy-to-understand terms, infographics, and many other considerations. Nevertheless, there is always room for improvement and the recommendations outlined below will go a long way in enhancing our already robust public engagement practices.

Current Practices

COMMUNITY MEETING & PUBLIC HEARING NOTICING



- > Stakeholders will be given a minimum of 10 days notice for all Metro-hosted community meetings and public hearings.
- > Notices will be provided in English and Spanish at a minimum and translated into other languages as demographics indicate.
- > Ads and take-one notices will be placed on adjacent buses and trains for specific area meetings whenever possible.
- > Meeting and hearing materials will also be posted online for those who are unable to attend in person. Additionally, when possible, meetings will also be shared digitally using webcasts, webinars and other online platforms.

COMMUNITY MEETING & PUBLIC HEARING LOCATIONS AND TIMES



- > Metro-hosted community meetings and public hearings will be held at ADA-compliant venues, and will be accessible or convenient for transit riders and bicyclists.
- > Meetings will be held at times that are flexible around working hours, and when most convenient for stakeholders, such as at night and on weekends.
- > Venues will be near the communities of interest, which can include faith-based and community-based institutions.

COMMUNITY MEETING LANGUAGE TRANSLATION

Metro's 2019 LEP Plan Four Factor Analysis can be found in the Title VI Program Update, which will be available at metro.net/civilrights.



- > Community meeting materials and live translation will be provided in English and other languages spoken by significant populations in the project area, as resources allow, and as outlined in [Metro's LEP Plan Four Factor Analysis](#).
- > Language translation will be performed by fluent speakers.
- > Additional languages and ADA accommodations, such as large print and Braille, will be provided on request with at least three working days (72 hours) notice.

PUBLIC HEARING LANGUAGE TRANSLATION & DOCUMENTATION



- > Public hearing materials and live translation will be provided in English and Spanish at a minimum.
- > Other languages and ADA accommodations, such as large print and Braille, will be provided on request with at least three working days (72 hours) notice. Language translation will be performed by fluent speakers.
- > Court reporters will also document hearing proceedings and public comments.

NEIGHBORHOOD/ COMMUNITY LENSES



- > Metro will look at community decision-making processes through several lenses, including neighborhood and community values, LA County community structures, urban and rural areas, and ethnic and cultural groups.
- > Metro will pay attention to users who are underrepresented, including users who have limited education attainment and/or disabilities.

NON-TRADITIONAL METHODS



- > Whenever possible, Metro will strive to use videos, pictures, examples, participatory planning tools (such as interactive maps and activities), real-life examples, art and other available digital tools to explain harder-to-decipher technical details, and increase public awareness and understanding.

ONLINE LANGUAGE TRANSLATION



- > Metro's website *metro.net*, which was updated within the last few years, provides web visitors with transportation information assistance in seven languages in addition to English.
- > Additionally, Metro will offer Google Translate on every webpage for language accessibility above Title VI requirements.
- > Metro's website content will also be ADA-accessible; it will be compatible with screen-reading devices for individuals with visual impairments.

TELEPHONE INTERPRETATION



- > Metro's Customer Care Department will provide patrons with Limited English Proficiency with transportation information assistance in over 200 languages by utilizing a third-party language interpretation service.
- > Telephone interpretation will also be ADA accessible; Metro's Customer Service line will be accessible with California Relay Line ddtp.cpuc.ca.gov/default1.aspx?id=1482.
- > In addition to Customer Care, Metro Rail Operations will utilize the third-party languages interpretation service to provide information and emergency response to LEP patrons who contact the Rail Operations Center (ROC) using the communication devices (G-Tel, P-Tel and E-Tel) located on rail platforms.

Recommendation

- > Include metrics for geographic, ethnic, income, ridership and other demographic characteristics to ensure that we are reaching the most impacted stakeholders and giving voice to those hard-to-reach communities that rely on transit by:
 - Using census and other available data sets to create engagement guidelines and targets for each project
 - Establishing clear priorities and weights for public engagement based on levels of project benefit and potential impact.
 - Collecting “participant” demographic and mobility behavior data to ensure we are reaching the right people and getting the right input.
 - Establishing data standards for both technical and public engagement efforts that inform the questions we ask, the feedback we solicit and the categorization of public comments so, however and wherever stakeholders weigh in, the impact of the comment is equal and the analysis is consistent.
- > Develop a comprehensive “toolkit” of all Metro resources for riders (*Transit App*, LIFE, On the Move Riders, Student/Senior/Unincorporated County Resident Fare Programs, Transit Safety Programs, Customer Care numbers, etc.). Currently, there are various take-ones highlighting each program, but there is no one piece that educates riders on all Metro programs, projects and initiatives.
- > Elevate the role of the legally-mandated Metro Citizens Advisory Committee (CAC) to give the community a greater voice on Metro programs, projects, initiatives and policies.
 - Ensure the CAC focuses on transit riders, is diverse and represents a cross-section of various stakeholders (e.g., prioritizing frequent transit riders who can also speak to issues. That are relevant for businesses, community-based organizations, homeowners, renters, advocates for the environment, etc.).
 - Provide additional staff support to the CAC so it can provide more meaningful input and strengthen its voice before the Metro Board of Directors.
- > Consult Community Relations staff to ensure consistency of messages and content across all Metro-organized community advisory groups (Policy Advisory Committee, Technical Advisory Committee, Area Service Councils, Accessibility Advisory Committee, Public Safety Advisory Committee, etc.)
- > Include a section on Metro Board Reports for documenting public engagement activities, including feedback heard and who was reached, and focusing on feedback from Equity Focus Communities, transit users and impacted stakeholders. Documenting this information will provide valuable input to policy decisions.
- > Implement APTA’s Seal of Commitment to ease rider concerns related to COVID-19. The marketing initiative will communicate the agency’s and the public’s shared responsibility to deliver a safe, clean, healthy, reliable system utilizing video and other collateral materials.
- > Prioritize the UX/UI overhaul of the metro.net website. This overhaul is necessary to ensure our public information is easily accessible, is presented in a more user-friendly/simpler-to-navigate manner and contains the information that customers need.
 - The redesigned metro.net must require modern UX/UI techniques that enhance the customer experience and improve the efficiency of the site for the user.
 - Interim changes include replacing the trip planner and dynamic map from the homepage and instead having three to four buttons (plan your trip, arrivals, service alerts, and maps and schedules) that take customers directly to the information they are looking for.
- > Centralize all external public-facing meetings/ activities into one metro.net master calendar that is easily accessible to the public.
- > Employ creative arts and cultural strategies to expand public engagement and connect with communities through innovative Metro Art programs.
- > Where budget permits, create incentives for in-person participation by stakeholders. These can include providing refreshments, on-site children’s activities and other support services that make it easier for stakeholders and families to participate.

Implementation plan

These recommendations will be implemented by the various units within the Communications Department. The Community Relations unit will lead public engagement efforts in collaboration with the Public Relations, Marketing, Arts & Design, Government Relations and Customer Care units; the Office of Civil Rights & Inclusion; the Office of Extraordinary Innovation and the Customer Experience and Equity and Race Officers.

TASK/DELIVERABLE	TIMELINE 2020	2021	2022	LEAD DEPT(S)	BUDGET
For public engagement efforts, include metrics to ensure impacted stakeholders and hard-to-reach communities are included in all outreach activities.	●			Community Relations, Office of Equity and Race	
Develop comprehensive toolkit for Metro riders.	●			Marketing	
Elevate role of the Metro Citizen Advisory Committee.	●			Office of the CEO, Community Relations	
Consult Community Relations when setting agendas for all Metro Advisory Committees to ensure consistency of message and information.	●			Community Relations	
Include Engagement Activities section on Metro Board Reports.	●			Board Relations Office, Communications	
Recognize heroic frontline workers through local artist portrait series.	●			Arts & Design	
Creatively showcase APTA Seal of Commitment and COVID-19 protocols as part of the “We’re Here For You” campaign.	●			Marketing	
New metro.net website with UX/UI techniques.	●	●		Marketing	\$3M
Centralize public-facing meetings into one master calendar that is prominent on metro.net website.	●			Communications	
Curate arts/cultural programming to foster public engagement and advance cultural equity.	●	●	●		\$500,000
Create incentives for in-person participation (e.g. child care, refreshments).	●			Communications	\$1–2M

27. Gather More Data on Equity and Travel Patterns

Summary

Metro should use location-based services (LBS) data to better understand and makes decisions related to travel patterns, levels of access to key destinations and demographics of mode share throughout the region. RIITS should purchase an expanded license that would allow for additional uses of the data that was purchased for NextGen, including to pilot enhanced data sharing and collaboration with regional partners.

Metro should also improve its collection of demographic data across all Metro programs and services. This would help the agency establish performance baselines and assist in decision making as Metro strives to offer more equitable service, investments and programs across the region.

Justification

Without accurate data on travel patterns and demographics, it is harder to improve services and advance equity. LBS data proved its worth during the development of the NextGen Bus Plan. As Metro works to create equitable outcomes for all stakeholders, Metro needs to collect better data to identify disparities and effectively measure program performance and impact.

Benefits

Collaboration and coordination through RIITS will lead to better, data-driven decisions. Demographic data can help Metro understand and address key disparities in services, programs and investments, and evaluate existing levels of access to key destinations, such as jobs, health facilities and grocery stores, on a county-wide basis. Additionally, travel pattern data can help with service planning to better meet customer needs, improve access to key destinations and measure progress toward Vision 2028 goals.

Costs or cost savings

- > Staff time from OCEO, ITS, Operations and Congestion Reduction (RIITS).
- > Initial RIITS purchase of expanded license for LBS data. This license is funded through RIITS for FY21; future renewals will need to be budgeted annually.

Equity analysis

Demographic data will help Metro identify and address social disparities that exist in Metro's services, program and investments. Additionally, collecting travel pattern data will help Metro adjust transit services and programs to expand mobility and access to opportunity, particularly disadvantaged communities. However, affected communities must be engaged throughout planning and decision-making processes to ground-truth the data, plan in a way that prioritizes positive impacts for marginalized communities and be able to identify and mitigate potential negative consequences.

Vision 2028 goals

This recommendation supports the Vision 2028 goal of doubling the share of trips that use non drive-alone modes.

- 1.1 Expand the transportation network and increase mobility for all users.
- 1.2 Improve LA County's overall transit network and assets.
- 1.3 Manage transportation demand in a fair and equitable manner.
- 2.3 Improve customer satisfaction at all customer touch points.
- 3.2 Leverage transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.
- 5.2 Exercise good public policy judgment and sound fiscal stewardship.



Best practices

- > Using a tenth of their Better Bus Stop budget, Minnesota's Metro Transit paid community groups to conduct outreach in low-income neighborhoods of color. Metro Transit used this qualitative data to redesign its approach to prioritizing bus stop improvements.
- > With data on the senior population, educational attainment, home values, race, poverty, minority population and at least proxy data on workforce participation, service needs, employment prospects and household wealth, the Atlanta Regional Commission (ARC) uses Equitable Target Areas (ETAs) as origin points to compute transit travel sheds to schools, grocery stores, institutions of higher education, hospitals, libraries and parks. These travel sheds demonstrate the lack of access to community services and amenities faced by ETA residents and are used to help direct resources to areas where they are needed most.

Current practices

- > Metro purchased 2017 LBS data for NextGen services and many of our partner agencies have been asking for access to that data, which the current license does not allow. This data buy will expand Metro's license privileges and allow Metro to pilot data sharing within the region.
- > Very few programs or data collection efforts gather data that is disaggregated by race. Examples of programs that do collect such data include the semi-annual customer satisfaction surveys, Metro Bike Share Surveys and the fare subsidy program applications.

Recommendation

This recommendation is aimed at obtaining and managing more data in a well-organized, centralized location so that the data can be used to better understand travel patterns, levels of access to key destinations, demographics of mode share and user demographic characteristics, including race, gender, income, English proficiency and disability. This data will be shared within Metro and with partners across the region. It will help ensure that Metro's decisions are based on the underlying needs and demands of LA County residents. Specifically, the task force recommends that Metro:

- > Purchase historical travel pattern data through RIITS to refresh Metro's knowledge of travel patterns and other available data sources (e.g. cellular data). Use this comprehensive data set for service planning, to establish baselines and to track progress toward Vision 2028 goals.
- > Create a data management position within ITS to help manage the use of equity data across Metro, as well as the use of all other internal data.

Implementation Plan

TASK/DELIVERABLE	TIMELINE 2020	2021	2022	LEAD DEPT(S)	BUDGET
Identify what demographic data exists for Metro services and programs, and identify purposes for which this data is needed.	●	●		OCEO, ITS	Staff time
Create a standard for collecting demographic data (variables) and work with Metro programs to update their collection processes.	●	●		OCEO, OCR, ITS	Staff time
Make a plan to gather demographic data where there are gaps.		●		OCEO, ITS	
Buy travel data through RIITS and include demographic disaggregation where possible.	●	●		Congestion Reduction	Funded through RIITS
Make data available in RIITS for Metro departments and partners.		●		Congestion Reduction	Part of RIITS contract
Initiate data sharing pilot with partner agencies.		●	●	Congestion Reduction	Funded through RIITS
Identify a data manager to provide regular updates and manage the collection of demographic data.	●	●	●	ITS	
Leverage ESRI to develop a dashboard and analytical tools.		●		ITS, OCEO	

28. Share Data and Information More Openly and Effectively

Summary

Data is one of the most valuable assets in the digital age and it is used and generated throughout Metro's business units. To fulfill its mission of providing world-class transportation, Metro needs to be able to provide transparent, open and accessible Data, to the public and to all staff, in an equitable and efficient way that supports data-driven studies and decision making. Collaborating through information systems can make it easy to acquire, analyze and respond to Metro's public data. Additionally, open data practices improve information delivery to transit customers.

Justification

Metro produces an immense amount of data and information that is often siloed, unstructured and inaccessible to all staff and the public. As we adopt and deploy new technologies, these technologies will generate new types of data that will be key to making effective service delivery decisions. This recommendation will help Metro recover, support an equitable economic recovery for the region as a whole and advance transparency for internal and external users.

Benefits

Making data and information more accessible builds trust, helps identify disparities, enables efficiencies and cost savings in the delivery of Metro services, reduces redundant work and enhances equitable and sustainable outcomes by promoting collaboration and participation with citizens and stakeholders. Exploring new technologies and tools for data management, communication and data sharing between departments will enable Metro to plan and deliver services better, faster and more effectively.

Open data sharing will also empower staff with increased and informed decision-making authority where appropriate. A streamlined process for sharing data internally will

eliminate delays when actions require making data requests and waiting on information from other departments. Greater public access to Metro data will help stakeholders understand Metro's operations and decisions. Third parties will also be able to analyze and remix open data, which can inform Metro and/or Metro customers..

Costs or cost savings

Exploring and potentially developing in-house data management software will cost staff time in the short term, particularly for ITS and RMC, but it will likely save costs in the long term by streamlining and centralizing the process for sharing data and responding to public records requests. In addition, developing and utilizing in-house software could produce cost savings by eliminating vendor contract payments.

Equity analysis

A rapid equity analysis indicates that effectively sharing data is beneficial to internal and external stakeholders because it provides a basis for informed decision-making. It is important for data to be made available and ADA accessible.

Vision 2028 goals

- 2.2 Improve legibility, ease of use and trip information on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 3.3 Commit to genuine public and community engagement to achieve better mobility outcomes for the people of LA County.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.
- 5.3 Develop a transparent data management policy that addresses open data, data storage, and data protections.
- 5.4 Metro will apply prudent commercial business practices to create a more effective agency.

Best practices

- > FTA Open Data Policy Guidelines identify best practices from transit agencies that have implemented open data practices to improve operational efficiency and increase customer satisfaction.⁹⁶
- > The Open Data Web Site of the City of Los Angeles contains significant amounts of data from city departments. Much of this data can be downloaded and also visualized as maps and charts.⁹⁷

Current practices

As required by the California Public Records Act (CPRA), Metro currently identifies documents and makes them available for public inspection during regular office hours. Metro also provides copies upon request, per CPRA standards. Currently, all public records requests are forwarded to Metro's Records Management Center (RMC), including requests received by other departments.

At this time, Metro encourages requests for public documents to be made online via the Public Records Request System at <https://records.metro.net/>.

Recommendation

- > Develop/update internal policies on data access, protection of personally identifiable information and data generated under Metro contracts.
 - Deploy a digital asset management (DAM) system to publish and organize documents and reports so that they are easier for staff and the public to utilize.
 - Develop an open data policy and data portal through which the public can access information with the aim of encouraging transparency and innovation.
 - Make Metro data and information more open and accessible, and share in multiple languages as stated under Metro's Language Assistance Plan or requested by the community.
- > Measure completion and adoption of data management policy.
- > Re-evaluate public records software contract with NextRequest to identify potential changes/upgrades and to review any gaps in this vendor's product relative to Metro's needs.
 - Assess data needs to see if Metro can manage public records requests with software developed in house, and, if so, whether this approach would reduce costs relative to paying a vendor.
- > Embrace open data as both a policy and practice across the agency.
 - Publish datasets to a central repository using a standardized, machine-readable format.
 - Publish data used for decision-making.
 - Engage with data users to validate and improve usability.

⁹⁶See <https://www.transit.dot.gov/research-innovation/fta-open-data-policy-guidelines-report-0095>

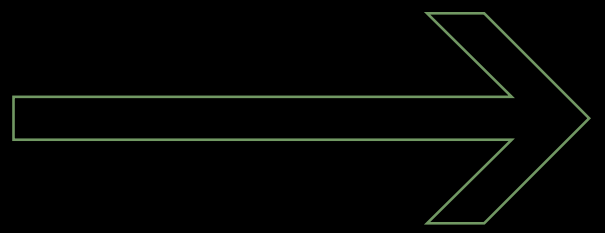
⁹⁷See <https://data.lacity.org/>

Implementation

Implementation Structure

To reinforce existing efforts and examine new options to pursue transparent, open and accessible data, Metro could form an internal working group that includes Information Technology Services (ITS), the Records Management Center (RMC), and the Board Relations and Policy & Research departments.

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024-2028	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
Convene working group.	●				ITS, RMC	½ FTE to convene and manage
Compile map, timeline and budget of projects Metro is currently planning/funding to improve data management and sharing.	●				Working group	
Identify goals and timeline to achieve key deliverables.	●	●			Working group	
Determine best path forward in terms of developing in-house software versus upgrading vendor product.	●	●				
Explore new ways to collaboratively plan and fund in-house development or vendor upgrades.	●	●	●	●	Working group	
Develop an internal instruction manual and online training for selected software.		●	●	●	ITS, RMC	
Pilot new/updated data management software/process.		●	●	●	ITS/RMC/select test users in other depts.	
Implement mandatory, agency-wide training on data-sharing software/process.	●	●	●	●	ITS	



Vibrant Future

29. Accelerate Joint Development and Transit-Oriented Communities

Summary

Accelerate joint development (JD) on Metro property and partner with LA County jurisdictions to increase transit-supportive plans, policies and programs that capture the value created by transit and promote community stabilization and equitable development around Metro stations.

Justification

Expansion of the public transportation system under Measure M can bring positive change to LA County – especially if land use creates synergies with transit and active transportation. Metro must simultaneously lead and partner with communities across the county to leverage the benefits that come from the public transportation system, while also guarding against potential unintended consequences, especially within vulnerable communities.

Benefits

One of the most powerful ways Metro can improve county residents' access to opportunity is by leveraging Metro property for housing and other community benefits and by pursuing strategic partnerships with LA County jurisdictions to leverage transit investments for equitable community development.

Allowing more people to live, work, shop and access community services near transit stations can help address the region's housing crisis, grow transit ridership, expand access to opportunity, and reduce drive-alone trips and pollution.

Costs or cost savings

JD projects ultimately bring revenue to Metro in the form of ground lease proceeds and increased ridership.

Equity analysis

Updating Metro's JD policy can help provide transit-oriented housing units at a variety of income levels, including for low-income individuals and marginalized communities.

In addition, partnering with local jurisdictions to increase equitable, transit-supportive plans through an array of Metro tools and programs, such as Corridor Baselines, grant writing and technical assistance, will promote equitable outcomes by embedding equity both as a process (e.g., through deep and ongoing stakeholder engagement and equity criteria to prioritize resources) and as an outcome (e.g., through needs-based assessment of transit corridor communities' opportunities to leverage transit investments and safeguards for protecting vulnerable populations).

Vision 2028 goals

- 3.2 Seek to catalyze transit-oriented communities with affordable housing and help stabilize neighborhoods.
- 3.4 Play a leadership role in addressing homelessness.
- 3 Enhance communities and lives through mobility and access to opportunity.
- 4 Transform LA County through regional collaboration and national leadership.

Best practices

> In the San Francisco Bay Area, the Bay Area Rapid Transit (BART) system's 10-year TOD Workplan includes a top priority strategy to "Advance racial and economic equity by prioritizing housing for lower-income residents in areas experiencing displacement, and high-opportunity communities in the core of the system." BART also has a goal to reach 20,000 homes on its properties by 2040.⁹⁸

⁹⁸See https://www.bart.gov/sites/default/files/docs/BART%20TOD_Workplan_FINAL_Spreads_200814%20Reduced.pdf

⁹⁹See Sound Transit. (2018). Resolution No. R2018-10 Adopting an Equitable Transit Oriented Development Policy.

- > In the Seattle area, Sound Transit gives local governments, housing authorities and non-profits the first offer to surplus land to construct housing where 80% of the units are affordable for households below 80% of area median income (AMI).⁹⁹
- > The City of Los Angeles already has a “Transit-oriented Communities Policy” that expands density bonuses and reduces parking requirements near transit stations. This policy has resulted in the permitting of more than 20,000 homes, nearly 5,000 of them deemed affordable, in its first four years.¹⁰⁰
- > Hong Kong Mass Transit Railway (MTR) owns and manages more than 104,000 homes plus a large portfolio of commercial properties. This helps the MTR fund very frequent transit service.¹⁰¹

Current practices

Metro’s current JD policy was adopted in 2017. It has a portfolio-wide goal that 35% of housing units are affordable to households at or below 60% of AMI. There is currently no per-site affordability requirement. The policy also allows for Metro-owned land to be discounted by up to 30% of its market value to accommodate affordable units. Metro currently administers a TOD Planning Grant Program that funds LA County jurisdictions to pursue transit-supportive planning efforts. Metro introduced tax increment financing feasibility studies in the fifth round of the program. In addition, in 2020 Metro launched TOD planning grants targeted at jurisdictions along the future West Santa Ana Branch project.

Metro has long been a trailblazer in partnering with local jurisdictions to advance transit-supportive planning and community development initiatives. Transit-supportive places are locations near transit stations where the use of effective and predictable transit services can be enhanced through appropriate patterns and types of development. Research has shown that the presence or absence of certain physical design features, transit characteristics and

other supportive policies can reduce driving and increase transit ridership, walking and biking.

Recommendation

- 1) Adopt updated JD policy that:
 - > Broadens the range of household types and incomes served.
 - > Prioritizes communities with the deepest need and expands benefits to support economic development.
 - > Counteracts displacement and delivers community benefits.
 - > Reduces the amount of motor vehicle parking.
 - > Creates a laboratory for exploring and piloting new methods for delivering housing more quickly, more cost-effectively and more equitably.
 - > Reinvests proceeds from JD projects to invest in an affordable housing trust fund, a strategic acquisition fund and JD pilot projects.
 - > Sets an ambitious but feasible goal for the number of homes that can be constructed through JD by 2030 during the build-out of capital corridor projects, and a more ambitious target for 2050, the agency’s LRTP planning horizon.
- 2) Partner with LA County jurisdictions to increase transit-supportive plans, policies and programs that capture value created by transit and promote community stabilization and equitable development around Metro stations:
 - > Partner with cities to complete TOC Corridor Baseline analyses.
 - > Provide LA County jurisdictions with assistance in pursuing grant sources to fund TOC activities.
 - > Support LA County jurisdictions with annual convenings that focus on best practices and training and technical assistance for TOC planning activities.

⁹⁹ See <https://planning.lacity.org/resources/housing-reports>

¹⁰¹ See <https://www.mtr.com.hk/archive/corporate/en/investor/annual2019/EMTRAR19.pdf>

Implementation Plan

Implementation Structure

> The **JD Policy Update** will be led by Planning/ TOC and will include internal (Real Estate, Corridor Planning, Community Relations, Equity and Race and the Office of Extraordinary Innovation) and external working groups, as well as stakeholder engagement activities and technical analyses.

> **TOC Implementation** efforts will be led by Planning/TOC and will encompass the TOD Planning Grant Program, WSAB TOD SIP, Baselines, and TOC Grant Writing and Technical Assistance Program. The efforts will include collaboration with Corridor Planning, Communications, Government Relations, Office of Extraordinary Innovation, Equity and Race, and Program Management.

TASK/DELIVERABLE	TIMELINE 2020	2021	2022–2030	2031–2050	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
JD Policy Update: Policy paper to facilitate discussion; convening/town hall to gather external input; updated JD Policy to Board.	●	●			Planning, Community Relations, OCEO (Race + Equity), OEI	Consultant funding in FY2021 budget
TOC Implementation Plan: [plan adopted Oct 2020] TOC convening/town hall to gather external input; initiate baseline solicitation, launch TOC Grant Writing and Technical Assistance Program.		●			Planning, Community Relations, Government Relations, OCEO (Race + Equity), OEI, Program Management	FY21 work funded
Launch housing laboratory.		●			Planning, OEI	
More joint development on Measure M capital project corridors.			●		Planning	
Increase joint development efforts.				●	Planning	

30. Expand the Region's Broadband Infrastructure

Summary

At a time when digital connectivity is more important than ever, Metro should partner with telecommunications providers to leverage existing real estate assets and capital construction projects to place fiber and above-ground facilities. This partnership should generate new revenue, expand capacity for internal operations and increase resources to support communities with improved WiFi.

Justification

Given the ongoing need for social distancing, affordable and high-quality wireless connectivity is more important than ever. Metro can support high-need communities, including Metro riders, by offering its facilities for the co-location of telecommunications infrastructure in exchange for better service for Metro staff and increased connectivity for riders.

Benefits

A more robust broadband network benefits Metro's critical operations, Metro riders and the communities Metro serves. Leveraging Metro assets has the potential to generate significant revenue.

Costs or cost savings

Partnering with telecommunications providers can generate significant new revenue for Metro and save money on other services that Metro might need to procure given existing network capacity.

Equity analysis

Benefits to Equity Focus Communities should be prioritized. In addition, Metro's community outreach and environmental clearance activities should be aggressively inclusive.

Vision 2028 goals

- 1.2 Optimize speed, reliability and performance of the existing system by revitalizing and upgrading Metro's transit system.
Improve connectivity to provide seamless journeys.
- 1.3 Improve legibility, ease of use and trip information on the transit system.
- 3.2 Catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.
Enhance communities and lives through mobility and access to opportunity;
4. Transform LA County through regional collaboration and national leadership.

Best practices

In January 2020, BART and the San Francisco MTA ratified a \$243 million, 20-year agreement with Mobilitie to improve cell phone connectivity and WiFi coverage on the system.¹⁰² This will help with customer communications and internet usage, and allow the agencies to upgrade mobile ticketing and other services.

Current practices

> WiFi is available on Metro's B and D Lines for customers with some cellphone providers; in addition, free WiFi is available on many Metro buses.

¹⁰²See <https://www.bart.gov/news/articles/2020/news20200107>

Recommendation

Metro should leverage its real estate assets and construction program with telecommunications partners to co-locate infrastructure, including fiber and above-ground facilities. These partnerships should allow Metro to generate new revenue, benefit from new capacity for internal network operations, support telework and offer expanded WiFi access to riders and potentially to other community members.

Implementation Plan

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET (IN FTE OR DOLLARS)
Assess Metro assets (properties and capital projects) and research where broadband partnerships may make sense.	●				Operations, ITS, Congestion Reduction, Planning, OEI	
Issue RFP(s) and be open to unsolicited proposals for partnerships.	●				Planning, ITS, OEI	
Evaluate proposals and make recommendations to Metro decision makers.		●	●		Operations, ITS, Congestion Reduction, Planning, OEI	

31. Create Green Jobs and Green Infrastructure

Summary

Create new green jobs by partnering with utilities and other local agencies on sustainable projects supporting greenhouse gas and criteria air pollutant emissions mitigation, clean and renewable energy, transportation electrification and charging, water conservation, solid waste reduction and climate resilience.

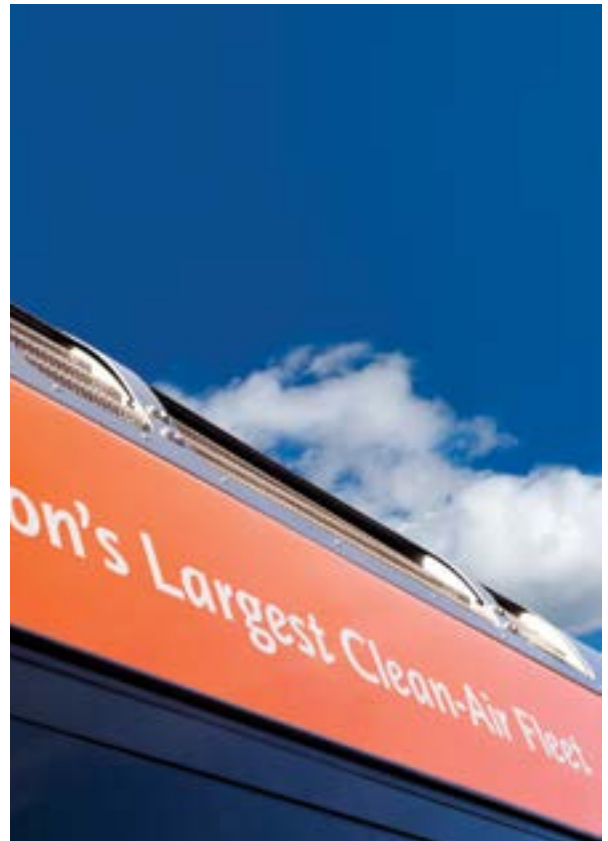
Justification

Green infrastructure is needed to meet Board adopted sustainability goals, including the electrification of our bus fleet and the implementation of the Moving Beyond Sustainability strategic plan. As we design and build these green infrastructure projects, we will create new jobs that support the regional economic recovery.

Benefits

The installation of green infrastructure yields many benefits for LA Metro and the communities we service, including but not limited to:

- > Short- and long-term job creation that not only supports the local economy, but will also support the growth of workforces in the energy, environment and transportation sectors;
- > Improved, safer, and healthier mobility options, facilities, and service access for Metro patrons and employees;
- > Improved air quality as fleet and facility electrification reduces criteria air pollutants and greenhouse gas emissions (GHG); and
- > Increased reliability and resilience of existing and future energy and water supplies, mitigating short- and long-term environmental, climate and financial risks for Metro.



Costs or cost savings

Some green infrastructure projects can be structured through Public-Private Partnerships or P3s, such as Power Purchase Agreements (PPAs) for solar arrays, as a means of sharing and mitigating costs. They can also be partially financed through state programs such as the State of California's Cap and Trade program. Other projects can leverage existing funding for capital projects and attract grant funding.

Equity Analysis

By reducing air pollution and GHG emissions, green infrastructure projects can help mitigate the impacts of climate change and regional environmental justice concerns. Projects that provide tangible community benefits including improved air quality should be prioritized for Equity Focus Communities (EFCs) in Metro's service area.

Vision 2028 goals

- 3.1 To lift up local communities, Metro will create jobs and career pathways in transportation.
- 3.2 Metro will leverage its transit investments to catalyze transit-oriented communities.

Best practices

In May 2020, the Antelope Valley Transit Authority purchased 10 parcels of vacant land near their headquarters. Thirty-three acres of this parcel will be dedicated to solar energy development in a 25-year power purchase agreement with Petaluma-based REC Solar Commercial Corp.¹⁰³

In July 2020, the Washington Metropolitan Area Transit Authority (WMATA) reached a deal worth up to \$50 million over 25 years, with SunPower Corp. and Goldman Sachs Renewable Power LLC, to install 12.8 megawatts of solar paneled carports or canopies over surface lots and above parking garages at four rail stations.¹⁰⁴

Current practices

Metro is currently expanding our green infrastructure program, including but not limited to:

- > The Moving Beyond Sustainability strategic plan was approved by the Board in September 2020. ECSD is now developing an Implementation Plan that will be completed and available by June 2021.
- > A forthcoming Request for Proposals (RFP) for solar power purchase agreements at four maintenance divisions;
- > Installing the necessary charging infrastructure for G Line (Orange) bus electrification;
- > Installing stormwater capture infrastructure along the Rail-to-Rail ATP and the Metro G Line (Orange);
- > Evaluating opportunities to Install stormwater capture Infrastructure across Metro's territory;
- > Developing a Master Implementation Plan for electric vehicle (EV) charging stations at Metro facilities for employee and public use;
- > Evaluating opportunities at our facilities and ROWs to integrate Distributed Energy Resources (DERs) to add renewables, decarbonize our system and reduce costs associated with power Intensity activities;
- > Training and educating people through our Environmental Training Institute (ETI) with our Growing a Greener Workforce (GGW) courses on green rating systems for project management, resilience strategies, sustainability and others. The Greener Working Group (GWG) at Metro work to incorporate sustainability and environmental compliance Into their own jobs and work environments;

- > Working with sister agencies and utilities to evaluate opportunities for joint installations and use of energy infrastructure;
- > Measures to mitigate climate change, emissions and other pollutants are developing and will continue to be Integrated Into our processes and systems.
- > Transitioning to recycled water, where available, to reduce potable water use.
- > Assessing, designing and installing energy management systems and building management systems at Metro facilities to manage, monitor and track energy usage. Energy audits will be performed on a regular basis to ensure energy systems are operating efficiently and effectively.

Recommendation

Metro should continue to develop and implement green infrastructure projects. The agency’s diverse real estate assets and historic capital program present a unique opportunity to help support a green economy and the region’s economic recovery with strategic investments that make LA County more resilient to the effects of climate change. Employment opportunities advanced by these types of projects can link to Metro career and training partnerships, and help workers transition to jobs in sustainable industries.

Implementation Plan:

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET (IN FTE OR DOLLARS)
Assess Metro assets (properties and capital projects) where joint sustainability projects may make sense.	●				ECSD, Operations, Planning	
Issue RFP(s) and be open to unsolicited proposals for partnerships.	●	●	●		ECSD, OEI	
Develop and track targets, data and KPIs for sustainability projects.	●	●	●	●	ECSD	
Consider how green energy projects can support goal of bus fleet electrification.	●	●	●	●	Operations, ECSD	

¹⁰³See https://www.avpress.com/news/avta-board-says-yes-to-buying-solar-power-equipment/article_6fo44546-eb2e-11ea-b396-3b4c5d07ad7d.html

¹⁰⁴See <https://www.wmata.com/about/news/Metro-solar-contract-announcement.cfm>

32. Reimagine Destination Discounts

Summary

After Safer at Home orders are relaxed, promote transit ridership to businesses and entertainment venues that have been impacted by COVID-19 by leveraging and building on existing communications programs.

Justification

This recommendation aims to help rebuild Metro ridership and to keep areas around Metro stops and stations vibrant and healthy, including restaurants; sporting arenas; arts, culture and entertainment venues; and fairs and festivals. The safety and use of Metro stops and stations is closely tied to the safety and prosperity of surrounding neighborhoods. This recommendation also complements the NextGen Bus Plan, which is based on data that shows midday, evening and weekend ridership has the most potential for growth.

Benefits

Promoting ridership to local small businesses, including arts and entertainment venues, can boost sales, employment and sales tax revenue. It can also help promote an equitable economic recovery and increase transit ridership. To make up for the likely loss of peak period ridership due to continued telecommuting after COVID-19 ends, this program could help Metro build off-peak ridership.

Costs or cost savings

- > Public Relations (PR) would require two additional FTEs.
- > Budget and FTEs for Marketing and Arts & Design are to be determined depending on the size and scope of the program.

Equity analysis

An important objective of this program is to ensure that promoted venues are diverse and representative of the community, including local small and minority-owned businesses, and arts, culture and entertainment venues, as well as the people they employ.

Vision 2028 goal

- 3.2 Metro will leverage its transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.

Best practices

In the San Francisco area, Bartable is a program that promotes venues, events and activities that are accessible by BART services. The program has built a following of more than 150,000 subscribers and followers.¹⁰⁵

Current practices

Metro's [Destination Discounts](#) program cross-promotes exclusive offers and discounts available at destinations in LA County that can be reached by showing a valid TAP card, Metro Employee ID or LA County Employee ID. The program is currently on pause due to COVID-19 but is expected to restart when Safer at Home orders are relaxed.

Metro's [Eat, Shop, Play](#) program supports local businesses in neighborhoods impacted by rail project construction: Crenshaw, Inglewood, Beverly Hills, Century City, Koreatown, Miracle Mile, West LA, DTLA, Little Tokyo. Businesses who sign up receive a free personalized profile on the website, print and digital ads, and social media and email marketing.

¹⁰⁵See <https://bartable.bart.gov/>

Recommendation:

Details and Options

1. Build on the *Destination Discounts* program to be ready with a robust, customer-centric program that promotes a steady stream of relevant and compelling discounts, destinations and contests after the pandemic eases.
2. Review leading event listing services in LA, emulate best practices and develop features that uniquely differentiate Metro as a “go-to” place for event listings for transit-oriented Angelenos. Work with County Counsel as needed to establish event listings as a legitimate Metro strategy to increase off-peak ridership on the system.
3. Conduct focus groups and/or surveys to test potential new program features and determine an optimal path forward after the COVID-19 pandemic eases.
4. When screening potential partners, give extra consideration to businesses and organizations that have been affected by the COVID-19 crisis, as well as entities impacted by Metro construction.
5. Continue to work with the Operations Special Events Group to ensure there is frequent, quality service to large events promoted by Metro. Secure sponsorships from major venues and events to support shuttles and/or enhanced transit services, especially for sports and concert venues.
6. Collaborate with business and travel organizations that support art, culture, tourism and entertainment and with local jurisdictions to help LA venues recover from the COVID pandemic.
7. Work interdepartmentally to utilize all Metro communication assets, including media relations, advertising campaigns, partnership programs, web, apps, email, social media and digital signs and posters on the Metro system.
8. Piggyback on existing Community Relations work in Metro neighborhoods.
9. Develop a rider engagement strategy that encourages riders to recommend their favorite destinations to other Metro users via *Destination Discounts* and to share their experiences taking Metro to featured destinations.
10. Continue to promote transit-friendly destinations and educate riders about new destinations that are accessible via the Metro system.



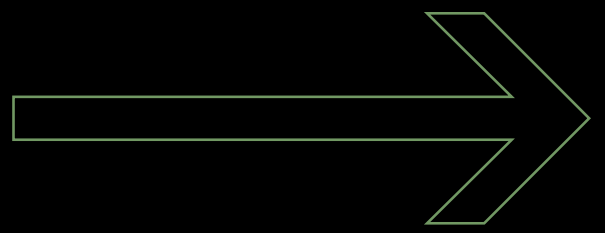
Implementation plan

The Metro *Destinations Discounts* Program will promote ridership and enhance outreach strategies by leveraging the promotional channels and assets of external brands and organizations. Beyond the *Destination Discounts* program, Public Relations will explore additional programmatic strategies to promote a more equitable and diverse array of destinations.

This initiative will be led by Public Relations' Special Events & Partnerships team, in collaboration with the following departments:

- > Equity and Race
 - PR will explore alternative tactics to attract local, small and minority-owned business participation.
- > County Counsel
 - PR will explore paths to create an event listing site.
- > Marketing & Customer Experience
 - PR will work with the Customer Insights & Strategy team to conduct focus groups/surveys to test new program features.

TASK/DELIVERABLE	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3	FY22 Q4	FY23 Q1	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
Develop expanded plan to relaunch the <i>Destination Discounts</i> program when LA County reopens.	●						Communications – Public Relations	
Hire full-time employees.			●				Communications – Public Relations	1 FTE
Rename “ <i>Destination Discounts</i> ” as “Metro Destinations.”				●			Communications – Public Relations	
Redesign the new Metro Destinations website.				●			Communications – Public Relations	
Develop a B2B and B2C strategy.				●	●		Communications – Public Relations	
Develop an interdepartmental outreach strategy.				●			Communications – Public Relations	
Hire FTE to implement programs.						●	Communications – Public Relations	1 FTE



Help Pay for Recovery Recommendations

33. Study How Metro Can Reduce Capital Construction Costs

Summary

Metro will study its major capital projects and best practices from across the industry to develop specific recommendations for reducing future costs and gaining more cost-certainty.

Justification

Transportation construction costs are high and rising in the United States. Increasing construction project costs coupled with cost uncertainty is a serious issue that threatens to slow Metro's ability to deliver capital projects. Even if there are no easy answers, identifying recurring cost drivers and learning from industry trends and best practices can help Metro deliver mobility benefits sooner.

Benefits

Reducing costs for major capital projects would allow Metro to expand the system more quickly, thereby increasing accessibility and providing service to more customers, achieving greater connectivity and advancing the agency's goal of better mobility for all.

Costs or cost savings

Initially, moving this recommendation forward will require the time and effort of existing staff. Support staff may eventually be necessary.

Equity analysis

A rapid equity analysis of this recommendation found that Metro should not attempt to cut project costs by reducing accessibility features such as elevators or tactile wayfinding. The analysis also raised the possibility that if Metro is able to reduce capital construction costs, some portion of the savings could be reinvested in services or amenities that benefit Equity Focus Communities.

Vision 2028 goals

- 1.1 Expand the transportation system as responsibly and quickly as possible.
- 1.2 Improve connectivity to provide seamless journeys.
- 3.3 Commit to genuine public and community engagement to achieve better mobility outcomes for the people of LA County.
- 4.1 Work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.
- 4.1 Drive mobility agendas, discussion and policies at the state, regional and national levels.
- 5.2 Exercise good public policy judgment and sound fiscal stewardship.
- 5.4 Apply prudent commercial business practices to create a more effective agency.

Best practices

Construction costs vary worldwide and are often driven by location-specific market conditions and policy requirements. Construction costs for transportation projects in the United States are generally high. Metro can learn lessons from its own projects, as well as from high-cost-of-living regions with lower capital construction costs, such as Stockholm, which has lower than global average costs and Paris and Tokyo, which have close-to-world-average costs.¹⁰⁶

¹⁰⁶See <https://pedestrianobservations.com/2020/08/01/case-selection/>

Current practices

Program Management has started taking steps to identify and reduce costs through the following measures:

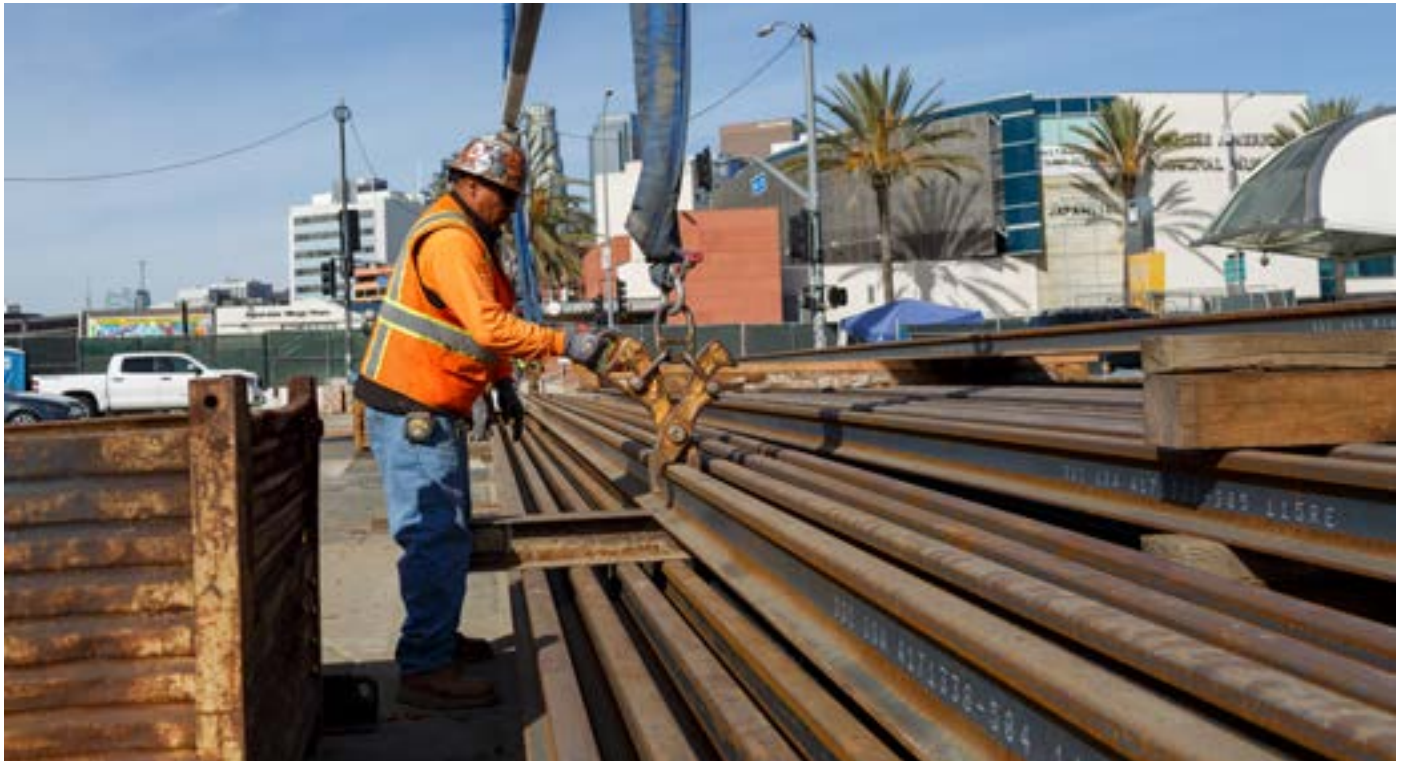
- > Implementation of Project Readiness Reviews and development of Project Risk Registers.
- > Establishment of a team to collaborate with Planning.
- > Implementation of a peer review study.
- > Launch of first formal value engineering study for East San Fernando Valley.
- > Re-examination of delivery methods.
- > Ongoing, high-level engagement with the City of Los Angeles to work through issues that have substantial cost implications for Metro projects.
- > Current engagement in academic studies of cost and utilization of study findings to develop solutions.



Recommendation:

This recommendation proposes that Metro, led by Program Management, work to further develop and implement cost reduction and cost certainty measures. The goal is to identify, explore and implement cutting-edge cost reduction strategies that will, at a minimum, enhance transit expansion and Capital Program Management by leveraging institutional knowledge, peer review, greater fiscal resource management and stakeholder partnering (internal and external) to deliver a world-class transit system that serves as an industry model. Cost reduction and cost certainty measures that could be investigated include:

- > Conducting more advanced utility relocation and geotechnical studies.
- > Ensuring master construction contracts are in place and updated before construction.
- > Exploring additional contracting methods, including design-bid-build, breaking contracts into smaller components, and more in-house design.
- > Pursuing value engineering (that does not negatively impact safety and customer experience), including for number of stations, station spacing and standard station designs.
- > Analyzing feasibility of more cut-and-cover construction.
- > Expanding in-house staffing for more in-house project management and design, and potentially fewer change orders.
- > Better integrating planning, program management and operations across all phases of capital projects.
- > Exploring ways to expand competition (number of bidders) in the LA market.
- > Examining regulatory cost drivers.
- > Allocating risks to maximize benefits to Metro and reduce construction costs.
- > Others to be identified.



Implementation Plan

Implementation Structure

Program Management has already begun substantial work to identify factors that contribute to rising capital project costs, and to develop and implement strategies for examining and addressing capital project cost concerns. An effort led by Program Management with the participation of other department (Planning, Operations, V/CM, OEI) is recommended.

TASK/DELIVERABLE	FY21 Q1-2	FY21 Q3-4	FY22 Q1	FY22 Q2	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
Establish Capital Project Cost Reduction Strategy Study group.	●				Led by Program Management w/ Planning, Operations, V/CM, OEI, other departments as necessary	
Analyze Metro projects for lessons and engage with peer agencies.	●	●	●		Study group	
Develop position paper with recommendations.		●	●	●	Study group	
Present position paper and recommendations to CEO, SLT and Board.				●	Program Management w/study group	

34. Build Staff Capacity

Summary

Pursue savings from using Metro staff for more in-house work, while maintaining the use of consultants for specialized tasks, to handle surges in work or when there is a specific benefit or need.

Justification

In the context of the current economic downturn and Metro's fiscal outlook, better utilization of in-house resources will preserve jobs and save money. Throughout the pandemic crisis, staff have been challenged to do more with less, leading to the rethinking of tasks that can be done or brought in house for less, rather than soliciting expensive third-party labor.

Benefits

Greater internal staff capacity can improve services and programs. Benefits include overall cost savings, more internal capacity and knowledge, more reliable and consistent work, more resources directed toward developing the skillsets of in-house staff, lower per-hour costs, and less administrative work managing contracts, consultants and consultant benches. By strengthening and leveraging internal expertise, Metro will fulfill its vision of creating a first-class workforce.

Costs or cost savings

There are several considerations to hiring more staff including: market conditions (and associated salaries) for professional staff, availability of staff with appropriate qualifications and experience, staffing procurement lead-in times and long-term human resources costs related to Metro employee benefits, such as pension obligations, etc. In February 2015, Metro Program Management examined the cost of outsourcing construction management and consulting services as part of a preliminary cost benefit analysis. This analysis identified a cost savings of 25% if Metro were to hire more staff and fewer consultants for the positions studied.

Equity Analysis

This recommendation can benefit Metro's diverse workforce by providing all employees the opportunity to build skills on projects that otherwise would have been outsourced to consultants. Helping to upskill Metro team members will further Metro's Career Pathways program to develop the "farm team" for the transportation industry. While building capacity internally, Metro should maintain its commitment to SBEs, DBEs and DVBES, minimize the impacts to these businesses and continue to create opportunities for small and minority-owned enterprises within the region.

Vision 2028 goals

- 5.1 Leverage funding and staff resources to accelerate the achievement of goals and initiatives prioritized in Vision 2028.
- 5.4 Apply prudent commercial business practices to create a more effective agency.

Best practices

- > Metro staff examined the cost of outsourcing construction management and consulting services, finding cost savings of up to 25% from bringing certain positions in house rather than utilizing consulting services.¹⁰⁷
- > Metro's Environmental Compliance and Sustainability Department has a business plan that helps advance staff capacity:
 - Focus on internal succession planning through promotion from within (builds staff capacity, knowledge transfer continuity)
 - Recognize short term cost savings by streamlining consultant use with more of a focus on specific needs and as needed.
 - Reassess departmental staffing needs to align with recent (within last 12 months) Board-approved plans/initiatives/policies/projects so that staffing levels are consistent with work load required to support execution of plans/ initiatives/policies/projects.

Current practices

In response to the pandemic and budget constraints, Metro departments have had to rethink the way their work is done. This has forced departments to find ways to conduct business in a more efficient manner.

Recommendation

- > Use staff for core agency functions and hire consultants for occasional, specialized tasks and/or for tasks that require unusual surges in effort or that benefit from consultant instead of staff effort.
- > During the annual and mid-year budget process, adopt a practice of planning for annual departmental needs and determining how best to utilize in-house talent for upcoming projects and tasks.
- > Utilize a project employee job class for some tasks that are currently outsourced to consultants. Project employees occupy a budgeted position to fill personnel needs for projects that have a specific time frame of at least one year and up to five years. Project employees work a minimum of 40 hours per week and are eligible to enroll/receive benefits.
- > Determine whether to advance agency-wide policy or department-by-department policy.
- > Co-source more projects and have staff shadow consultants to learn and grow internal capacity.
- > Honor Metro's commitments to DBE, SBE and DVBE contractors and propose that DBE/SBE/DVBE contractors that provide professional services remain as consultants.

¹⁰⁷See http://boardarchives.metro.net/BoardBox/BB2015/2015_02_Feb/150218_Metro_Construction_Management_and_Consulting_Services.pdf

Implementation Plan

KEY TASKS, DELIVERABLES, AND/OR MILESTONES	TIMELINE 2021	2022	2023	LEAD DEPT(S)	BUDGET
Perform assessment of current and expected workload: > Current projects/workload > Projects on horizon – department and Metro plans and goals > Cost-saving opportunities	●			All depts supported by HC&D (skill development and hiring), OMB (funding) and V/CM (contracting)	N/A
Develop staffing and consultant needs for annual budget process.	●	●	●		N/A

35. Use Measure M and R Ordinances

Summary:

Analyze the use of amendments within the Measure M + R ordinances to deliver mobility improvements that can help LA County during and after the pandemic.

Amendments could address:

- > Subfund definitions to allow more flexibility
- > Local return guidelines
- > Scope and mode of projects to allow more rapid expansion of transit system

Justification

The impacts of the COVID-19 pandemic have added further challenges to the rising cost of projects funded by Measures M + R. Fortunately, the measures themselves specifically allow for amendments by the Board that can better calibrate spending on projects and operations.

Benefits

Building capital projects and funding operations under Measures M and R can enhance mobility and contribute to economic recovery. Amendments to the measures could allow some of these benefits to be achieved more effectively and rapidly.

Costs or cost savings

Without taking funds from any project, subfund or subregion, amendments could lead to savings if the goals of Measure M can be achieved through specific changes.

Equity analysis

By allowing Metro to deliver benefits more rapidly, especially to Equity Focus Communities, amendments can help improve access to high-quality transportation and to opportunity.

Vision 2028 goals

- 1 Provide high quality mobility options that enable people to spend less time traveling.
 - 1.1 To expand the transportation network and increase mobility for all users.
- 3 Enhance communities and lives through mobility and access to opportunity.
 - 3.2 Metro will leverage its transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.
- 5 Provide responsive, accountable and trustworthy governance within the Metro organization.
 - 5.2 Metro will exercise good public policy judgment and sound fiscal stewardship.

Best practices

In May 2020, the Metro Board of Directors initiated a Highway Reform working group to examine expanding the types of projects that can be funded under highway subfunds.

Current practices

The Board has used the procedure within Measure R for decennial transfers between subfunds in the same subregion.

Recommendation

Metro staff, Board offices and regions should discuss potential amendments to Measures M + R. This could include examining:*

- > The use of subfunds, building on the work of the Highway Reform working group.
- > Local return guidelines to enable jurisdictions to respond more rapidly to the pandemic with mobility improvements.
- > Scope and mode of projects to allow more rapid expansion of transit system.

* Note that some amendments are prohibited by the Measures:

- > No transfer of funds between subregions
- > No transfer of funds between subfunds
- > No project acceleration that would negatively impact other projects

Implementation Plan:

KEY TASKS, DELIVERABLES, AND/OR MILESTONES	TIMELINE 2021	2022	LEAD DEPT(S)	BUDGET
Convene Metro working group.	●		OCEO convening Planning, Operations, OEI, OMB and Program Management	N/A
Assess potential amendments.	●		Working group	
Seek input from subregions and Board staff.	●		Working group	
Bring promising amendments to Board.	●	●	Working group	

36. Expand Revenue Opportunities

Summary

This recommendation seeks to expand potential commercial revenue opportunities, mainly by utilizing existing Metro assets and resources.

Justification

Metro has a fiscal responsibility to maximize available resources by utilizing them effectively and efficiently. Metro is heavily reliant on sales taxes and grants. Considering the budget shortage Metro is facing due to COVID-19, revenue opportunities are especially critical and required to recover from the pandemic. The agency needs to consider expanding and exploring revenue sources and should invest to improve customer experience, while also advancing equity.

Benefits

Diversify and increase long-term commercial revenue sources, provide business opportunities through partnerships, help offset any inconvenience from a greater commercial presence on system and create more opportunities to promote small, local and minority-owned businesses through commercial programs on Metro premises. A well-integrated and sustainably expanded commercial presence should be pursued through a holistic and phased approach that enhances the customer experience/environment and promotes community stewardship.

Costs or cost savings

This recommendation is intended to generate additional revenue, however, it may require initial capital investment and continuous investment of Metro staff time to study, implement, maintain, monitor and optimize revenue sources and to undertake periodic adjustments and additional exploration. Further RFIs or valuation reports may argue for capital program(s) to invest in new equipment to maximize the return from long-term advertising opportunities.

Equity analysis

This recommendation aims to advance equity in the LA County by generating additional long-term revenue Metro could use to fund its operations and improve customer experience.

Vision 2028 goals

- 2.2 Improve legibility, ease of use and trip information on the transit system.
- 2.3 Improve customer satisfaction at all customer touch points.
- 5.2 Exercise good public policy judgment and sound fiscal stewardship.
- 5.4 Apply prudent commercial business practices to create a more effective agency.

Best practices

Transportation agencies have adopted various revenue generating programs. Examples include:

- > In France, 1,000 Amazon Lockers will be installed at train stations to serve travelers and commuters, as well as local communities, across the country.¹⁰⁸
- > Japan utilizes a significant amount of available space for commercial advertisements in and outside transportation vehicles (trains/buses) and on walls and pillars at train stations.¹⁰⁹
- > NY MTA offers commercial advertising on Metro Cards¹¹⁰
- > SF BART offers advertising opportunities throughout its system, including more than 2,500 posters in stations and 5,300 posters on trains.¹¹¹
- > In the St. Louis region, the Bi-State Development Agency (BSDA) found a private company to purchase/install/maintain fiber-optic cable and generate right-of-way lease payments over cable.¹¹²
- > Transport for London executes an aggressive commercial real estate and business leasing program as a means to generate revenue and support affordable housing.¹¹³
- > Google and Transport for London have signed a card-reader sponsorship deal (two million pounds for one year of sponsorship).¹¹⁴
- > Transport for London utilizes digital ad infrastructure to add security features.¹¹⁵
- > Many of Tokyo's terminal stations host small-scale shopping areas where passengers can shop between catching trains. These complexes have succeeded by taking advantage of prime locations to offer an array of goods and services.¹¹⁶

Current practices

Communications (Marketing)

- > Metro's Transit Advertising program is projected to generate about \$300 million over a 10-year contract that runs from 2018 to 2028. The program includes bus and rail. The analysis was conducted before the pandemic. Metro's share of the advertising revenue is 55% for years 1-5 and 70% for years 6-10.
- > Currently, Metro is exploring digital ads at a limited number of stops, as well as the possibility of adding to advertising on amenities to enhance customer convenience, such as by providing real-time information. Metro is also exploring other initiatives including a commercial revenue strategy and corporate sponsorships that would include short-term naming rights and brand licensing, while minimizing negative impacts to system wayfinding, legibility and customer experience.
- > Future projects include expanding revenue strategies to add advertising on Metro rights-of-way, exploring the potential to expand digital billboards and digital bus stops. Projects being considered would potentially generate an additional \$32 million in annual revenue.

Countywide Planning & Development (Real Estate)

- > Metro's current short- and long-term lease agreements generate approximately \$12 million in annual revenue, including:
 - Digital/non-digital billboards
 - Underground and overhead facilities for utilities, fiber optic communications and petroleum pipelines
 - Kiosks and retail stores at Union Station, heavy traffic areas and larger hub stations
 - Temporary leases for food trucks
 - Expanded program for filming permits (after COVID-19)
 - Other temporary leases for parking, retail, etc.

¹⁰⁸ See <https://www.aboutamazon.eu/press-release/amazon-and-sncf-gares-connexions-partner-to-install-amazon-lockers-at-french-train-stations>; <https://www.geekwire.com/2018/spotted-rare-blue-amazon-locker-inside-chase-bank-signals-tech-giants-latest-physical-expansion/>

¹⁰⁹ See <https://www.koutsu-navi.com/train/index.html>

¹¹⁰ See <https://new.mta.info/doing-business-with-us/advertise-on-metrocard>

¹¹¹ See <https://www.bart.gov/about/business/advertising>

¹¹² See http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_31-2-e.pdf

¹¹³ See <https://tfl.gov.uk/corporate/publications-and-reports/business-plan>

¹¹⁴ See <https://www.railwaygazette.com/google-and-tfl-sign-card-reader-sponsorship-deal/55917.article>

¹¹⁵ See <https://www.railwaygazette.com/google-and-tfl-sign-card-reader-sponsorship-deal/55917.article>

¹¹⁶ See <https://www.nippon.com/en/features/jg00055/>

- > Working with the City of LA and the legislative office to commercialize additional digital billboards for projected revenues of \$40 million per year.
- > Considering a policy review pertaining to contract awards for long-haul bus operations to generate more revenue.

Recommendation

Metro should identify potential opportunities to expand revenue sources by optimizing Metro’s existing assets and properties. Metro should partner with interested businesses and consider sharing or transferring costs and investments for building, installing and maintaining facilities and tools as much as possible and practical.

It will be critical to pilot new commercial elements and to reinvest funds generated by increased commercial presence in the customer environment.

A study of these opportunities should be led by the departments currently tasked with revenue generation: Communications and Countywide Planning & Development. These, departments should coordinate with other key stakeholder departments throughout the agency.

Revenue opportunities that should be studied include:

- > Transit advertising with increased capacity
- > Digital billboards; developing internal capacity to implement and maintain billboards should be considered
- > Sponsorships
- > Lease/license rights of way (ROW) for utilities and communications
- > Lease buses and stops for real-time geospatial and roadway data collection
- > Lease property for 5G towers
- > Lease idle/available properties
 - Commercial carrier lockers (e.g., Amazon, UPS, etc.)
 - Vending machines, retail stores and station kiosks
 - Parking
 - Temporary retail stores
- > Expand retail Metro logo items online
- > Integrate retail programming at stations
- > Lease Gateway building office space (depending on Telecommute Policy)
- > Expand filming permission
- > More joint development
- > Green infrastructure partnerships

Implementation Plan:

As noted above, we recommend that implementation be organized and led by departments currently tasked with revenue generation, i.e., Communications and Countywide Planning & Development, in collaboration with key departments throughout the agency.

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
Identify Metro assets/resources and potential revenues that can be generated from them.	●				Marketing > Real Estate	
Use RFIs to test the market for commercial partnerships/sponsorships and identify impactful/significant revenue opportunities.		●			Marketing > Real Estate > Other Key Dept(s) as applicable	
Advance promising revenue generating programs with plans (targets, responsible department, timelines) and RFPs.		●	●		Key Dept(s) as applicable	
Monitor customer reactions to commercial presence on system.	●	●	●	●	Marketing	

37. Identify Funding for Incentives to Reduce Car Ownership

Summary:

Explore potential progressive revenue sources, such as federal or state funding, a vehicle license fee, a tax on commercial parking or a portion of future congestion pricing revenues, that could fund needed transit operation improvements, as well as incentives for households to go car-free or car-light.

Justification

Final recommendation #24 discusses the need for incentives to reduce unsustainable levels of car ownership in LA County. Quickly funding such incentives should be done through revenue mechanisms that are progressive and/or exempt low-income individuals. This requires looking for new sources of funding, since most existing sources are dedicated by law to specific projects.

Benefits

Shifting Angelenos away from driving as their default mode would support a more equitable and sustainable transportation system for LA County. Benefits would include reductions in traffic congestion, air pollution, greenhouse gas emissions and vehicle deaths and injuries. Bus service could operate more frequently and efficiently, offering a more viable alternative for people who, by choice or necessity, forgo car ownership.

Costs or cost savings

Costs depend on the revenue source selected. As an example, even a small vehicle license fee, based on vehicle value, could raise substantial revenues in a very progressive manner. According to the California Department of Motor Vehicles, more than eight million vehicles are registered in LA County, so an average fee of \$10 could raise over \$80 million annually.

Equity analysis

This recommendation focuses on progressive revenue sources that do not disadvantage low-income populations. A vehicle license fee tied to vehicle value is an example because lower-income people tend to own fewer and less expensive cars. Proceeds from any new fee would primarily go to low-income individuals since they will fund incentives that target alternatives to driving and encourage car-free or car-light households, which tend to be low income. If desired, households below a certain income threshold could be exempted from any new fee.

Vision 2028 goals

- 1.1 Target infrastructure and service investments towards those with the greatest mobility needs.
- 5.2 Exercise good public judgement and sound fiscal stewardship.
- 5.4 Apply prudent commercial business practices to create a more effective agency.

Best practices

Transportation in the United States tends to be funded through taxes on sales of fuel or other products. Unfortunately, fuel and sales taxes are inherently regressive, meaning they are applied uniformly, regardless of income, and therefore create a greater burden on low-income families. Moreover, these taxes are strongly linked to the economy: when times are good people drive more and buy more stuff. When times are bad, as they are now: revenues from these taxes fall reducing operating budgets for government programs, slowing projects and creating deficits. A vehicle license fee is not only more progressive, it is also more recession proof, since vehicle ownership is relatively inelastic and people tend to hang on to their cars even during a downturn.

Current practices

Metro tends to rely on sales taxes for most of its revenues. Prior to Measure R in 2008 there was some discussion and analysis of other potential revenue generators, but ultimately the sales tax was selected. Other funding mechanisms, such as vehicle license fees or other car ownership related fees, have been considered in Metro’s history, but these strategies have never been seriously pursued.

Recommendation

Metro should conduct an internal analysis of multiple potential revenue sources for funding an incentive program in LA County, with a specific emphasis on progressive mechanisms that do not impose additional burdens on disadvantaged populations. Considerations should include political viability, revenue raising potential, equity impacts, economic impacts and incentive properties. The idea is to recommend a suggested funding mechanism to the Metro Board and ask the Board to include such a proposal in Metro’s legislative program or as a potential ballot measure, as appropriate. If successful, this effort could raise substantial revenues for critical operations needs and create incentives for people to switch away from driving alone.

Implementation Plan

Implementation Structure

Implementation will be led by OEI in partnership with Government Relations, with assistance from Planning and Operations.

TASK/DELIVERABLE	TIMELINE 2021	2022	2023	2024–2028	LEAD DEPT(S)	BUDGET OR FTE(S) REQUIRED
Internal analysis. Research potential revenue raising mechanisms for LA County that would allow for improved operations and incentive programs. Analyze mechanisms based on revenue potential, progressivity, feasibility and other relevant criteria to identify best option(s).	●				OEI with Government Relations, Planning, Operations	
Polling and outreach. Discuss potential options with the public and conduct polling to determine the options, if any, that are best positioned to move forward.	●	●			OEI, Government Relations, Community Relations	\$200,000
Recommendation. If an option has been selected, develop a recommendation and bring to Metro decision-makers.		●			OEI, Government Relations	
Advocacy. If Metro moves forward, seek political and public support.		●	●	●	Government Relations	



Next Steps

With the task force having released its final report, Metro will now focus on implementing recovery recommendations. This includes steps outlined in the implementation plans for each final recommendation, plus continued work on early actions that have not been completed. Staff will also aim to develop, track and share metrics to assess the impacts of implementation. When implementation of individual recommendation reaches a point that requires action by the Board of Directors, they will be brought to the board, with opportunity for public comment.



metro.net/recovery

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Appendix

Recovery Task Force
Timeline and Progress

- > The Recovery Task Force was launched by Metro CEO Phil Washington in April 2020.
- > SLT members nominated staff to the task force, and ratified the list of members. Once it was constituted, task force staff and members drafted and signed a charter identifying goals, structure, roles and timelines.
- > Task force participants quickly identified more than 100 potential recommendations to help Metro achieve its recovery goals. These ideas were drawn from programs and policies being implemented by Metro in response to COVID-19, from conversations with Metro staff on additional recovery options, and from research on recovery best practices underway around the world.
- > The task force established an equity subcommittee led by task force member KeAndra Cylear Dodds, the agency's Executive Officer for Equity & Race.

The equity subcommittee used a new equity tool to perform a rapid equity assessment of potential recommendations. The purpose of this equity analysis was to help identify which actions can help vulnerable customers and communities, reduce disparities, and mitigate any unintended harms.
- > The task force chose an initial list of 12 early action recommendations in May 2020, based on their alignment with Vision 2028 and equity impacts, as well as expected recovery benefits, timeliness and financial impacts. The chair presented these 12 ideas to the SLT and to the Policy and Planning Committee of the Board of Directors. The task force published its first report with these 12 early actions on June 1, 2020.

In June, the task force recommended an additional six early actions. The task force published its second report with these additional six recommendations on July 8, 2020.
- > Task force members divided into small working groups to begin developing more detailed implementation plans for the early action items in discussion with responsible departments. These working groups also developed cost recommendations for the second set of early action items.
- > To inform its deliberations, the task force heard presentations on internal resources and programs that could contribute to recovery. These included presentations on equity assessments; results from a survey of 1,900 Metro customers conducted in June 2020; a summary of interviews (conducted by Aaron Weinstein and KeAndra Cylear Dodd) with Metro bus operators to get their perception of Metro customer experiences during the COVID-19 pandemic; a research memo summarizing the pandemic's impacts on Metro and LA County and lessons from other disasters; the agency's unsolicited proposal process; and the Measure M Visionary Seed Fund. The task force chair met regularly with the head of Metro's Incident Management Team to exchange updates.
- > The task force developed an external and internal outreach plan to share its work with – and gather recovery ideas from – the public, stakeholders and Metro employees. Committees and organizations that have been briefed by the task force include all Metro Service Councils, Metro's Policy Advisory Committee, the Accessibility Advisory Committee, general managers and the Streets and Freeways Sub-Committee of the various municipal operators within LA County, business organizations and transportation advocacy groups.
- > The task force held its first virtual public town hall on July 9, 2020. More than 300 participants logged on to two simultaneous streams conducted in English and Spanish. The task force shared its goals and outlined the initial 18 early action items. Members of the public were invited to comment on these items and to suggest additional problems or solutions for the task force to consider. The task force received approximately 50 comments covering a range of issues. A sample of these comments follows:

- How is Metro ensuring social distancing and setting maximum vehicle loads?
 - Metro should permanently include equity in decision making.
 - Can Metro provide more public restrooms on the system?
 - How can Metro make it easier for seniors to refill TAP cards without touching machines?
 - How are fares being collected during the pandemic?
 - Can Metro reduce parking prices at Metro stations during the pandemic?
 - Is there a process to receive unsolicited proposals related to recovery?
 - What first and last mile options are available for customers who are unable to ride bikes?
 - Metro should consider increasing the number of people in a car needed to use HOV lanes.
 - How is Metro planning to enhance bus stops?
- > The task force held its first virtual internal town hall for Metro staff on July 23, 2020. Staff signed on to hear about the task force and to ask questions about its work and to recommend ideas for the task force to consider. During the event, 1,177 employees watched by livestream and 216 tuned in via webcam. Comments and questions touched on a variety of topics, some of which include child-care and education, active transportation, ridership, congestion pricing, contactless and mobile payments, safety and cleaning, among others. Examples of comments from staff include:
- Does authorizing more telecommuting after the pandemic require Metro Board action?
 - Metro should release a TAP app with different languages commonly spoken in LA County.
 - Doesn't encouraging more bike riding and telecommuting reduce transit use?
 - Can Metro's planning process have a less top-down approach?
 - Metro should partner with LA Unified School District to build out WiFi access points to allow all students to take part in distance learning.
 - Can the Traffic Reduction Study be accelerated?
 - Can Metro let riders determine when their 7- or 30-day passes start and end?
 - Is Metro helping cities repurpose street space for walking, bicycling and outdoor dining?
 - Is the task force learning from the ways other transit systems are responding?
 - Can Metro offer incentives to help encourage riders to come back?
 - Will Metro commit to continuing enhanced clean-up of trash and elevators even after pandemic?
 - Will Metro allow greater flex scheduling for staff?
- > The task force published its [third progress report](#) on August 12, 2020.
- > The task force identified two additional early action recommendations in August 2020 and brought these to Metro's SLT.
- > During late summer and fall of 2020, the task force began identifying final recommendations. These are recovery recommendations that are less time-sensitive than early action items, but have potential major upsides in advancing economic recovery, mobility and equity. The task force presented an initial list of these final, longer-term recommendations to SLT.
- > The task force held its second set of public and staff online town halls on October 1, 2020, to get feedback on the list of potential final recommendations. Public comments and questions included:
- What are the biggest barriers to integrating local transit agencies?
 - The biggest frustration with transit is waiting 30 or 40 minutes for a ride. As a solution, Metro could incentivize riders with a free TNC ride to get them where they need to go once they've waited 30 minutes or longer.

- Will you take away safety measures currently in place?
- When Metro considers bus capacity, are its calculations based on pre- COVID-19 capacity or current capacity, which removes a significant portion of capacity at the front of the bus?
- Great to see recommendations on Complete Streets and incentives to reduce car usage and disincentives to car ownership. How do you think the fareless system idea might impact that?
- The Metro Board recently passed the budget and included an amendment that asked staff for an Operations Recovery Plan. Will this task force be working on that? How can we get back to pre-COVID service and then even beyond to restore service?
- Because this is LA, can we Hollywoodify Metro and make it “cool” to ride transit? Can we get celebrities with masks randomly riding the buses for selfie opportunities and other interactions?
- What kinds of barriers are there to adding retail businesses to rail stations like they have in Japan and Hong Kong?
- What is being done to improve personal experience in transit and to give riders the same experience they would get in a car, such as charging station, WiFi, etc.?
- To make the rider experience better, will there be a renewed emphasis on problematic passenger conduct (hygiene, food/drink, fighting, loud music, etc.)?
- The huge increase in construction costs for transit projects is not entirely unique to LA. Will Metro be partnering with other agencies across the country or even internationally to investigate the drivers of these cost increases?

> The task force refined its final, longer-term recommendations and created implementation plans, including identifying which departments would take the lead on advancing these recommendations, what the associated tasks and deliverables would be, and what a timeline for implementation would look like. A modified set of final recommendations was shared with SLT and Board staff in October and November 2020 and with the Executive Management Committee of the Board in November 2020.

> The task force released a draft final report in December 2020 and solicited feedback from the public and stakeholders. More than 200 individuals and stakeholders submitted feedback. The task force considered the input, incorporated some comments through edits to the report and identified other comments that can help shape implementation of the recommendations.

> **The task force released the final report in February 2021.**

Staff comments and questions included:

- In addition to incentives to reduce vehicle ownership, can Metro take on new measures to encourage telecommuting, such as offering free countywide high-speed broadband access to registered telecommuters, transit users and low-income communities?
- With the Board’s interest in the idea of commercial sponsorships, how can the agency assure that we maintain and even improve legibility and brand recognition for our customers, while also taking advantage of the revenue raising potential?
- Can you guys talk about Metro’s efforts on air filtration/UV-C disinfecting technology?
- Can you talk more about how Metro might support more affordable housing near our stations? Even with Board- adopted targets, this has proved challenging, and we see more interest in using our property for short-term housing for those who are homeless.

Metro COVID-19 Recovery Task Force

Attachment B: Summary of and response to public feedback on draft final Recovery Task Force Report

Receive and File Metro Recovery Task Force Final Report

February 18, 2021

Metro's Recovery Task Force released its draft final report to the public in December 2020. English and Spanish-language online feedback forms were posted to [Metro.net/recovery](https://metro.net/recovery) seeking input on the report's 17 final recommendations (and any other input) by February 8, 2021.

Metro received approximately 1000 items of feedback on different recommendations from more than 200 individuals, plus comment letters from three councils of government, Metro's Citizens' Advisory Council, and several coalitions of non-profit organizations and businesses.

The most common feedback included:

- Expand/accelerate networks of protected bike lanes and bus lanes
- Address high levels of homelessness on vehicles and at stations
- Add restrooms at stations
- Partner with Metrolink to get frequent, through-running regional rail
- Improve frequency and reliability of bus and rail service
- Better sync schedules with all transit providers to make transferring less frustrating
- Offer incentives to purchase e-bikes
- Add transit riders to Metro board
- Improve broadband and facilitate remote work
- Learn from regions/transit systems with lower construction costs
- Make bus and rail free

The chart that follows includes a sample of feedback along with any response from the Task Force and the way that the task force recommends that Metro address the input. **Feedback that led to changes to the content of the final report is marked in bold.**

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
21. Express buses	<ul style="list-style-type: none"> a. We have sat in the same traffic jams as all the other 1-driver to a car people on the freeway and wondered why our bus isn't afforded a designated lane - because we are reducing that traffic by riding that bus. b. Badly needed because long-distance local bus trips can take more than an hour c. Recommendations for specific routes (i.e., DTLA to Long Beach, West LA where there isn't Metrolink service, etc.) d. Comments on the benefits of bus lanes and prioritization on surface streets e. Convert general lanes to HOV or express f. Nice idea but unreliable compared to rail g. Express lanes should not make the travel experience miserable for private cars h. The congestion reduction program is in the process of identifying additional express and HOV lanes and should have suggestions for additional corridors. Physical improvements to actual express or HOV lanes are a very long-term process and should be identified that way. Another concern is how express bus investments, such as station infrastructure, would be funded and financed. i. With a goal of increasing mobility funding, improving travel options, and incentivizing the most efficient travel behaviors. FASTLinkDTLA 	<ul style="list-style-type: none"> a. Strong justification for this recommendation b. Strong justification for this recommendation c. Will consider during implementation d. More relevant for complete streets – will consider during implementation of that recommendation e. Would require legislation to allow this f. This supplements rather than replaces Metro rail (and BRT) capital projects g. Task force believes improving flow on HOV and express lanes will benefit drivers in those lanes and in general purpose lanes, and we will consider this during implementation. h. Congestion Reduction is one of the lead departments responsible for implementation. Timelines and funding will be considered during implementation. i. We passed the recommendations on congestion reduction on to staff conducting Metro's traffic reduction study. j. We agree that investments along freeway corridors can bring benefits for mobility, safety, sustainability and equity and have passed these recommendations on to relevant departments.

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>supports increases manages/ExpressLanes throughout LA County. For the same reasons, FASTLinkDTLA could support studying a Traffic Reduction Fee pilot for DTLA, with [a number of specific conditions]</p> <p>j. RECOGNIZING the very serious and life-changing impacts of the ongoing pandemic and economic crisis, WE THE UNDERSIGNED URGE Metro to: Release Cycle 3 of the ExpressLanes Net Toll Revenue Reinvestment Grant Program no later than April 1, 2021; Work with community stakeholders and agencies to increase awareness of the program and facilitate the timely implementation of funded projects; and Solicit public projects on a bi-annual basis henceforth (e.g., 2023, 2025).</p>	
22. Complete streets	<p>a. Use surveys to identify local complete street goals and needs, develop concepts, do pilots to test concepts</p> <p>b. Cyclists need space on the major thoroughfares that connect various municipalities</p> <p>c. [Multiple comments:] Co-investing and setting up joint planning with cities to design region-wide complete street networks would accelerate road safety, bus shelter access, and transit/bike dedicated lanes across LA County.</p>	<p>a. Pilots are good idea. will consider during implementation</p> <p>b. Will consider during implementation</p> <p>c. Justification for this recommendation</p> <p>d. Agree that multi-modal and connectivity benefits are a justifications for this recommendation</p> <p>e. Agree that the goal should be networks with as few gaps as possible</p> <p>f. Agree that Metro can play a connecting role across jurisdictions</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> d. Active transportation components of complete streets will not only help point to point trips on foot or bike, but also first mile, last mile links to transit e. We desperately need a network of connected and protected bike lanes, not just a few individual projects that provide a bike lane for a few miles. f. We need joint planning across cities g. LA has a safe streets problem. Complete streets projects should be prioritized on the city's most dangerous streets for pedestrians h. Metro should only be investing in communities that commit to upgrading their streets to be accessible to all. i. Pick streets that drivers and residents accept j. I've been tempted to buy a bicycle but so far refrained because there is no bike infrastructure near where I live k. Specific comments on where we need different types of bike or bus lanes and prioritization l. During the pandemic is a good time to implement street project due to lower traffic volumes- and added benefit of economic/job stimulus 	<ul style="list-style-type: none"> g. We added a bullet point to the recommendation: "Prioritize extension of complete street networks in places with high levels of injuries and deaths from vehicle collisions." h. Different capital projects and sources of Metro funding have different criteria related to street design, but we can take this into account in implementing future partnerships. i. Complete street networks should maximize mobility and safety benefits, but public support and outreach is always a factor j. This is a key point and strong justification for this recommendation k. Will consider during implementation l. We agree and will consider ways to accelerate during implementation m. This recommendation is more targeted to complete streets networks on arterial streets that allow travel throughout the county, but we will consider during implementation whether and how to encourage improvements on local streets. n. Collaboration with COGs and local jurisdictions and consideration of funding will occur during implementation.

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>m. I wish Metro would fund traffic calming measures, safe/slow street programs, and sidewalk repairs on local streets</p> <p>n. This is a very positive recommendation. The COG has developed a masterplan for complete streets and has identified 25 top corridors for implementation. Multi-Agency planning and coordination activities are ongoing, and the COG looks forward to integrating the COG's work into a countywide plan. Hopefully Metro's efforts will result in the availability of funding to implement these plans</p>	
23. Transit integration	<p>a. Transform Metrolink and other regional rail from commuter rail to have more service during midday and service for late night events like theater and sports.</p> <p>b. There are too many agencies in LA that don't work together, and it really infuriates me when I come across drivers from smaller lines that lack knowledge of how transit systems link.</p> <p>c. [multiple comments:] Metro needs to increase cooperation with Metrolink to transform our commuter rail network into a more frequent and through-running system.</p>	<p>a. More service during day is a justification for this recommendation; will consider nighttime service during implementation</p> <p>b. All transit agencies big and small need to do more to ensure seamless integration</p> <p>c. The draft final report already included a goal of more frequency on Metrolink; we added regional rail and through running and to the recommendation to underscore that this is the desired outcome.</p> <p>d. The existing practices section of the recommendation shows that there is ongoing coordination; the point of this recommendation is to build upon it and do</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> d. It's mind-boggling that the transit partners of the LA metro area are not integrated in a single-class fare system. This seriously hampers transportation across agencies and frankly falls far short of other metropolitan areas (e.g., Berlin, Germany). e. Trips should be easy and seamless. If transfers are needed, way-finding signs, easy transfer payments, and coordinated schedules should be considered. f. I think riders care less about the different service provider (Metro, LADOT, Long Beach Transit, etc.) than they do the actual service. A single-provider, proper distribution of operating funds, may allow more money to go towards actual service. g. Create a cross-county grid system for buses only, which may require re-designating major thoroughfares from auto use to bus only. h. Good sidewalks and shelters are essential for increasing usage of mass transit. i. [Multiple comments:] Syncing schedules is important so riders don't miss connections and/or have to wait long periods j. Though Los Angeles County has the largest population and ridership, there are real opportunities to look broader and incorporate other county transportation 	<ul style="list-style-type: none"> more integration. We will learn from world class examples of integration during implementation. e. this is justification for the recommendation f. We agree that a customer-focused approach on integrated service is the right path; we are not recommending merging agencies into a single-provider because there is a global best practice on closer integration of multiple agencies. g. This is more relevant to complete streets recommendation; we will consider during implementation h. we agree that there is synergy between transit integration and complete streets. will consider shelters and sidewalks during implementation of complete streets recommendation i. We agree and added “coordinating schedules so transferring is easier” to the recommendation section on coordinating service j. We agree this should be pursued and removed “within LA County” from a description of the scope of this recommendation to provide flexibility to explore collaborations with transportation

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>commissions since a large number of transit trips either originate or terminate outside of LA County... a regional working group could offer additional perspective and weight to help move the integration effort along. Other counties may also be willing to establish shared data sharing, marketing, signage and wayfinding approaches and budgets that help to defray the costs to each party.</p> <p>k. Please make all the transit operators use one card or fare for better integration</p> <p>l. Fareless structure needs to be evaluated in concert with the countywide transit formula, system integration, and express lanes/traffic reduction plan.</p> <p>m. SCRRA supports the Recommendation’s goal to integrate county service providers into one consistent fare structure. However, more clarification is needed on how the existing inter-agency fare collaborations will be incorporated or evolved in the proposed fare structure. This may be even more challenging as the effort expands to more connecting operators because of the differing fare policies of each agency. Furthermore, Metro’s parallel Fareless System Initiative provides a potential different direction for fare policy. We request clarification as to how fare</p>	<p>providers and regulators throughout the region.</p> <p>k. Recommendation includes integration of fares or fareless and will consider payment methods during implementation</p> <p>l. Recommendation defers to FSI for direction on fares/fareless and will integrate this direction and countywide transit formula into implementation.</p> <p>m. We agree that fare integration raises complex issues and that the FSI is an additional crucial factor. The recommendation defers to FSI for guidance on fareless and will incorporate this into implementation consideration.</p> <p>n. Will consider during implementation (in context of next steps of fareless initiative.)</p> <p>o. We agree this recommendation is aimed to make it easy for customers to understand and use multiple transit systems, and that providing information on a range of platforms can help. We added TAP and 3rd party apps to the list of ways that information can be shared.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>systems integration can be reconciled with an initiative in fareless transit.</p> <p>n. Create a one-day fare that is good on all the transit systems in LA County but make the fare less than the current rate.</p> <p>o. More comprehensive information in more locations provides the greatest flexibility and ease to the customer. Additionally, allowing our collective service and trip planning information to be ported to multiple platforms will give all of our agencies greater visibility on more mobile platforms and apps, even for those services that might traditionally be considered competing with transit, like Transportation Network Companies (TNCs). That way, the customer gets to choose how to construct their trip with transit being all or part of it. It potentially also creates exposure to transit for those who would not normally look for it.</p>	
24- incentives to reduce car ownership	<p>a. [Multiple comments:] Support for e-bike incentives being part of a package of incentives</p> <p>b. Incentives outlined in this recommendation would be more effective if there is a nexus established between decline in transit</p>	<p>a. The recommendation included this as a possible incentive, and we will explore further during implementation through research and possible pilot</p> <p>b. The task force’s working assumption, which is supported by research, is that higher rates of</p>

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	<p>ridership and increased car ownership, considering the effects of the pandemic as well as historically low loan interest rates.</p> <p>c. As part of this recommendation, please also consider car sharing as an alternative, and integrate the findings from the metro micro pilot program.</p> <p>d. For several years, the SBCCOG has encouraged our communities to support the purchase of local-use vehicles (golf carts, electric bikes, scooters, etc.) that can provide zero emission passenger and goods movement mobility options at a fraction of the cost of purchasing a traditional car or truck... We encourage Metro to expand the recovery program to include a zero-emission local use vehicle subsidy component that would incentivize the purchase of a zero-emission local use vehicle aimed at promoting car-light households and improving neighborhood mobility in disadvantaged communities.</p> <p>e. [Multiple comments]: add more bus lanes and bike lanes, improve transit service, offer more frequent service, reduce or eliminate fares in addition to or as alternative to this recommendation.</p>	<p>vehicle ownership translate to more driving. We will continue to explore this relationship during implementation.</p> <p>c. We will consider car sharing as an incentive during implementation.</p> <p>d. We acknowledge that multiple types of small mobility devices could be incentivized and changed the report text by adding “and similar mobility devices” after the reference to e-bikes.</p> <p>e. We believe there are synergies between recommendations on incentives and on complete streets, more service, etc. These synergies (and trade-offs in terms of which to prioritize) will be considered during implementation.</p> <p>f. This recommendation references a new Travel Rewards program that Metro will deploy soon to test incentives. The travel rewards work is closely tied to Metro’s partnerships with employer-based transportation demand management policies and programs.</p> <p>g. Will consider during implementation</p> <p>h. See our final recommendation on broadband and early action recommendation on allowing telecommuting.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> f. In addition to buyback programs for cars, Metro and LA County should better incentivize use of public transit over use of personal vehicles through more or better funded employer-based programs. Provide greater incentives for workers to take public transit to work by providing more support for programs through all county employers. g. Love the options presented in the report. I'd only add that I'd love to see these things be more universal (rather than means-tested). h. If I was able to telecommute, my household would be able to get rid of one of our cars. i. How will you prevent people from trading in their cars, then going out to buy more? What about parking maximums and eliminating parking minimums? How can we charge car owners for parking at their apartments separately? 	<ul style="list-style-type: none"> i. During implementation, we will consider ways to structure incentives so that recipients do not/cannot buy cars for some period. Parking recommendations are relevant to consider during implementation of the final recommendation on joint development and transit-oriented communities.
25- station amenities	<ul style="list-style-type: none"> a. Encouraging development of retail and other amenities is a positive step as long as improving exiting stations does not compete with scarce transit funds needed for new projects. This is an opportunity to engage the private sector hoping to benefit from foot traffic. b. [Multiple comments requesting more restrooms]: Public restrooms in conjunction 	<ul style="list-style-type: none"> a. Recommendation will not divert funds from capital projects to existing stations. Partnerships with private sector will be explored during implementation. b. Implementation of potential additional restrooms will consider security, maintenance and cleanliness. c. Metro has a Transfers Design Guide with standards for stations and stops. During

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>with stops that are true park and rides (NoHo, Universal, etc.). This would also likely require staff to maintain throughout the day, so they don't get nasty. A security presence too, since there would be out of sight areas.</p> <ul style="list-style-type: none"> c. Metro should develop a wholistic template it can apply at each bus stop and train station. d. Would recommend real time arrival time signage at all light rail stations, and at high ridership bus stops. e. So many stations are just a pole in the ground. Stations, especially along heavy corridors, should have seating, lighting, and security features to make waiting for the bus/train feel safe and welcoming. f. Improved station amenities can be bike lockers, bike racks and additional green space such as trees and other native plantings that provide carbon sequestering, shade and neighborhood beautification. g. Ideally, every station would have restrooms and staffed-information booths at the minimum. In the near-term, end-of-line stations, highly trafficked stations, and/or major transfer points should be prioritized for these. Vendor space should also be allocated- even ones that sell food. Increasing the 	<p>implementation, staff can reference it and potentially add to it as more amenities are explored.</p> <ul style="list-style-type: none"> d. Will consider during implementation. e. Will consider during implementation. f. will consider during implementation g. will consider during implementation h. Links to final recommendations on joint development and early action recommendation on addressing homelessness. i. will consider during implementation j. will consider during implementation k. This is a justification to consider more restrooms at stations. l. Will consider during implementation m. Will consider during implementation n. Will consider during implementation.

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>amount of garbage receptacles should be a given here too.</p> <p>h. [Multiple comments on homelessness detracting from stations]: LA County and Metro need to do a better job of reducing homeless encampments generally, but particularly around stations and stops if they want people to feel more comfortable with using public transit. To that end, anything Metro can do to increase development of affordable housing must be a top priority.</p> <p>i. Restrooms. Suggestion. Might be cheaper to have someone on staff at each station w/ a restroom to keep vandalism and crime down and/or allow metro cards to have some kind of code or strip to open for those using the system w/ a fare.</p> <p>j. Restrooms! Not only is the lack of restrooms very inconvenient - but it also sends the message that passengers can't be trusted. Other helpful amenities would be snack bars, phone charging stations, and rider-oriented retail (umbrellas, sunglasses, ear buds, reading matter, TAP cards, etc.) All of this could create jobs. Possibly the retail and food could bring in some revenue.</p> <p>k. We have a car but sometimes prefer the convenience of Metro to avoid traffic hassles.</p>	

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>But there's been trips we've not done on Metro due to the hassle of traffic outweighing the hassle of no restrooms at the stations, particularly if not going to a destination with public restrooms.</p> <ul style="list-style-type: none"> <li data-bbox="541 511 1186 617">l. More seating and possibly tables would be good considering how prevalent takeout at restaurants is. <li data-bbox="541 625 1186 1006">m. We support the goal of revisiting and reimaging Metro's rail and bus stops to increase safety and improve station amenities and connectivity to other modes. In other cities and countries, transit stations are community and tourism hubs as well as mobility hubs. Some elements include advanced wayfinding, food and beverage stations, event programming and state of the art fare purchase kiosks. <li data-bbox="541 1015 1186 1161">n. It is crucial that Metro upgrades its transit stations to become community focal points, with local commerce, clean and safe bathrooms, and civic space. 	
26- Public engagement	<ul style="list-style-type: none"> <li data-bbox="541 1250 1186 1388">a. This is a little confusing. What is the definition of a "rider?" Regardless of the rider type, it's really effective if researchers "go to the spot" to understand the user needs and 	<ul style="list-style-type: none"> <li data-bbox="1218 1250 1858 1388">a. 'Riders' is meant to encompass customers of all Metro services. Will consider ways to engage different customers during implementation.

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>pain points, it is very eye opening to learn what are the difficulties and issues people deal with. Talk to the riders to hear first-hand of the issues they experience daily. In the case of cyclists, engagement with bike clubs and ride with them on a typical route to hear what their experiences are like. By listening, they will feel respected and willing to invest in making effective changes that benefit more people.</p> <p>b. Place comment boxes in buses</p> <p>c. [Multiple comments:] The Metro board should be made of people who use the system... multiple board seats should be given to full-time transit commuters who understand the system best.</p> <p>d. Please account for the fact that public comments... skews wealthier, whiter, and more car-centric than the general population.</p> <p>e. I see many conversations and policy decisions on public transit executed by people who haven't been on a bus in years -- that's like getting recipe advice from someone who does not eat food. You should be surveying transit riders on a constant basis, possibly as they reup their TAP cards, or inside applicable apps, etc.</p>	<p>b. Will consider during implementation</p> <p>c. The task force recommendation focuses on strengthening rider voices in other ways; Agency could consider riders on board during other strategic planning processes.</p> <p>d. This was one of the reasons the recommendation stresses prioritizing riders and under-represented populations.</p> <p>e. Will consider when/how to survey riders during implementation.</p> <p>f. Will consider during implementation (also relevant to complete streets recommendation).</p> <p>g. The task force recommendation focuses on strengthening rider voices in other ways; Agency could consider riders on board through other strategic planning processes.</p> <p>h. Will consider during implementation</p> <p>i. Will consider during implementation</p> <p>j. Will consider during implementation</p> <p>k. Will consider idea of an open feedback forum during implementation.</p> <p>l. As noted in comment, this is often the case with outreach and will consider during implementation.</p> <p>m. We appreciate the support for this recommendation from the CAC, and the CAC's work to advise Metro.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> f. Do more bike & ped counts & town halls across Los Angeles to better inform where bike & pedestrian infrastructure is most needed! g. The Metro Board should include actual riders, not bureaucrats who travel by personal vehicle. I want more representation of working families, young people, poor people, workers... The Metro Board does not represent the community it serves. h. Increasing the ease of engagement is one way to do this. Very visible phone numbers, websites, etc. should be present throughout the system. Important meetings should take place at times most accessible to riders. Live-streamed meetings must be a given going forward. i. Please have a way to text a concern on the bus or train instead of having to have an app to message Metro, there are people from out of town who don't have the app and some people don't want an app, just have a text number visible so a live agent can be texted in an emergency. j. Meet riders where they are. Get on buses, hang out at stations and stops. The bus riders I sit next to, working class people, don't have time to sit through meetings or take surveys. 	<ul style="list-style-type: none"> n. Will consider during implementation of this outreach recommendation and 'we're here for you.'

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>They just want the system to work for them, to make their lives easier. And they're people that don't often get asked "what do *you* want?" I'm certain they'd appreciate this gesture from Metro.</p> <p>k. How about providing an online forum for comments such as this one, and posting the contact info on board buses and trains, where passengers could see it?</p> <p>l. Partnering with local and subregional agencies can strengthen public engagement. The level of effort involved with next gen is a great example of what worked.</p> <p>m. The Citizens Advisory Council (CAC) is a group of Metro stakeholders codified in state law to provide input regarding Metro's programs and operations. We would like to express our unanimous endorsement for the LA Metro Recovery Task Force draft final report's endorsement of section 26, "Improving Public Engagement and Strengthen Rider Voices," recommendations regarding the CAC. Among the recommended actions is to "Elevate the role of the legally mandated Metro CAC to give a better voice to the community..." We recently renamed to the Community Advisory Council to better reflect the broad spectrum of the people we represent. The CAC</p>	

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>leadership and its members have for the past few years focused on becoming a more informed and active advocate for the different communities we represent. We have made great strides in increasing the amount of geographic, ethnic, and gender diversity, in addition to the wide breadth of technical expertise and engagement in different communities that the CAC has embodied since its formation. This includes increased membership and increased participation by members. The CAC has long been known for the passion of our members, but we have been now channeling this passion to both inform the communities and interest groups we represent and provide detailed, informed, and rooted feedback on Metro's initiatives in Los Angeles County. We believe that this recommendation will better support the ongoing goals we share to better the transportation and social environment of the County and Metro as a whole. In addition, this recommendation is very timely given that the CAC has discussed initial steps at expanding Metro staff involvement in our organization, and helping us outreach further among riders, residents, and other stakeholders. The CAC general members and executive committee</p>	

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>are hopeful that the Board will fully implement the LA Recovery Task Forces' recommendations regarding the CAC and support the goals of the task force in helping the agency recover from COVID-19. We are looking forward to any discussions necessary on specific staffing and/or budgetary recommendations.</p> <p>n. While we appreciate the inclusion of Spanish materials in the "We're Here for You" Campaign, Metro should also include materials in Chinese, Korean, Japanese, Vietnamese, and other non-English languages that are commonly spoken across Los Angeles County.</p>	
27- data on equity and travel	<p>a. Expanded sharing of data is very desirable as long as there is data security practiced with riders or other users. An example would be early and regular sharing with the COG of de-identified data on performance of the Metro micro service in our region.</p> <p>b. Utilize the internet for surveys to determine what people's needs are - locations, travel patterns, travel times, frequency of usage, business vs. pleasure. From here develop routes that meet the needs. Find incentives to increase ridership. Advertise. I know so many</p>	<p>a. Intent is to share with partners like COGs and will consider specific case of Metro Micro during implementation.</p> <p>b. This recommendation focuses more on use of anonymized travel data but will consider how this information links with surveys during implementation.</p> <p>c. Will consider during implementation that decisions made with data need to be reality checked.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>people that don't consider Metrolink or light rail a week-end option because they don't know where it goes.</p> <p>c. The scheduling cannot be effectively done by algorithm or computer as was made VERY clear when during the reduction of traffic and ridership the buses I have to take were ALWAYS on time. This made it perfectly clear how UNREASONABLE and a fantasy the schedules are. With no more than twenty people travelling from downtown to Sun Valley, the schedule worked. Schedulers should ride the lines for a week before locking in schedules.</p> <p>d. Where are people traveling who are transit dependent. Where are they going? When are they going there? How are they going to get there? How can transit help them? These are important questions to ask and to consider.</p> <p>e. How can you make good decisions without good data?</p> <p>f. While more data can increase the risk for "noise," I think more diverse and disaggregated information would do Metro a lot of good-- especially around disability and non-English and/or Spanish-speaking communities in the county. Good data, when used properly, can lead to good outcomes.</p>	<p>d. Better data on both travel and demographics of customers will help answer these types of questions.</p> <p>e. Metro has access to data, but this will give us better data.</p> <p>f. Justification for this recommendation.</p> <p>g. Will consider during implementation</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	g. Encourage studies by universities, provide funding to non-profits	
28- transparency	<p>a. News flash, there are a ton of amazing transit lovers here in LA, with expansive transit and data backgrounds who don't work for you, and their insight is valuable, and they are willing to give it to you for free! win-win. and, not only that, but it helps allow innovation in the private sector allowing for more beneficial PPP</p> <p>b. It should make sense that data about the riding public and related to the riding public should be shared easily with the public. Multiple languages, multiple access modalities would be great for data accessibility.</p> <p>c. Applications developed by others may better support transit information sharing</p> <p>d. Again, Metro Needs to Consider making their Data more Available... Perhaps its Own Website and/or App that does just that.</p> <p>e. Mayor Garcetti's "open data" project has made huge breakthroughs as have entities like data.org, notwithstanding the resistance of the full-time, professional staff. Give outsiders access to data (like college and even high school kids) and it's amazing the breakthroughs they can make.</p>	<p>a. This is as justification for the recommendation.</p> <p>b. Edited report to say that data should be shared "in multiple languages as stated under Metro's Language Assistance Plan or requested by the community."</p> <p>c. will consider during implementation</p> <p>d. will consider what platforms to share data on during implementation.</p> <p>e. Report cites data.la as a best practice</p> <p>f. The recommendation encourages sharing of new data via RIITS which is a regional transportation data collaboration.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	f. Metro should work towards a countywide open system for data sharing of travel data.	
29. Joint development and TOC	<p>a. Developers have gotten away too long with making huge profits on commercial and residential buildings without being required to invest in the capacity of the transit and roads to handle the greater density of people and trips that their buildings necessarily create. Require them to invest in transit nearby, to expand stations and complete street refurbishments in and around their developments as part of their blueprints for approval to build! Especially if their building is in an area that can't handle more cars without worsening traffic jams - they need to proactively address the mobility of the people who will work and live in the buildings that they create.</p> <p>b. While TODs and the typical public-private partnerships (with associated privately owned public spaces) are in general very bad models in terms of equity, they potentially increase the number of cyclists and other non-motorists, thereby increasing demand for that kind of infrastructure, which is a net gain for everyone.</p> <p>c. There needs to be language about partnering with local agencies that have land use control</p>	<p>a. Metro's joint development model provides Metro with a revenue stream from a long-term lease that is invested in transportation. The draft update to the Joint Development policy encourages community benefits with a focus on transportation benefits.</p> <p>b. Joint Development has provided hundreds of deeded affordable homes, which advances equity.</p> <p>c. Recommendation supports partnerships with local jurisdictions.</p> <p>d. This is justification for recommendation.</p> <p>e. Will consider during implementation via update to JD policy and implementation of individual joint developments.</p> <p>f. This is a justification for this recommendation.</p> <p>g. Edited recommendation to add goal of encouraging less parking at Metro Joint Developments.</p> <p>h. Will consider during implementation</p> <p>i. Affordable housing will continue to be a focus of the JD program. Draft JD policy update includes recognition that some sites may be appropriate for other types of development</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>responsibility. Metro can assist with the development of TOC plans that assist communities in planning commercial and housing opportunities.</p> <p>d. Concentrating population density, especially among low- and middle-income residents more likely to use transit, within walking distance of high-quality transit options is critical for environmental and economic justice.</p> <p>e. this only makes sense if you partner with developers interested in the community and equity, and not just to build for profit. you have a lot of land that needs to be developed if we want to make our housing/climate/etc. goals. define/set clear equity/transit goals in the requirements and don't waver! Increase the odds of success via placemaking/activation in conjunction with the local jurisdiction. And build!</p> <p>f. Without density around transit, Los Angeles will not achieve its housing and climate goals.</p> <p>g. [Multiple comments on limiting parking]: There are serious development opportunities near rail stops and should all have ZERO parking.</p> <p>h. A lot of development costs here come from the length of time it takes in the permitting</p>	<p>and will consider case by case during implementation.</p> <p>j. Will consider lessons learned during implementation.</p> <p>k. The draft JD Policy update considers variable land discounts and workforce level affordability.</p> <p>l. This is justification for recommendation, and alignment with Metro mission of world class transportation.</p> <p>m. During implementation will consider strategies to ensure adequate density and affordability is allowed at all JD sites.</p> <p>n. Will consider partnerships during implementation.</p> <p>o. Draft JD policy update calls for balancing streamlining and public outreach.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>and planning process. Projects that are majority/fully affordable should be given few permitting obstacles as possible. However, accelerating these kinds of projects does not mean equity gets thrown out the windows. Marginalized communities in particular must get the outreach they deserve-- to get the same levels of participation that well-off communities contribute.</p> <p>i. Metro needs to stop under building sites with subsidized housing. Office and retail generate more trips and more money to fund the system. If private developers can get hotel taxes waved, Metro should too on properties it owns. Regardless Metro needs to stop building projects of 50 apartments on lots zoned for 100 right on top of subway stations. Underbuilding is a waste of public resources. If there are only enough subsidies for 50 below market units, then the project should only be 50% below market rate. More people near metro should be the goal, not some sort of ideologic purity of only having poor people near Metro.</p> <p>j. With the ones that have been developed, it would be helpful to see survey data taken of the percent of people that live and work in the same place or that can use transit without</p>	

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>a car for their daily routines to know if the overall strategy is really working. It seems like housing in such developments is inaccessible even to the middle class.</p> <p>k. Land is one of if not the biggest driving factor in high home prices in LA county. In order to attract more affordable housing, increase the discount of the price of land with increasing affordable housing commitments from developers. If the developer isn't going out of their way to build more affordable units, then no discount. If they're a nonprofit that's building 100%, then a substantial discount. Also, don't forget about workforce housing. Affordable housing is understandably focused on the low-income level, but the housing crisis impacts everyone who doesn't make six figures. This leaves a massive gap between high income housing and low-income housing.</p> <p>l. It works in major cities around the world.</p> <p>m. Building more affordable housing and higher densities, even if it conflicts with local planning codes</p> <p>n. Metro, LACDA, and the Homeless Initiative need to team up and tell cities they need to allow density near transit to qualify for homeless services Measure H funding or Metro's proposed increase in homeless</p>	

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>outreach. No housing construction? The consequence is homelessness. No point sweeping it under the rug for deniers.</p> <p>o. Accelerate them? I don't really know why this one is so difficult. Oh yea, Angelenos and the community process.</p>	
30- Broadband	<p>a. [Multiple comments on improving internet access for all residents]: Broadband is a public utility as necessary to survive in our world as electricity. Most metro riders are poor and middle class Angelenos who are most likely to experience an unfair price barrier when it comes to accessing decent broadband in their homes. Providing high speed broadband to metro riders help ease the burden on low-income passengers who don't have it at home.</p> <p>b. It makes sense that utility improvements/relocations are being made as a result of projects, that broadband infrastructure be included here. Internet should be treated as a public utility nationwide, until then LA County should go further and do more in this realm. Better broadband can be useful to not just the transit agency but to riders.</p> <p>c. Broadband internet service on public transportation</p>	<p>a. Task Force agrees that this is an equity-advancing recommendation.</p> <p>b. This is a justification for the recommendation.</p> <p>c. This is a component of the recommendation and will continue to consider during implementation.</p> <p>d. This is a not a recommendation to spend transportation funds on broadband but primarily to partner when appropriate with providers who can install on our properties. We will however consider this potential trade off during implementation.</p> <p>e. Will consider during implementation in terms of free Wi-Fi on Metro services.</p> <p>f. Agree that this recommendation has synergies with early action recommendation on allowing more flexible remote work.</p> <p>g. The recommendation encourages partnerships with private and public entities. Will share more information as implementation moves forward.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> d. Why is broadband a good use of limited transportation resources? What investment is reduced to support this? e. [Multiple comments]: broadband should be free f. We can work from home all week or at least some days! g. With the potential for more workers remain at home, the expansion of broadband is critical infrastructure that will effectively eliminate trips by auto, transit and other modes. MTA could expand the installation of fiber optic during the construction of rail lines through partnerships with private entities. Suggest adding language to actively seek out and encourage these partnerships. In general, the COG would appreciate more detail on how Metro might implement this rec, in partnership with local agencies. 	
31- Green jobs and infrastructure	<ul style="list-style-type: none"> a. Partnering with local agencies is critical to accomplishing this goal especially with the water run-off. As metro builds rail and bus infrastructure coordination of run-off treatment plans and activities with cities is critical. b. I have a perception when I hear "green" that it will be expensive and complicated. Also, 	<ul style="list-style-type: none"> a. The recommendation encourages partnerships with public entities. Will continue to consider during implementation. b. Will consider partnerships with higher education during implementation. c. Will consider during implementation. d. Task force agrees that infrastructure improvements that advance less-polluting

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>there is an innovation curve that needs investment. To create sustainable green jobs and infrastructure, work closely with local universities, providing grants for students to seek out innovative solutions to green infrastructure. In doing this, the green jobs will be created, and the student will be well positioned to rewarding, life changing careers when they graduate. Also, consider incentivizing college tuition for majors in green technology. Given the high cost of 4-year programs, this could move a lot of students into this field.</p> <p>c. City workers could develop ideas around jobs enhancing work opportunities built around those willing to move about without a car.</p> <p>d. [Multiple comments]: Protected bike lanes, bus lanes, new rail lines etc. are green infrastructure and create green jobs.</p> <p>e. [Multiple comments on solar:] Use SOLAR ENERGY whenever possible in all public transportation (solar ceilings on buses & transports), install Solar Energized Lights, and reduce GRID use as much as possible. Train persons to install and maintain SOLAR ENERGY projects.</p> <p>f. Metro Needs to Communicate with the Current US Presidential (Biden/Harris) Coming</p>	<p>transportation is green. Support for these investments is in complete streets recommendation.</p> <p>e. will consider during implementation</p> <p>f. Metro is engaged with federal efforts and will continue to consider during implementation.</p> <p>g. Will consider during implementation of this recommendation and recommendation on station amenities.</p> <p>h. Will consider trade-offs during implementation.</p> <p>i. Edited recommendation to add: “including solar and water projects and electrical charging infrastructure to support bus fleet and vehicle electrification”</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>into Office.... My understanding is President Elect Biden proposes to have "Green New Deal" Jobs and infrastructure.</p> <p>g. Because the use of electronic devices has been a huge impact in our daily lives adding charging stations at bus stops and train stations would be a welcome addition. This can be provided through the use of solar panels, providing solar installation/maintainer jobs and government incentives.</p> <p>h. Do not sacrifice efficiency of the transportation system (or increase costs) in the name of "green jobs." Sometimes the overall cost is not worth it.</p> <p>i. Uproot environmental racism through economic recovery by keeping Metro's 2030 EV bus commitment and ensuring a robust application of the U.S. Employment Plan on every procurement and final contract valued at over \$50 million.</p>	
32- Destination discounts	<p>a. When the county reopens this is a needed activity and should be coordinated with local jurisdictions to maximize participation. Local fairs, running events, farmers markets are good points of contact.</p>	<p>a. We edited the report to add local jurisdictions as partners on this program.</p> <p>b. Incentives are meant to be funded by the partner destination.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> b. Are these system destinations or geographic discounts? What is the source of this "incentive"? 	
33- Construction costs	<ul style="list-style-type: none"> a. [Multiple comments on learning from global best practices]: Look abroad to the models that work- if Spain can build subways are much lower cost than we can, we should be able to as well. Heck, much of Europe is able to pull off lower construction costs even with unions, earthquakes, unfriendly geography, etc. Cost-control and quality-control must work together, if they aren't already. b. Hire the Boring Company to build transit. c. In some cases, eminent domain should be used to purchase property where impacts are going to be greatest, even if that property is going to eventually be resold. It can actually be cheaper that way. Metro should try to get local jurisdictions more involved in funding upgrades to its projects. If local cities were on the hook for more of the grade separations they want to provide, they would go about doing it more smartly. d. Better bidding, use longer lasting products (road surface). e. Finding ways to reduce construction cost would be a 'win-win' situation, allowing more 	<ul style="list-style-type: none"> a. This idea is in recommendation and will continue to learn during implementation from best practices through research and discussions with other agencies and experts. b. Recommendation is not meant to advantage or disadvantage any specific contractors/bidders. c. Will consider during implementation d. Will consider during implementation e. This is a justification for the recommendation f. Will consider during implementation g. Recommendation is not intended to reduce labor requirements/standards, but implementation will explore best practices in contracting.

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>work to be done. Public transportation must be practical and reliable for people to use it. Construction could help make that happen.</p> <p>f. In-house as much of the design-build stage as possible. Contractors don't "do" it better; they're the best at extracting value. A public design and construction arm would go a long way towards minimizing excess cost for the sake of inflating portfolio values.</p> <p>g. Reduce requirements to hire companies with a union contract or that pay a certain minimum wage.</p>	
34- Staff capacity	<p>a. I understand shifting schedules and lines for drivers but when there are drivers who LIKE difficult lines and ARE GOOD at handling them and the schedules and would like to keep them, they should. The chaos of the change is demoralizing for a lot of drivers and the service suffers for sometimes months.</p> <p>b. In an ideal, Metro would have the staff on-hand to do whatever needs to be done more than 95 percent of the time. Office-based staff should also be trained in doing some of the more on-the-ground work as well. This doesn't mean a planner should know how to drive a bus or a train but having multi-talented employees can help in capacity.</p>	<p>a. Maintaining operator satisfaction is crucial to service and we will consider this during implementation.</p> <p>b. Will consider during implementation</p> <p>c. Will consider during implementation; creates synergies with early action recommendation on remote work.</p> <p>d. Synergy with early action recommendation on cleaning.</p> <p>e. Will consider during implementation.</p> <p>f. will consider during implementation.</p> <p>g. Recruiting and retaining operators is crucial to service and will consider during implementation.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<ul style="list-style-type: none"> c. Providing a permanent telecommute option for employees will increase capacity for those who commute long distances and/or have family care responsibilities. It will assist in the reduction of traffic congestion and emissions while also serving as an advantage for Metro as an employer. d. More Maintenance Staff to manage the safety of the buses and trains. Including daily cleaning especially in heavy traffic lines. e. Operations is feeling the effect of this pandemic at probably the greatest proportions. This department is the main component of this company and the Operations employees, particularly those who DIRECTLY work in Bus and Rail Transportation and Maintenance departments do not have the option to telecommute. There is short staffing in Operators, Supervisors and especially Management, who are being delegated to take on the additional tasks of other departments such as Corporate Safety in the day-to-day operations. f. create more entry level positions g. Offer more incentives to attract more drivers in the hiring process. Flexible work schedules, direct hire bonuses for mechanics graduating from Technical Trade or Community Colleges. 	

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
35- M + R ordinances	<ul style="list-style-type: none"> a. All available methods need to be used to achieve these goals b. Measure M and R ordinances can and should be used to accelerate numerous projects that increase the vibrancy of each community and their economy as well as the physical and mental health of each person. Nothing accomplishes this more easily and cheaply than building out a network of connected and protected bicycle lanes and paths, allowing people to travel safely and securely in the greenest way possible, with a more accessible footprint to support local businesses. c. Actually, start working on the bus lanes and BRT projects that are in the ordinances. The Vermont Corridor is too slow, and every day Metro sits on its hands and does nothing is an insult to Metros most loyal riders d. voters have already spoken when they voted for M&R. Stick to the projects voted for. e. Reallocate resources as needed. And probably explore the usage of PPP if it's financially advantageous to LA County f. Too much of Measure M goes to freeway projects. Please redirect these funds to active transportation and bus infrastructure along freeway corridors. Use it to reduce pedestrian injuries and deaths from cars speeding as they 	<ul style="list-style-type: none"> a. This recommendation recommends consider methods allowed within the funding ordinances. b. The recommendation isn't focused on any specific project or transportation mode. The highway reform motion referenced in the recommendation may give subregions more ability to use highway subfunds for active transportation projects. c. This recommendation could help advance projects. Comment is also relevant to complete streets recommendation and will be considered during implementation. d. recommendation states that amendment to delay or disadvantage any project is not allowed e. Implementation will consider methods allowed within the funding ordinances. f. Recommendation expresses support for board highway reform motion, which may give more flexibility to subregions to use highway subfund money for active transportation projects. g. Will consider during implementation h. The recommendation implementation plan section calls for consideration of revenue measure amendments to be done by Metro staff in collaboration with Board offices and

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>get on and off the freeway. I see a lot of reckless behavior along the Vermont 101 offramp to Rosewood and the onramp from Oakwood, as two examples. They need a safety retrofit.</p> <p>g. Measures M and R were passed when the imperative to rapidly progress on reducing carbon emissions was not as widely understood as it is today. We must also consider that transit ridership has declined over the past years, further exasperating the need for action on climate change. We must do everything we can to build the transportation system that we need now to get people out of private cars and into more sustainable modes of transportation. Rail as a solution is too slow for the crisis we're facing.</p> <p>h. As you are aware, Biz-Fed strongly and actively supported both Measure R in 2008 and Measure M in 2016. We believe these revenue streams should continue to be focused pursuant to statute, building key mobility improvements via efficient project delivery noted in each respective ordinance. Clearly, an historic incident such as a global pandemic can most certainly be cause for review and adjustment, but, in our view, must be done in the context of “keeping faith” with</p>	<p>sub-regions so that there can be public input and consensus building.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>the votes of Los Angeles County who provided their support to Metro’s robust revenues for the purpose of growing and enhancing mobility in our region. BizFed urges Metro to conduct a transparent, public process when considering any changes to the Measure R and M ordinances.</p> <p>i.</p>	
36- commercial revenue	<p>a. Value-capture would probably be the best revenue generator out there, but Metro isn't like the services in Hong Kong or Japan. However, making more use of the real-estate Metro could be a way to get more revenue. Some Metro Rail and Bus stations come with an abundance of open space/parking space that cost more money maintaining than they make. Allowing vendors/developers to operate on existing Metro-owned space can bring more money that should be dedicated towards improving transit service and rider-focused amenities.</p> <p>b. More advertising on buses. Maybe use experimental digital ads on bus exteriors to extract more revenues. Maybe add billboard ads on freeway portions of the C and L lines.</p> <p>c. One station doesn’t need 15 Sonic the Hedgehog posters. However, 5 stations with 5 billboards feels more reasonable to the casual</p>	<p>a. Will consider during implementation</p> <p>b. Will consider during implementation</p> <p>c. Will consider during implementation</p> <p>d. Will consider during implementation</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>rider. Advertise. Build retail relationships and physical presence. Allow vending at stations. Stop being afraid of people....</p> <p>d. Over the year’s metro has sought to increase lease and advertising revenues with mixed degree of success. This revenue source is largely market driven and local jurisdictions have control over the placement of digital billboards.</p>	
37- funding for incentives	<p>a. With the change in the federal government, we should go after more federal funding, ideally with a comprehensive piece of legislation that supports all of the objectives outlined in this excellent report. Los Angeles should lead the way nationally to set a new agenda for transportation.</p> <p>b. Funding for these incentives should not come from operating funds obviously. Again, the real incentive to reducing car ownership is better transit service (and properly pricing the cost of driving in an equitable way).</p> <p>c. Charge actual cost to determine parking fees. Most parking is “free” or greatly reduced. Reduce or eliminate the amount of parking spaces required in new construction of residential, commercial and office parking.</p> <p>d. Put quality in the system and you won't need to pay people to give up their cars.</p>	<p>a. Will consider during implementation</p> <p>b. Task force agrees that new revenue sources are needed, which is the reason for this recommendation.</p> <p>c. Will consider parking fees during implementation. Also relevant for joint development/TOC recommendation.</p> <p>d. Agree that improving and expanding mobility options is the primary goal of Metro, this is a supportive strategy.</p> <p>e. Will consider during implementation.</p> <p>f. We edited report to add “a portion of any future congestion pricing revenues” to illustrate list of potential funding sources and will consider during implementation.</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p>e. MTA buy peoples vehicles at 3 X's the Kelly BLUE Book value then donate the bought vehicles to "1 800 cars for kids" Also give the person from you purchased the vehicle a lifetime TAP card for free</p> <p>f. Congestion pricing</p>	
Other feedback not tied to specific final recommendations	<p>a. [Multiple comments in support of e-bike incentives and bike infrastructure]</p> <p>b. This survey is very hard to respond to. It references measures I am unfamiliar with. It uses terminology designed to be understood by college graduates. It should be a lot simpler and have more information. What kinds of rebates and incentives are being considered?</p> <p>c. None of this is responsive to the pandemic. Data supporting the plan is largely/exclusively pre-pandemic, and all of the recommendations derive from Metro's pre-pandemic objectives. This "analysis" is self-serving, doing nothing to address the pandemic issues and everything to line the pockets of Metro's planning staff and consultants.</p> <p>d. Covid has not just affected minority and people of color as your report indicated. It has also struck hard on senior citizens of all</p>	<p>a. Will consider in implementation of incentives and complete street recommendations.</p> <p>b. Good point that technical terms can be barrier to public understanding and input. We will aim to be more accessible when reporting back on progress.</p> <p>c. Each of the task force progress reports and the final report included detailed research and data on the impacts of the pandemic, which shaped recommendations.</p> <p>d. Good point that older residents are most vulnerable to COVID-19.</p> <p>e. We agree.</p> <p>f. An early action recommendation was to bring back service to avoid overcrowding.</p> <p>g. We agree.</p> <p>h. This is the logic of some of our equity analysis and we will continue to consider during implementation.</p> <p>i. Improving and expanding mobility options will tend to benefit low-income riders the most, therefore enhancing equity, but Metro's</p>

Recommendation No.	What We Heard: Specific Suggestions and Common Themes	Response and If/How This Will Be Addressed
	<p> races. I found that comment to be a little biased. e. Public transit is key to enabling economic opportunity for those who are struggling economically, so we need a strong Metro network now more than ever! f. Give us back our buses. No one should have to wait more than 5 minutes for a bus. g. Can't wait for LA to become more bike and mass transit friendly! h. Recovery must prioritize the people who actually ride Metro, not the riders Metro wishes they had (well-off, car drivers). A rising tide lifts all boats- improving the riding experience for current riders has the potential to attract more and different kinds of riders. i. Stop thinking about who rides transit just because they need to. Many urbane professionals, including upper class ones, would prefer to take cheaper, greener alternatives. Particularly BRT and bus only lanes need to replace car lanes throughout the entire city. A person should not have to walk more than 1-2 blocks nor wait more than 5 minutes to take high-quality, quick rapid transit such as buses with designated lanes and signal priority over all other vehicles and underground Metro Rail. We need to use </p>	<p> mission is world class transportation for all. We will consider during implementation. j. Will pass on recommendation on TAP to relevant departments and will consider suggestion on all hours staff support through recommendation on public outreach. k. Thank you for your service and feedback. l. the report includes an early action recommendation on customer ambassadors that recommends a balance between enforcing safety and helping customers through methods other than law enforcement. m. Metro has piloted new smaller scale services like Metro Micro and offers personal vehicles through bike share. The task force encouraged more partnerships on micro-mobility and making express and HOV lanes more effective. However, the evidence suggests that public transit is safe if passengers wear masks and we expect that it will be possible to welcome more riders back when the pandemic conditions improve. n. Each recommendation has an implementation plan to allow the ideas to move forward after the report is released. Our recommendation on complete streets is meant to explore </p>

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	<p>transit as a way to clean the air, build greener infrastructure and plant more vegetation around high density areas, and make car life possible and preferable for even the political and financial elite of LA. That means not cutting off bus lanes or only putting BRT in areas away from wealthy neighborhoods but integrating them into the wealthy neighborhoods that are becoming more dense.</p> <p>j. There are two areas that definitely need improvement. One is the tap cards. Not only should the funds on them never expire, but any expiration dates during these past 10 months need to be extended in definitely until more people feel safe riding public transportation again. The second area that needs improvement is emergency access. There needs to be away for a live human being to be reachable 24 seven. Because public transportation runs 24 seven, and things happen after regular office hours that need attending. I can list examples of major fails, including several I was the victim of, which would have been significantly eased by knowing that someone knew about it. Responsibility does not end at 5 o'clock, and if something happens, for example, on one of</p>	<p>creative ways to partner for rapid mobility improvements.</p> <p>o. Thank you for your patronage over the years.</p> <p>p. Language was added to the introduction of the report and to the “We’re here for you” early action recommendation to stress how important vaccination will be for public health and Metro’s and LA County’s recovery. We also agree that many of the suggestions in this comment are good options and will share them within the agency.</p> <p>q. Metro has an unsolicited proposal process for partners with new ideas to submit ideas.</p> <p>r. To help clarify how and when implementation will occur a next steps section was added to the end of the report: “With the task force having released its final report, Metro will now focus on implementing recovery recommendations. This includes the steps outlined in the implementation plans for each final recommendation, plus continued work to complete any outstanding early action items. Staff responsible for implementation will similarly be responsible for developing, tracking and sharing metrics regarding progress and outcomes from</p>

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	<p>the trains at midnight, the Metro folks need to be able to take appropriate action.</p> <p>k. I believe the task force is doing a good job because you formed a task force, I have worked for metro for almost 20 years now and it's encouraging to see this new regime step up and provide service and information to the people of Los Angeles county</p> <p>l. Address security and policing. New York is losing its subway due to violence in the stations. This could happen here. Public transportation must be safe - all hours of the day and everywhere. Persons who can afford to have their own private transportation will never take public transportation if it is dangerous to do so. This should be a top priority - not an afterthought. Very disappointed not to see anything about this in your report.</p> <p>m. Uber and Lyft have been eating your lunch. No one wants to get back into a packed and sealed tube to get to work or school. LAC Metro needs to recognize that what was old is new again. People demand a personal vehicle like a taxi or a personal vehicle, not heavy rail, light Rail, and buses. The Corona Virus makes a one-size-fits-all solution obsolete. New</p>	<p>implementation. When the implementation of any given individual recommendation reaches a point that requires action by the Board of Directors, this action will be brought to the board, along with the opportunity for public comment."</p> <p>s. We agree that freight transportation is critical for economic recovery. The Task Force did not focus on goods movement because the agency was simultaneously working on a new Goods Movement Strategic Plan.</p> <p>t. The task force's return service early action recommendation supports restoring service as needed to avoid overcrowding. Will consider this specific input during implementation.</p> <p>u. Fareless transit is relevant to the final recommendation on transit integration and the task force recommended a pilot of fareless during off peak times. We support reaching the full potential of NextGen as quickly as possible and will consider this input during implementation of recommendations on complete streets, M + R ordinances, and incentives.</p> <p>v. Metro customer satisfaction surveys show strong desire for more enforcement on the systems, so any next steps with policing,</p>

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	<p>highways, including underpasses and long commuter tunnels are viable alternatives.</p> <p>n. My general sense is that I see a lot of studies and reports of this type, and good I guess, but it's time to put this stuff into action. We know what we have to do! A lot of good projects get gummed up by LA's dysfunctional government. Transportation is a collective problem involving the entire region, and regional planners (Metro, DOT) should have the final say, not individual council members or city governments. Also, I really want to hear Metro talk more about freeway removal. If we're concerned about equity and righting past wrongs, dismantling freeways or repurposing them for public transit, parks, and housing should be a bigger priority. My grandmother's neighborhood, Boyle Heights, was absolutely gutted by freeway construction, and people there still have to live w this legacy. Likewise, in my current neighborhood, one made up primarily of Central American and Asian immigrants, is cut up by a stretch of freeway, the 101, that's effectively useless from a mobility standpoint and actively harms public health. I understand that this is a big lift and involves a lot of money but, Metro can be a leader here and</p>	<p>customer ambassadors, community-led safety efforts etc. would need to be tied to improvements in enforcement outcomes and customer satisfaction. We will consider in connection to our early action recommendation on customer ambassadors and a recovery budget.</p> <p>w. This is a good idea, and we will consider during implementation of recommendations related to revenues and construction costs.</p> <p>x. We agree that collaborations are vital for most of the recommendations. The public outreach recommendation is meant to improve outreach generally, and some of the recommendations include calls for partnerships. Will consider during implementation.</p> <p>y. Agree that this is essential. Every recommendation includes a list of elements of Vision2028 strategic plan that the recommendations would advance, and some recommendations reference other Metro plans and policies. Will consider during implementation.</p> <p>z. We agree that safety and security and important and will consider during implementation of relevant recommendations.</p>

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	<p>should get the conversation going. With a green recovery conversation beginning on the national stage, there's no better time to be having these big conversations.</p> <p>o. I've been using Metro since it was RTD in the 80s. It has improved a lot since then. But there is room for a lot more improvement. I would love to see public transportation in L.A. become more integral, as in other major cities all over the world.</p> <p>p. Metro should do all that it can to support vaccination and improve vaccine distribution equity. From a distribution standpoint, Metro could advocate for its front-line workers to receive the vaccine, at locations convenient to their workplace. Metro should invite the major vaccination distribution pharmacies to host on site vaccination clinics where Metro employees can get the vaccine during working hours. Metro could continue to lobby for its frontline workers to get the vaccine in advance of the general population, due to the special role that they serve and their constant contact with people. To encourage uptake of the vaccine, senior leadership, division managers, and peer leaders could be encouraged to get vaccinated and broadcast their status. This</p>	<p>aa. Will consider during implementation of open/safe streets program. We have updated introduction and 'we're here for you' sections of report to stress importance of vaccination.</p> <p>bb. Will consider during implementation of return service and green jobs and infrastructure recommendations.</p> <p>cc. Will consider during implementation of bike-related recommendations.</p> <p>dd. We believe that reaction to on-the-ground pilots can help communities provide input, but we will consider during implementation of bus lane and complete streets recommendations.</p> <p>ee. Will consider during implementation of recommendations addressing revenues and improving service.</p> <p>ff. Will consider during implementation of Measure R + M amendments.</p>

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	<p>could be done through televising vaccination of senior leadership during rap sessions or having supervisors and longtime employees wear stickers stating their vaccination status.</p> <p>Metro could give free rides to people getting their vaccines. San Diego MTS is an example of one agency doing so. Or, partnering with vaccination distribution agencies to hand out free limited use TAP cards to walk-in vaccine recipients so that they can go to their second dose without paying a fare.</p> <p>Metro has ad space and PSA space in the headsigns of buses available which could be used to spread the vaccination message. These buses travel through predominantly minority communities and would help spread the message.</p> <p>Similarly, its drivers, train operators, cleaning personnel, and other staff can also act ambassadors for vaccination. If they choose to do so, they should wear stickers or buttons stating their status. They can also voluntarily spread their message in the community, or</p>	

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	<p>their stories could be featured on car cards which are visible on buses and trains. Obviously no employee would be forced to broadcast their vaccination status or lack thereof, but those who choose to broadcast their status should be supported in doing so.</p> <p>Metro has underutilized facilities in Black and Latino communities, such as Harbor Gateway Transit Center, 37th Street Station, Manchester/I-110 station, El Monte Station, and Union Station which could be used for on-site vaccination clinics, convenient to both those in the surrounding neighborhoods and transit dependent residents. In particular, Metro's park and ride lots would be a good point of distribution for vaccines due to the amount of space, good transit access, and limited demand for parking due to COVID-19. Metro's on-site vaccination clinics at their bus yards in communities hard hit by the pandemic, such as Division 1, 2, 3, and 5, should also be used as vaccination sites for targeted groups such as homeless individuals.</p> <p>q. Metro would be wise to explore the feasibility of using driverless micro buses as TAAS.</p>	

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	<p>Transit HUBs need to be created at several (low income) neighborhoods for patrons to catch a micro bus to transport them to their destinations (another transit hub). Just a study for now.</p> <p>r. A comprehensive Recovery Implementation Strategy would identify: A comprehensive multi-year capital and operating plan. The Board should be provided detail comparable to that found in Metro’s successful NextGen Bus Study. Although some recommendations can be implemented without affecting current capital and operating budget commitments, several recommendations, such as the fare-less system initiative, will have significant initial and ongoing costs and revenue impacts that will ripple across the agency’s current and future capital and operating budgets. Some recommendations may even require deferral or abandonment of current Board commitments. These far-reaching recommendations deserve more Board scrutiny before being included in Metro’s Short-Range financial plans or annual budgets. A 10-year implementation timeframe for each recommendation. We believe the recommendations and their financial implications could be better</p>	

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	<p>addressed if they were grouped according to an implementation timeframe (e. g.: immediate, 1-3 years, 3- 5 years, and 5+ years}. This would allow Metro to evaluate new initiatives in the context of current commitments and anticipated resources over the next decade. An analysis of annual budgetary tradeoffs for each recommendation. Some of the Plan’s elements include funding actions that have previously been approved by the Metro Board (e. g.: the NextGen Bus Study, the Congestion Reduction Program). We encourage Metro staff to identify the pre-existing funding sources and amounts of any prior Metro Board approvals for each near-term recommendation. For recommendations that lack sufficient prior funding, Metro should evaluate whether current commitments need to be deferred or abandoned to fund more critical and timely recommendations within available current or short-term budget resources. Secure partner commitments prior to approving recommendations. Several of the initiatives such as acceleration of complete streets projects, joint development, and provision of new affordable housing around station areas require close</p>	

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	<p>cooperation with local jurisdictions that control land use and uses of local streets. Metro should involve all relevant public partners in the development of implementation plans for each of its recommendations. In addition, written concurrence from potential partners on the scope, funding sources and implementation timeframes should be secured before the Metro Board approves a multi-jurisdictional recommendation.</p> <p>s. The report makes no mention of freight and trade routes as a critical element of our highway and rail networks. As you know, for any transportation-related recovery, this must be part of the conversation. Freight movement uses local, regional, national, and international systems. Cooperation between private and public sectors—requiring changes in both—will be needed to ensure a transportation system that meets the freight needs of businesses and consumers. New freight-transport systems must also be responsive to user needs and expectations. Without these necessary freight investments and state and federal partnerships, the Metro region will lose out on the sales tax revenues that are required to support the promises that</p>	

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	<p>Metro made to voters under Measure R and M.</p> <ul style="list-style-type: none"> t. Increase bus service to NextGen <i>Transit First</i> levels u. Permanently adopt fareless transit + enact plans to increase bus service to NextGen <i>Future Funding</i> levels. v. Sunset Metro’s current policing contract to save lives and livelihoods and unlock nearly a billion dollars in savings. Enable community-led safety alternatives to take root and transform LA Metro into a sanctuary for everyone in Los Angeles w. Negotiate better federal loan terms for Metro’s debt x. With 37 recommendations proposed under the Recovery Task Force Report, Metro should include details on plans to leverage existing partnerships with cities, councils of governments, and community-based organizations to encourage residents and riders to utilize the programs and resources that will be provided under the proposed recommendations. For example, the “Adopt-a-Bike” Program under Recommendation #12 can only be effective at preventing overcrowding on transit if individuals are aware about the program. A comprehensive 	

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	<p>community outreach plan for similar recommendations should be included in the document in order to effectively implement the stated actions.</p> <p>y. While the Final Recommendations were drafted to improve mobility and equity after the pandemic, these recommendations should be closely analyzed to ensure that they support Metro’s strategies in the Customer Experience Plan, Fareless System Initiative, Goods Movement Strategic Plan, Long Range Transportation Plan, Moving Beyond Sustainability Plan, NextGen Bus Plan, Traffic Reduction Study, Transit App Partnership, and Transit Oriented Communities Implementation Plan. Metro staff should closely identify the nexus between the proposed Final Recommendations and the existing Metro strategic documents to ensure successful implementation of the recommendations.</p> <p>z. For additional safety, FASTLinkDTLA also advocates for Metro Ambassadors to provide ‘eyes on the system’ and answer customer questions as well as having security officers riding transit. The safer people feel, the more they will continue to ride and choose to ride Metro.</p>	

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	<p>aa. Reallocate safe streets funding to support community-based, walk up vaccination sites and/or alternative methods that most efficiently deliver vaccinations to those without reliable access to a vehicle in the areas of Los Angeles County most impacted by COVID-19. Ensure Metro transit operators and frontline workers have access to frequent on-site COVID-19 testing. When vaccines are available for Metro frontline workers, the on-site COVID-19 testing stations can be mobilized for vaccine distribution.</p> <p>bb. Fully fund the NextGen Bus Plan 3-phased roll out to provide fast, frequent, reliable and accessible service as approved by the Metro Board of Directors at the October 22, 2020 Board meeting. Swift and massive intervention to increase bus service will meet the needs of people who ride transit, provide jobs that provide earned income for unemployed workers who face the possibility of homelessness, and provide sufficient service that allows for physical distancing onboard transit. Operating money for transit typically produces the most jobs per dollar, because it is essentially all labor, and it can be implemented quickly by preventing layoffs and hiring new employees. Increasing bus</p>	

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	<p>service will likely require purchasing new buses which has the added benefit of accelerating Metro’s transition to a zero-emission fleet. Purchasing new buses also has the potential to create new skilled union jobs in zero-emissions bus manufacturing for communities facing significant barriers to employment in Los Angeles County based on a community benefits agreement reached by a community-labor coalition in California in December 2020. Bus procurement takes time. To ramp up bus service in the short-term, Metro may need to explore whether private buses can be leased for the interim period and/or identify other strategies to increase bus service levels while new buses are procured.</p> <p>cc. [For study bike share and promote biking early action recommendations]. Work with marginalized people with local knowledge to understand transportation needs. Define the problem with those disparately served prior to deciding to study new Bike Share models. Ensure equity efforts are a threat to the existence of inequity, not merely a mitigation of their symptoms. Adopt program guidelines and metrics to ensure marginalized people receive equitable distribution of the bicycles.</p>	

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	<p>Consider providing vouchers for bicycle maintenance redeemable at local bike shops to support the ongoing maintenance costs associated with owning a bicycle.</p> <p>dd. Conduct dignity infused community engagement, including but not limited to engagement of Limited English Proficiency populations and people who ride transit before the introduction of new bus lanes.</p> <p>ee. For a reparative recovery, Metro should adopt job creation for disparately impacted groups as a primary goal and target investments to help these individuals remain employed. Operating money for transit typically produces the most jobs for disparately impacted groups per dollar, because it is essentially all labor, it can be implemented quickly, and because Metro’s workforce is inclusive of those most impacted by COVID-19 in Los Angeles</p> <p>ff. Rescope, defer, and/or cancel inequitable, inefficient capital projects through a transparent, inclusive Measure M and Measure R Amendment process focused on addressing racial and economic inequities. Identify and make the necessary structural changes to overhaul governance structures and community engagement to transform</p>	

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	<p>transit infrastructure to be responsive to the deliberation and decision-making of residents, riders, and workers.</p>	



METRO'S RECOVERY TASK FORCE



Executive Management Committee
February 18, 2021



Metro®

Task force released draft final report in Dec 2020

- > Feedback from 240 individual commentors plus organizations and COGs
- > Most common feedback included:
 - Expand/accelerate networks of protected bike lanes and bus lanes
 - Address high levels of homelessness on vehicles and at stations
 - Add restrooms at stations
 - Partner with Metrolink to get frequent, through-running regional rail
 - Improve frequency and reliability of bus and rail service
 - Better sync schedules among all transit providers to make transferring easier
 - Offer incentives to purchase e-bikes
 - Add riders to Metro board
 - Improve broadband and facilitate remote work
 - Learn from regions/systems with lower construction costs
 - Make bus and rail free

Edits to final report based on feedback: 1 of 2

Recommendation	Edit
Complete streets	Prioritize streets with injuries/deaths from collisions
Transit integration	<ul style="list-style-type: none">• Add 'through-running regional rail' to goal of more frequent Metrolink service• Coordination not limited to LA County• Specify coordination of service for easier transfers• Add third party apps as a way to share schedules/info
Incentives to reduce car ownership	Add 'other small mobility devices' to potential for incentives for e-bikes
Share data better	Add "in multiple languages as stated under Metro's Language Assistance Plan or requested by the community."
Joint Development / TOC	Add goal of less parking at joint developments
Destination discounts	Add local jurisdictions as partners

Edits to final report based on feedback: 2 of 2

Recommendation	Edit
Funding for incentives to reduce car ownership	Add "portion of potential future revenues from congestion pricing" to examples of sources that would be studied
Green infrastructure and green jobs	Add charging infrastructure to support bus electrification
Introduction + 'We're here for you' early action	Add that Metro should promote vaccination to customers and staff
implementation plans	Add page on next steps which clarifies: <ul style="list-style-type: none">• staff working on implementation would identify metrics and report back to public and board on progress• If implementation needs a policy change, funding etc. then recommendation would go to board for discussion and public comment

Next steps

- > Final report and attachment summarizing public feedback and recommended responses to board this month as receive and file
- > Public release of final report week of board meeting
- > Task force wraps up work this month
- > Implementation proceeds per implementation plans, going to board as necessary

Lessons Learned

- A task force of emerging leaders from various departments was an excellent way to identify and develop recovery ideas
- Having both short-term recommendations focused on response and safety and longer-term recommendations focused on better mobility and equity help align Metro with the current administration's priority of building back better
- Metro can do more to break down silos between departments, but multi-departmental implementation plans like those in report will help