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**Agenda - Final**

**Thursday, May 19, 2022**

**12:00 PM**

To give written or live public comment, please see the top of page 4

## **Executive Management Committee**

*Hilda Solis, Chair*

*Ara Najarian, Vice Chair*

*Eric Garcetti, 2nd Vice Chair*

*James Butts*

*Sheila Kuehl*

*Tim Sandoval*

*Tony Tavares, non-voting member*

*Stephanie Wiggins, Chief Executive Officer*

**METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES**  
(ALSO APPLIES TO BOARD COMMITTEES)

**PUBLIC INPUT**

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board must be submitted electronically using the tablets available in the Board Room lobby. Individuals requesting to speak will be allowed to speak for a total of three (3) minutes per meeting on agenda items in one minute increments per item. For individuals requiring translation service, time allowed will be doubled. The Board shall reserve the right to limit redundant or repetitive comment.

The public may also address the Board on non agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for one (1) minute during this Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

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.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

**CONDUCT IN THE BOARD ROOM** - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

**REMOVAL FROM THE BOARD ROOM** The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- 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.

**INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD**

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available prior to the meeting in the MTA Records Management Department and on the Internet. Every meeting of the MTA Board of Directors is recorded and is available at [www.metro.net](http://www.metro.net) or on CD's and as MP3's for a nominal charge.

## DISCLOSURE OF CONTRIBUTIONS

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

## ADA REQUIREMENTS

Upon request, sign language interpretation, materials in alternative formats and other accommodations are available to the public for MTA-sponsored meetings and events. All requests for reasonable accommodations must be made at least three working days (72 hours) in advance of the scheduled meeting date. Please telephone (213) 922-4600 between 8 a.m. and 5 p.m., Monday through Friday. Our TDD line is (800) 252-9040.

## LIMITED ENGLISH PROFICIENCY

A Spanish language interpreter is available at all Committee and Board Meetings. All other languages must be requested 72 hours in advance of the meeting by calling (213) 922-4600 or (323) 466-3876. Live Public Comment Instructions can also be translated if requested 72 hours in advance.



**323.466.3876**

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**NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA**

**Live Public Comment Instructions:**

Live public comment can only be given by telephone.

The Committee Meeting begins at 12:00 PM Pacific Time on April 21, 2022; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-251-2949 and enter  
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Los comentarios publicos en vivo solo se pueden dar por telefono.

La Reunion de la Junta comienza a las 12:00 PM, hora del Pacifico, el 19 de Mayo de 2022. Puedes unirte a la llamada 5 minutos antes del comienzo de la junta.

Marque: 888-251-2949 y ingrese el codigo  
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**Written Public Comment Instruction:**

Written public comments must be received by 5PM the day before the meeting. Please include the Item # in your comment and your position of "FOR," "AGAINST," "GENERAL COMMENT," or "ITEM NEEDS MORE CONSIDERATION."

Email: BoardClerk@metro.net

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Los Angeles, CA 90012



**CALL TO ORDER****ROLL CALL**

APPROVE Consent Calendar Items: 27 and 28.

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

**CONSENT CALENDAR**

- 27. SUBJECT: METRO ADVISORY BODY COMPENSATION POLICY UPDATE** [2022-0090](#)

**RECOMMENDATION**

CONSIDER:

- A. APPROVING proposed amendments to the Metro Advisory Body Compensation Policy (ABC Policy) (Attachment A); and
- B. DELEGATING authority to the CEO or their designee to amend the ABC Policy, with the exception of the advisory body tiers and respective compensation amounts, as-needed to implement the policy.

**Attachments:** [Attachment A - Amended Advisory Body Compensation Policy](#)  
[Attachment B - File #: 2021-0509 Metro Advisory Body Compensation Policy](#)  
[Attachment C - Metro Advisory Body Policy](#)

- 28. SUBJECT: FY2023 COMMITTEE AND BOARD MEETING CALENDAR** [2021-0798](#)

**RECOMMENDATION**

RECEIVE AND FILE the FY2023 Committee and Board Meeting Calendar (Attachment A).

**Attachments:** [Attachment A - FY2023 Board Meeting Calendar Presentation](#)

**NON-CONSENT**

- 29. SUBJECT: SUBREGIONAL EQUITY PROGRAM GUIDELINES** [2020-0501](#)

**RECOMMENDATION**

APPROVE guidelines for the use of the Subregional Equity Program funds (Attachment A).

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**Attachments:**      [Attachment A - Proposed Subregional Equity Program Guidelines](#)  
[Attachment B - Motion 38.1](#)

30.    **SUBJECT:      48 BY '28: INCREASING SMALL AND DISADVANTAGED BUSINESS PARTICIPATION**      [2022-0101](#)

**RECOMMENDATION**

CONSIDER:

- A. RECEIVING and FILING the report back to Motion 43 on a 48 by 2028 Policy Objective to Increase Small and Disadvantaged Business Participation; and
- B. ADOPTING the Top 8 for 48 by '28 Plan.

**Attachments:**      [Attachment A - Motion 43 \(December 2, 2021 Board Meeting\)](#)

31.    **SUBJECT:      FARELESS SYSTEM INITIATIVE AND LOW-INCOME FARE IS EASY**      [2022-0187](#)

**RECOMMENDATION**

RECEIVE AND FILE status updates on Fareless System Initiative (FSI) and Low-Income Fare Is Easy (LIFE) Programs.

**Attachments:**      [Attachment A – File# 2021-0372 May '21 Motion 45 on FSI](#)  
[Attachment B - Motion 40 LIFE](#)  
[Attachment C - LIFE Reports Findings](#)

32.    **SUBJECT:      2022 EQUITY FOCUS COMMUNITIES UPDATE**      [2022-0275](#)

**RECOMMENDATION**

RECEIVE AND FILE status report on 2022 Equity Focus Communities Update.

**Attachments:**      [Attachment A - Motion 18.1 Defining EFCs 2019](#)  
[Attachment B - 2022 EFC Update Map](#)  
[Attachment C - Original EFC and 2022 EFC Update](#)  
[Attachment D - 2022 EFC Update Methodology Research](#)  
[Attachment E - 2022 EFC Update Data Analysis Summary](#)

**33. SUBJECT: STATE AND FEDERAL REPORT**[2022-0287](#)**RECOMMENDATION**

RECEIVE AND FILE May 2022 State and Federal Legislative Report.

**SUBJECT: GENERAL PUBLIC COMMENT**[2022-0311](#)

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**

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**File #:** 2022-0090, **File Type:** Project

**Agenda Number:** 27.

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**EXECUTIVE MANAGEMENT COMMITTEE  
MAY 19, 2022**

**SUBJECT: METRO ADVISORY BODY COMPENSATION POLICY UPDATE**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

CONSIDER:

- A. APPROVING proposed amendments to the Metro Advisory Body Compensation Policy (ABC Policy) (Attachment A); and
- B. DELEGATING authority to the CEO or their designee to amend the ABC Policy, with the exception of the advisory body tiers and respective compensation amounts, as-needed to implement the policy.

**ISSUE**

The ABC Policy became effective on October 1, 2021. Policy implementation has surfaced the need to 1) clarify the Elected Official and Staff exemption and 2) facilitate a consistent method for collecting demographic information on advisory body membership to comply with requirements under the Federal Transit Administration's Title VI Circular 4702.1B.

**BACKGROUND**

During the Metro Board meeting on September 23, 2021, the Board approved the Metro Advisory Body Compensation Policy (ABC Policy) and delegated authority to the CEO, or the CEO's designee, to compensate Metro advisory body members pursuant to Metro's ABC Policy. (See Attachment B.) The ABC Policy determines if and when members of the public who serve on Metro advisory bodies can be compensated. Advisory bodies are defined as Metro-created or sanctioned groups that voluntarily provide input to Metro on programs, projects, and other initiatives. The ABC Policy has three tier categories for compensation: 1) Advise, 2) Advise and Prepare, and 3) Advise and Collaborate, and each tier authorizes compensation amounts of 1) \$100, 2) \$150, and 3) \$200,

respectively, per general meeting. (See Attachment C.) The level of responsibility, time commitment, and roles of the advisory member increase with each tier. (See Attachment C.) All members may also be compensated at \$50 per subcommittee meeting. Compensation is entirely voluntary and is not required.

Implementation for each advisory body includes four steps: 1) Compensation Tier Determination, 2) Advisory Member Notification and Decision, 3) Administrative Paperwork Submission; and 4) ABC Policy Payment Processing, which is ongoing. During step two, staff administering the five Metro Service Councils raised questions about the eligibility exemption for Elected Officials and asked for clarification, noting that Elected Officials that serve on the Service Councils were eligible for compensation prior to the approval of the ABC Policy. The approved ABC Policy language states, "The Policy currently excludes LACMTA employees and any public agency, Councils of Governments, or elected office staff who serve on advisory bodies as part of their professional role."

Furthermore, the Federal Transit Administration's (FTA) Title VI Circular 4702.1B states that FTA financial assistance recipients "that have transit-related, non-elected planning boards, advisory councils or committees, or similar committees, the membership of which is selected by the recipient, must provide a table depicting the racial breakdown of the membership of those committees, and a description of efforts made to encourage the participation of minorities on such committees." Based on discussions with Metro's Title VI program staff, regular collection and tracking of demographic data would assist Metro in complying with the Federal Transit Administration's Title VI Circular 4702.1B.

## **DISCUSSION**

### Proposed Amendments

#### 1. Elected Officials

The five Metro Service Councils were established in 2003 through approval by the Metro Board. Per agreement with regional stakeholders who participated in the Councils' creation, Service Council members, including Elected Officials, are eligible for compensation. Accordingly, staff recommends that the ABC Policy be updated to 1) add a grandfather clause that allows Elected Officials that serve on one of the five Metro Service Councils established in 2003 to remain eligible for compensation, and 2) clarify that, except as exempted under the Service Council grandfather clause, Elected Officials and staff of Elected Officials are not eligible for compensation under the ABC Policy if participating on a Metro advisory body in their role as an Elected Official or staff of an Elected Official. Elected Officials serving on the Service Councils must meet all other requirements for eligibility to receive compensation.

## 2. Demographic Data

To ensure compliance with the FTA's Title VI Circular 4702.1B, staff recommends amending the ABC Policy to require all Metro advisory body administrators distribute a survey to all advisory body members to collect demographic data, including race/ethnicity. This information would be gathered as each new member joins and every three years with the Title VI program update. Completion of the survey would be voluntary for members. Upon the approval of this Report, initial surveys must be distributed and collected by July 1, 2022.

### **FINANCIAL IMPACT**

There is no impact to the existing FY22 budget as a result of this report.

### **EQUITY PLATFORM**

The Advisory Body Compensation Policy is one tool in a growing toolkit that helps reduce barriers and support participation in Metro's decision-making and planning processes. The ABC Policy was developed to advance equitable outcomes that uplift the lived experiences of individuals representing historically marginalized and vulnerable groups by providing fair compensation and alleviating a financial barrier to participation for members who do not have the ability to donate their time to Metro. These amendments will provide the data to help Metro track advisory body member demographics and help ensure diverse representation that reflect the LA County region and Metro's ridership. These amendments will also help ensure implementation of the Policy remains fair and equitable.

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

These recommendations supports strategic plan goals #4.1 and #3.3 by helping Metro collaborate with the public, foster trust with everyday stakeholders in its planning processes and creates an opportunity for robust community engagement opportunities that reflect the communities Metro serves.

### **NEXT STEPS**

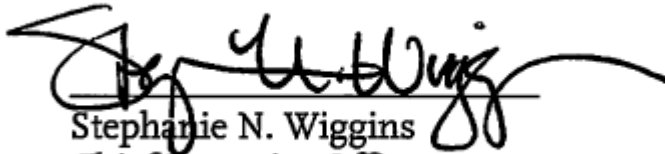
Upon Board approval, the Advisory Body Compensation Policy will be amended.

### **ATTACHMENTS**

Attachment A - Amended Advisory Body Compensation Policy  
Attachment B - File #: 2021-0509 Metro Advisory Body Compensation Policy  
Attachment C - Metro Advisory Body Policy

Prepared by: KeAndra Cylear Dodds, Executive Officer, OER (213) 922-4850

Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950



Stephanie N. Wiggins  
Chief Executive Officer



# GENERAL MANAGEMENT

## Advisory Body Compensation Policy (ABCP)

(GEN 62)

### POLICY STATEMENT

Pursuant to the Board Approved Equity Platform (March 2018), Los Angeles County Metropolitan Transportation Authority (LACMTA) is committed to incorporating equity into all facets of LACMTA’s decision-making and genuinely engaging impacted communities in [#sits](#) processes, while continuously pursuing equitable outcomes in everything it does. This commitment includes investing resources to remove barriers and eliminate disparities in the participation of Black, Indigenous, People of Color (BIPOC) and other marginalized people in decision-making processes. This includes but is not limited to households with low-incomes, people with disabilities, immigrants, people with limited English proficiency, members of the lesbian, gay, bisexual, transgender and queer community, older adults, and youth. LACMTA acknowledges the systemic barriers and financial and emotional costs faced by BIPOC and other marginalized people in participating in LACMTA’s decision-making processes. The Advisory Body Compensation Policy (“Policy”) offers a compensation model designed to support and sustain participation by members of the public in advisory bodies across LACMTA’s portfolio.

### PURPOSE

The Advisory Body Compensation Policy applies to LACMTA-established or sanctioned advisory bodies and is intended to determine when and how to compensate members of the public who serve on advisory committees.

### APPLICATION

This policy applies to members of LACMTA-created or sanctioned advisory bodies.

Advisory body members are independent, and no language in the Policy will be construed to create the relationship of agent or employee, as between an advisory body member and LACMTA. Advisory body members will not be, or be construed to be, the employees or agents of LACMTA.

APPROVED: County Counsel or N/A

Department Head

ADOPTED: CEO

Effective Date: \_\_\_\_\_

Date of Last Review: \_\_\_\_\_





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## **GENERAL MANAGEMENT Advisory Body Compensation Policy (ABCP)**

(GEN 62)

### **1.0 GENERAL**

The Office of Equity and Race will administer this policy by serving as a resource for departments through implementation, overseeing eligibility determinations, overseeing, and tracking compensation tier determinations in coordination with Community Relations, and leading policy review and updates, as necessary.

The department, office, or unit responsible for administering an advisory body will be responsible for ensuring a compensation tier determination is made, budgeting for, funding, and ensuring payment of compensation for that advisory body, submitting five-year reviews to the CEO, and otherwise implementing the policy, as necessary.

### **2.0 PROCEDURES**

These procedures establish administrative guidelines for determining compensation of members of the public serving on advisory bodies.

#### **2.1 Defining Advisory Bodies**

Advisory bodies are LACMTA-created or sanctioned groups, regardless of name, that voluntarily provide input to LACMTA on program, project, and other issues, and develop recommendations, when requested, to enhance projects, programs, or other provisions. The primary purpose of advisory bodies is to provide LACMTA with input and/or expertise from the perspective of members of the public or experts in specific fields. Advisory bodies can also bring together members of the public with views that are not often heard by LACMTA. Below is a list of factors for determining whether a body is an eligible advisory body under the Policy. An eligible advisory body does not need to fulfill every qualifier listed below in order to be eligible for the Policy, nor is the list intended to be inclusive of all roles that advisory bodies may play at LACMTA.

Advisory bodies are groups that:

- Have defined roles, responsibilities, and membership
- Have members who offer specific or unique perspective, knowledge, skills, or experience which LACMTA may not have or otherwise adds value to LACMTA's work
- Provide input and recommendations to LACMTA on projects, scopes of work, programs, policies, budgets, and other provisions
- Review and evaluate the various transportation proposals and alternatives within Los Angeles County
- Provide technical input and assistance to LACMTA on issues affecting local transit systems or transportation programs in Los Angeles County



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## GENERAL MANAGEMENT

### Advisory Body Compensation Policy (ABCP)

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- Assist LACMTA in improving and promoting bus and rail services to specific populations
- Assist LACMTA in improving and promoting transportation related projects and programs to specific populations
- Provide independent oversight and enhanced level of accountability for expenditures of sales tax revenues made under the adopted expenditure plan(s), as required by legislation.

Any new advisory body that is created or sanctioned by LACMTA will need to pose a unique or different value than existing advisory bodies and be reviewed for eligibility under the Policy.

#### 2.2 Advisory Body Eligibility

Members serving on any formal advisory body, that has been or is created or sanctioned by LACMTA, are eligible for compensation under the Policy as of the effective date unless determined ineligible by the preceding legislation, charters or bylaws, or provisions in the Policy. Eligibility for the Policy may include informal advisory bodies that have been created by LACMTA and will be assessed on a case-by-case basis. Upon a determination that members of the public are asked to fulfill the same or similar roles as those described in compensation tiers below for informal advisory bodies, they will be eligible for compensation based on the tier that best fits their role. Groups that LACMTA participates in or facilitates but did not create or sanction will not be eligible for compensation under this Policy. Advisory bodies developed for project-based needs will be assessed on a case-by-case basis for eligibility under the Policy. Further information on the eligibility of project-based groups will be outlined in the forthcoming Implementation Guidelines.

#### 2.3 Advisory Body Member Eligibility

All members of the public serving on LACMTA advisory bodies will be eligible for compensation regardless of immigration status, housing status, ability, or any other status that may be a barrier to participation. The Policy currently excludes LACMTA employees and any public agency, Councils of Governments, ~~or~~ elected office officials or staff of elected officials who serve on advisory bodies as part of their professional role, except as exempted in 2.3.1. Members who 1) work for a contractor or organization holding an active contract with LACMTA and 2) participate or are listed in the contract activities, while serving on an advisory body are not eligible for advisory body compensation for the duration of the contract. This applies to all contractors, including non-profit organizations and community-based organizations. Once no longer under contract with LACMTA, an advisory body member may receive compensation. Further, the Policy only applies to members of the public who are formal members of LACMTA



## GENERAL MANAGEMENT Advisory Body Compensation Policy (ABCP)

(GEN 62)

created and sanctioned advisory bodies. Application of the Policy to unofficial advisory bodies will be determined on a case-by-case basis.

### 2.3.1 Service Council Grandfather Clause

The Board established the LACMTA Service Councils in 2003. Per agreement with regional stakeholders who participated in the Councils' creation, Service Council members, including elected officials, are eligible for compensation. For the following five Service Councils approved at that time, elected officials and their staff will be eligible to receive compensation.

- 1) Gateway Cities Service Council
- 2) San Fernando Valley Service Council
- 3) San Gabriel Valley Service Council
- 4) South Bay Service Council
- 5) Westside/Central Service Council

Elected officials and their staff must meet all other eligibility and attendance requirements provided in this Policy and applicable Service Council bylaws to receive payment.

### **2.4 Advisory Body Member Tiers**

The Policy has three tier categories for compensation: 1) Advise, 2) Advise and Prepare, and 3) Advise and Collaborate. The level of responsibility and roles of the advisory member increase with each tier, along with the compensation rate. Tiers focus on the advisory body member's potential time commitment, roles, and responsibilities while serving on the advisory body.

- The Advise tier applies to advisory body members that largely play the role of an advisor for LACMTA staff with minimal responsibilities outside of attending meetings.
- The Advise and Prepare tier applies to body members responsible for one to two hours of advance preparation for meetings on top of attending meetings.
- The Advise and Collaborate tier applies to members whose responsibilities include collaboration with other members, LACMTA staff, and/or other community members or external partners, to develop a shared vision and outcomes. The Advise and Collaborate tier should be applied when advisory



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## **GENERAL MANAGEMENT Advisory Body Compensation Policy (ABCP)**

(GEN 62)

members have a moderate to significant workload outside of advisory committee meetings.

Determination of an advisory body's categorization in a specific tier will be determined by the LACMTA department managing the respective advisory body, in consultation with the Office of Equity and Race and Community Relations.

<b>LACMTA Advisory Body Compensation Policy Tiers</b>	
<b>Tiers</b>	<b>Roles and Responsibilities</b>
<b>Advise</b>	<ul style="list-style-type: none"> <li>-Participate in advisory body meetings once a month or less</li> <li>-Provide feedback on topics discussed at the advisory body meeting</li> <li>-Includes light advance review of materials in preparation for meetings</li> </ul>
<b>Advise and Prepare</b>	<ul style="list-style-type: none"> <li>-Participate in advisory body meetings once a month or less</li> <li>-May participate in advisory subcommittees</li> <li>-Provide feedback on topics discussed at the advisory body meeting</li> <li>-Advise or provide feedback on pieces of LACMTA's scope of work, such as draft community engagement plans</li> <li>-May require 1-2 hours of advance review of materials or other preparation for meetings, including workgroup meetings, community engagement efforts, and other tasks per meetings</li> </ul>
<b>Advise and Collaborate</b>	<ul style="list-style-type: none"> <li>-Participate in advisory body meetings twice a month or more</li> <li>-Participate in advisory subcommittees</li> <li>-May require 2-4 hours of advance review of materials or other preparation for meetings, including readings, workgroup meetings, and other tasks per meeting</li> <li>-Provide input on how LACMTA will design, plan, and execute pieces of LACMTA's scope of work</li> <li>-Provide input on substantial scopes of work from LACMTA, provide expertise on topics that other technical consultants are typically compensated for</li> <li>-Support LACMTA with external outreach or engagement with the public, a particular community or population, an affiliated group, and/or community-based organizations (CBO) on topics addressed in the advisory body</li> </ul>

### **2.5 Advisory Body Compensation Structure**

The compensation structure has three tiers which align with the advisory body member tiers. Compensation will be provided on a per meeting basis, with a fiscal year



## GENERAL MANAGEMENT

### Advisory Body Compensation Policy (ABCP)

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maximum. Payments will be provided by a check or direct deposit, unless an alternate form of compensation is required, as described in section 2.5.6.

#### 2.5.1 Compensation Structure

The Advise tier compensation rate is set on a per meeting attended basis, with each subsequent tier increasing per meeting, up to the CEO-approved maximum. Alternates encouraged to attend and/or that participate in their body meetings will be paid at lower rates than the assigned compensation tier for their advisory body. (See Attachment 1: Advisory Body Compensation Charts, Table 1 for current rates).

The Policy includes an annual cap on compensation totals for advisory body member participation for each fiscal year. A cap, or maximum, serves to manage budget and workload for each advisory body, but does not preclude a department from providing higher compensation with justification. All advisory members will be compensated only for meetings attended, regardless of the advisory body meeting schedule. Advisory body members are responsible for determining accuracy of their meeting attendance, as discussed in section 2.5.6 below. Compensation will only apply to roles and responsibilities identified by advisory body administrators. Advisory body members will not be compensated for time spent on activities conducted outside of defined roles and responsibilities.

#### 2.5.2 Subcommittee Meeting Rates

Advisory committee members may participate in both regular and subcommittee meetings. Some committees may include alternate and/or non-voting members who may only actively participate in subcommittee meetings. Participation in any subcommittee meetings will be compensated at a designated rate per meeting, regardless of whether the participant is a regular advisory committee member or an alternate/non-voting member, up to the cap rate for their compensation tier or member status. (See Attachment 1: Advisory Body Compensation Charts, Table 1 for current rates). Members of the public who participate in subcommittee meetings but are not regular or alternative members of the general advisory body will not be eligible for compensation under this Policy.

If an advisory body does not have existing subcommittees as of the effective date of the Policy, the body will need to have a process to define subcommittees and require approval from LACMTA staff who facilitate the body for subcommittee participation to be eligible for compensation. Advisory body members will be required to provide a justification for the creation of the subcommittee as well as identify scope. An acceptable justification may include a reason, such as regular



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## **GENERAL MANAGEMENT**

### **Advisory Body Compensation Policy (ABCP)**

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body meetings not providing sufficient time to discuss critical topics relevant to the advisory body.

#### 2.5.3 Maximum Compensation

Each compensation tier includes a maximum amount a participant may receive as a committee member in a single fiscal year. After a member's fiscal year maximum is reached, additional participation will be uncompensated until the start of the next fiscal year. Maximum compensation thresholds apply to eligible advisory bodies for each individual member. For example, if a member of the public serves on more than one LACMTA advisory body, that individual is subject to separate capped maximum compensation amounts for each separate advisory body.

Each department will be responsible for funding and tracking the compensation for advisory bodies they manage. A cap, or maximum, serves to manage budget and workload for each advisory body, but does not preclude a department from providing higher compensation with justification. It will be up to the individual discretion of the lead department, office, or unit to budget for, justify during the tier determination process, and provide compensation beyond the annual maximum compensation amount identified in the Policy. For projects that include advisory bodies in their scope of work, sufficient budget should be allocated for advisory member compensation at the determined tier.

#### 2.5.4 Compensation Tier Determination

Each department, office, or unit responsible for administering an advisory body will submit their proposed compensation tier, maximum budget for the advisory body including any justification if higher than prescribed under the Policy, and documentation of Policy funding in the annual budget to the Office of Equity and Race and Community Relations for review of consistency with the Policy. Once the Office of Equity and Race and Community Relations approve the proposed compensation tier, LACMTA staff will commence payment of the advisory body. If the proposed compensation tier is determined to be inconsistent with the Policy, the lead department, office, or unit will be requested to resubmit for another round of review. If the lead department, office, or unit determines that the body is not eligible for compensation, a justification must be submitted for review and confirmation by the Office of Equity and Race. If the roles and responsibilities of an advisory body change or expand, the lead will be required to submit for another review of the compensation tier for that body. Further guidance on compensation tier determination will be provided in the Implementation Guidelines.



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#### 2.5.5 Memorandum of Understanding and Compensation Agreement

Advisory members who serve on a body without existing bylaws and charters must sign a Memorandum of Understanding (MOU) that summarizes the roles and responsibilities for participation on their advisory body and the determined compensation tier. The MOU provided with the Policy is meant to serve as a template for advisory bodies and should be amended to fit application to eligible bodies as necessary. Bodies with existing bylaws and charters will be required to amend their bylaws and charters with the compensation tier determination and updated roles and responsibilities, and payment details as applicable by the Policy.

Receiving compensation from LACMTA is entirely voluntary and is not required. Members of the public can choose to opt in or out of receiving compensation from LACMTA via the Compensation Agreement which all advisory body members will be required to sign. Compensation Agreements will be valid for the length of the advisory body's established term or one fiscal year for advisory bodies without established terms. Compensation Agreements will require annual review and updates only if needed to reflect any changes in membership or anything that would affect a member's eligibility, the advisory body's tier status determination, or the payment agreement among advisory body members.

If an advisory body member wishes to change their opt-out decision during the fiscal year after a Compensation Agreement was finalized, they will need to request a change with a staff representative of the LACMTA department managing their advisory body to determine budget and administrative feasibility for a mid-year change. Retroactive payment will not apply for the period the member opted out of payment.

All advisory members who receive compensation will also be required to submit a W4 and/or other required documentation if a compensation alternative is needed.

#### 2.5.6 Payment Processing

Advisory body members will be paid within one (1) month of their last meeting, pending confirmed attendance of each meeting. It is the responsibility of advisory body members to clarify or correct inaccurate record of their meeting attendance with the managing LACMTA staff of the advisory body. Compensation alternatives will be available for advisory body members who may require compensation in a form other than check or direct deposit.



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Payment will be issued via check or direct deposit unless a member requires a compensation alternative. Members who request a check will have it mailed to the address provided or will be able to pick up checks at LACMTA Headquarters or a Division nearest to them. Office, department, or unit leads must notify advisory body members of the option to pick up checks at nearby LACMTA Divisions if an alternative is requested.

#### 2.6 Compensation Alternatives

##### 2.6.1 Compensation Alternatives Criterion

This Policy seeks to reduce barriers to advisory body participation for all members of the public. Compensation alternatives are available to accommodate advisory body members who may not be able to accept compensation in the form of a check or direct deposit. Reasons for requesting compensation alternatives must be kept private and not impact the participation of an advisory body member. Compensation alternatives will only be available for advisory members who qualify for any of the following criterion:

- The advisory body member is unbanked and/or unable to open a financial institution account;
- The advisory body member is a minor under the age of 18 years old;
- The advisory body member concurrently receives social or public benefits during their tenure **and** additional forms of income would make them ineligible for these existing benefits; and/or
- The advisory body member does not have a United States Social Security card or number.

If an advisory body member qualifies under one or more of the criterion above, LACMTA may provide potential payment alternatives such as pre-paid cards, gift cards, or an LACMTA-provided TAP Card at an amount equal to the member's determined compensation rate. Some compensation alternatives may still be considered income and may not be a suitable alternative for those who receive social benefits and for whom additional forms of income would make them ineligible for these existing benefits. Additional compensation alternatives are being explored and will be finalized in the forthcoming Implementation Guidelines.

##### 2.6.2 Compensation Alternative Eligibility Review

Eligibility for alternative compensation will be reviewed by an inter-departmental team comprised of representatives from the Office of Equity and Race and





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Community Relations on an as-needed basis. Eligibility for alternative compensation accommodations would be set for the tenure of an advisory member's service on all LACMTA advisory bodies unless the member requests a re-evaluation due to a change in eligibility. Acceptable changes in eligibility are loss, or a reasonable anticipation of loss, of social or public benefits, an advisory member becoming eligible to receive compensation via check or digital transfer or change in possession of a Social Security number.

#### 2.7 Compliance Oversight

The Policy and all activities will be monitored on an annual basis through an independent review and/or audit performed by LACMTA Management Audit Services to ensure compliance by all LACMTA-created or sanctioned advisory bodies.

#### 2.8 Participation Support

Participation support is a tool for promoting more equitable outcomes for members of the public who may experience barriers to participating in advisory bodies. It includes resources provided to facilitate public participation in advisory body meetings, such as food, childcare, transportation, translation/live interpretation, and other incentives that facilitate public participation towards equitable outcomes. Participation support is different from compensation and should not be considered a replacement for compensation as established by this Policy.

#### 2.9.9 Demographic Data Collection

In compliance with FTA Title VI requirements, LACMTA does not deny anyone's ability to serve on advisory bodies based on the grounds of race, color, national origin or any other protected status. To ensure compliance, all LACMTA Advisory Body administrators must distribute the Demographics Survey (Attachment 4) to its members and submit all completed surveys to the Office of Civil Rights, Racial Equity, and Inclusion. The survey will be distributed triennially to all Advisory Body members, and given to any new members joining in the interim.

#### 2.10 ABCP Best Practices

The following best practices are to be implemented with every advisory body that is eligible under the Policy. ABCP best practices are meant to support staff in implementation of the Policy and ensure that implementation is consistent. They are as follows:

- Build advisory body compensation costs into department budgets annually.



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- Advise members that compensation received as part of the advisory body constitutes income and could impact any public benefits.
- Determine and clearly communicate compensation tiers and payment methods before any participation begins.
- Issue payment to advisory body members within one (1) month of their last meeting, pending confirmed attendance of each meeting.

The Office of Equity and Race will regularly review the ABCP best practices, incorporating internal and/or external agency practices, as appropriate.

### 3.0 Sunset Dates

Existing advisory bodies, with the exception of those governed by legislation, will have sunset dates established every five years from the date of their tier determination for a review of the body's scope, role, compensation tier, and accomplishments, to be evaluated by the CEO. Sunset dates will be up to five years after the Policy tier determination date for existing and future advisory bodies.

### 4.0 DEFINITION OF TERMS

**Compensation Alternatives** – Payment accommodations, such as general gift cards or pre-paid cards, available to advisory body members who may be unbanked, who concurrently receive social or public benefits during their tenure and where additional forms of income would make them ineligible for these existing benefits, and/or who do not have a United States Social Security card or number.

**Compensation Agreement** – A signed payment agreement between the advisory body members and LACMTA that outlines requirements to receive payment and allows the advisory body member to opt in or out of receiving payment.

**Memorandum of Understanding (MOU)** – An agreement made between LACMTA and the advisory member that outlines roles and responsibilities, expectations, compensation tier, payment process and timeline, and schedule.

**Social or Public Benefits** – Payments received by an individual for membership or eligibility in various government programs including, but not limited to, Social Security, Disability (short-term, Social Security, veterans, workers' compensation, long-term, retirement, etc.), Family and Medical Leave Act (FMLA) or Pregnancy Disability Leave, CalFresh, Women, Infants, & Children (WIC), Medi-Cal or Health Care/Coverage, and/or Unemployment.



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**Unbanked Populations** – Members of the public who may not have a bank account or may be unable to open a financial institution account that can receive direct payment from LACMTA.

### 5.0 RESPONSIBILITIES

**Community Relations** reviews compensation tiers for each advisory body and requests for compensation alternatives.

**Management Audit Services (MAS)** will conduct annual audits of advisory body compliance and compensation.

**Office of Equity and Race** oversees implementation of the Policy; oversee advisory body eligibility determinations; advises departments, offices, or units on Policy implementation; reviews compensation tier for each advisory body; reviews requests for compensation alternatives

**Office, Department or Unit Leading Advisory Body** determines and submit compensation tier review for each advisory body it leads; submits requests for compensation alternatives; executes MOUs and Compensation Agreements with advisory body members; budgets appropriate funding for payment of advisory body members from the office, department, or unit's budget; and submits attendance forms to Payroll for payment of advisory body members.

**Payroll** issues payment to advisory body members for bodies with completed attendance form

### 6.0 FLOWCHART

Not applicable.

### 7.0 REFERENCES

- Metro Equity Platform (2018)

### 8.0 ATTACHMENTS

1. Advisory Body Compensation Charts
2. Memorandum of Understanding
3. Compensation Agreement
4. [Demographics Survey](#)



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### **9.0 PROCEDURE HISTORY**

~~XX/XX~~10/01/21      New policy

04/21/22      Revised: added grandfather clause for service councils established in 2003, and mandatory demographic data collection.



**Board Report**

**File #:** 2021-0509, **File Type:** Policy

**Agenda Number:** 34.

**REVISED**  
**EXECUTIVE MANAGEMENT COMMITTEE**  
**SEPTEMBER 16, 2021**

**SUBJECT: METRO ADVISORY BODY COMPENSATION POLICY**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

CONSIDER:

- A. APPROVING the Metro Advisory Body Compensation Policy (ABCP) (Attachment B); and
- B. DELEGATING authority to the CEO, or CEO’s designee, to compensate Metro advisory body members pursuant to Metro’s ABCP Administrative Policy or as otherwise approved by the Metro Board.

**ISSUE**

During the Metro Board Meeting on February 25, 2021, Directors Mitchell, Garcetti, Solis, Kuehl, and Dupont-Walker requested a report to the Board with a review of compensation for Metro’s advisory bodies and a policy for the reasonable compensation of their members (see Attachment A).

**BACKGROUND**

Metro hosts a diverse range of councils, committees, and other advisory groups, most of whom have members who are not compensated for their time or expertise. The Advisory Body Compensation Policy offers a compensation model for participation by public members in Metro’s advisory bodies across its portfolio. Metro recognizes that our planning and decision-making processes could perpetuate practices that harm our most marginalized and vulnerable users without the participation of advisory group members with diverse and important cultural, geographic, or historically marginalized experiences. The time, expertise, and responsibility that public members bring to Metro advisory bodies are valuable to the agency and should be duly compensated through a standardized process.

The ABCP was developed by the Office of Equity and Race in partnership with the Offices of Communications, Ethics, Planning, and County Counsel to ensure the Policy is holistic and comprehensive in its application. Lead departments, offices, or units of existing advisory bodies were

also consulted in the development of the ABCP.

## **DISCUSSION**

The Advisory Body Compensation Policy was developed after a review of best practices. Staff conducted a literature review of national and local government agencies that have developed compensation policies for advisory bodies, including the cities/towns of Seattle, Los Angeles, Boulder, Chicago, Mill Valley, and Palm Beach, the county of Los Angeles, and Oregon Metro. Compensation frameworks of Oregon Metro, Palm Beach (town), and Los Angeles County emerged as the most compelling and relevant case studies and were used to develop the framework for ABCP.

All compensation policies reviewed recognize that compensation for advisory members acknowledges the unique expertise that public members bring forth to advisory bodies through lived experience and cultural expertise that an Agency would otherwise not have if members of the public were not on advisory bodies.

### **Defining Advisory Bodies**

Advisory bodies are groups, regardless of name, that provide input to Metro on program, project, and other issues, and develop recommendations, when requested, to enhance projects, programs, or other provisions. Below is a list of factors for determining whether a body is an eligible advisory body under the ABCP. An eligible advisory body does not need to fulfill every qualifier listed below to be eligible for the ABCP, nor is the list intended to be inclusive of all roles that advisory bodies may play at Metro.

Advisory bodies are groups that:

- Have defined roles, responsibilities, and membership
- Have members who offer specific or unique perspective, knowledge, skills, or experience which Metro may not have or otherwise adds value to Metro's work
- Provide input and recommendations to Metro on projects, scopes of work, programs, policies, budgets, and other provisions
- Review and evaluate the various transportation proposals and alternatives within Los Angeles County
- Provide technical input and assistance to Metro on issues affecting local transit systems or transportation programs in Los Angeles County
- Assist Metro in improving and promoting bus and rail services to specific populations
- Assist Metro in improving and promoting transportation related projects and programs to specific populations
- Provide independent oversight and enhanced level of accountability for expenditures of sales tax revenues made under the adopted expenditure plan(s)

### Eligibility for Advisory Body Compensation Policy

Members of any formal advisory body, which has been created or sanctioned by Metro now or in the future, are eligible for compensation as of the effective date unless determined ineligible by preceding legislation or charters or bylaws.

Metro currently has 16 advisory bodies, with the five service councils, Measure M Oversight Committee, and the Public Safety Advisory Committee (as of July 2021) being the only groups currently receiving or approved to receive compensation. All advisory bodies created or sanctioned by Metro in the future will be eligible for compensation under the ABCP, unless determined ineligible by legislation or provisions in the ABCP. See Attachment C-B for eligibility determinations for existing advisory bodies.

### Advisory Body Member Tiers

The ABCP has three tier categories for compensation: 1) Advise, 2) Advise and Prepare, and 3) Advise and Collaborate. The level of responsibility and roles of the advisory member increase with each tier, along with the compensation rate. Tiers focus on the advisory body member's potential time commitment, roles, and responsibilities while serving on the advisory body.

- The Advise tier applies to advisory body members who largely play an advisor for Metro staff with minimal responsibilities outside of attending meetings.
- The Advise and Prepare tier applies to body members responsible for one to two hours of preparation for meetings on top of attending meetings.
- The Advise and Collaborate tier applies to members whose responsibilities include collaboration with other members, Metro staff, and/or other community members or external partners, to develop a shared vision and outcomes.

### Advisory Body Compensation Structure

The ABCP compensation structure includes three tiers of compensation, starting at \$100 per meeting, with a maximum of \$200 per meeting. Alternates encouraged to attend and/or participate in their body meetings will be paid \$25 less than the assigned compensation tier for their advisory body. Participation in any subcommittee meetings will be compensated at a rate of \$50 per meeting and count toward the annual cap rate for their compensation tier or advisory body membership type. All compensation is subject to increases based upon the Consumer Price Index (CPI). See the table below for a full outline of the compensation fee structure by compensation tier.

The ABCP includes an annual cap on compensation totals for advisory body member participation for

each fiscal year. A cap, or maximum, serves to manage budget and workload for each advisory body, but does not preclude a department from providing additional compensation with justification. All advisory members will be compensated only for meetings attended, regardless of the advisory body meeting schedule.

<b>Metro Advisory Body Compensation Structure*</b>				
<b>Compensation Type</b>	<b>Regular Compensation Rate</b>	<b>Maximum Compensation Per Fiscal Year</b>	<b>Alternate Rate</b>	<b>Maximum Compensation Per Fiscal Year</b>
<b>Advise</b>	\$ 100 per meeting	\$3,100	\$75 per meeting	\$2,500
<b>Advise and Prep</b>	\$ 150 per meeting	\$4,300	\$125 per meeting	\$3,700
<b>Advise and Collaborate</b>	\$ 200 per meeting	\$5,500	\$175 per meeting	\$4,900
<b>Subcommittee Participation On</b>	\$ 50 per meeting	\$1,200	\$50 per meeting	\$1,200

\*CPI annual increases can occur.

Advisory Body Member Compensation Eligibility

All public members serving on Metro advisory bodies will be eligible for compensation regardless of immigration status, housing status, ability, or any other status that may be a barrier to participation. The ABCP excludes Metro employees and any public agency, Councils of Government, or elected office staff who serve on advisory bodies as part of their professional role. Members who 1) work for a contractor or organization holding an active contract with LACMTA and 2) participate or are listed in the contract activities, while serving on an advisory body are not eligible for advisory body compensation for the contract duration. This applies to all contractors, including non-profit organizations and community-based organizations. Further, the ABCP only applies to members of the public who are formal members of Metro created and sanctioned advisory bodies. Application of the ABCP to future advisory bodies will be determined on a case-by-case basis.

The ABCP includes potential compensation alternatives for those who may not be able to accept compensation in the form of a check or direct deposit, which will be finalized in the forthcoming Implementation Guidelines.

Compensation Agreement

Receiving compensation from Metro is entirely voluntary and is not required. Members of the public can choose to opt in or out of receiving compensation from Metro via the Compensation Agreement which all advisory body members will be required to sign.



## **FINANCIAL IMPACT**

The financial impact to the FY22 budget will be determined by individual departments, in consultation with the Office of Equity and Race and Community Relations, as they implement the ABCP. Overall, the financial impact is estimated to range from \$331,200 to \$1,518,000 per fiscal year, inclusive of all existing advisory bodies eligible. The actual amount will depend on the final determination of the tier level for each existing advisory body and the determination of eligibility for new advisory bodies.

## **EQUITY PLATFORM**

The Advisory Body Compensation Policy is one tool in a growing toolkit, that helps reduce barriers and support participation in Metro's decision-making and planning processes. The ABCP helps advance equitable outcomes that uplift the lived experiences of historically marginalized and vulnerable users by providing compensation and alleviating a financial barrier to participation for members who do not have the ability to donate their time to Metro. All public members, regardless of immigration status, housing status, ability, or any other status that may be a barrier to participation, are eligible for the ABCP.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This recommendation supports strategic plan goals #4.1 and #3.3 by helping Metro collaborate with the public, foster trust with everyday stakeholders in its planning processes and creates an opportunity for robust community engagement opportunities that reflect the communities Metro serves.

## **NEXT STEPS**

The Office of Equity and Race will develop Implementation Guidelines to accompany the ABCP and support staff implementing the ABCP to their advisory bodies. Training will also be provided to all Metro staff who lead an advisory body to ensure comprehensive application of the ABCP.

## **ATTACHMENTS**

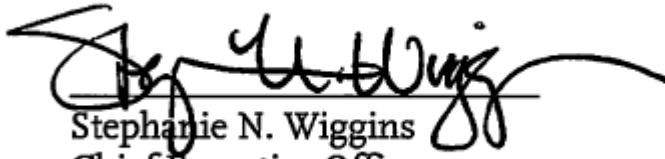
Attachment A - 2021-0187 Board Motion

Attachment B - Advisory Body Compensation Policy

Attachment B C - Existing Advisory Body Compensation Charts

Prepared by: Carolyn Vera, Principal Transportation Planner, OER (213) 424-5994  
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Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950



Stephanie N. Wiggins  
Chief Executive Officer



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**POLICY STATEMENT**

Pursuant to the Board Approved Equity Platform (March 2018), Los Angeles County Metropolitan Transportation Authority (LACMTA) is committed to incorporating equity into all facets of LACMTA's decision-making and genuinely engaging impacted communities in its processes, while continuously pursuing equitable outcomes in everything it does. This commitment includes investing resources to remove barriers and eliminate disparities in the participation of Black, Indigenous, People of Color (BIPOC) and other marginalized people in decision-making processes. This includes but is not limited to households with low-incomes, people with disabilities, immigrants, people with limited English proficiency, members of the lesbian, gay, bisexual, transgender and queer community, older adults, and youth. LACMTA acknowledges the systemic barriers and financial and emotional costs faced by BIPOC and other marginalized people in participating in LACMTA's decision-making processes. The Advisory Body Compensation Policy ("Policy") offers a compensation model designed to support and sustain participation by members of the public in advisory bodies across LACMTA's portfolio.

**PURPOSE**

The Advisory Body Compensation Policy applies to LACMTA-established or sanctioned advisory bodies and is intended to determine when and how to compensate members of the public who serve on advisory committees.

**APPLICATION**

This Policy applies to members of LACMTA-created or sanctioned advisory bodies.

Advisory body members are independent, and no language in the Policy will be construed to create the relationship of agent or employee, as between an advisory body member and LACMTA. Advisory body members will not be, or be construed to be, the employees or agents of LACMTA.

Ronald W. Stamm  
APPROVED: County Counsel or N/A

Nick Englund  
Department Head

Stephanie  
ADOPTED: CEO

Effective Date: 9/23/21

Date of Last Review: \_\_\_\_\_



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**1.0 GENERAL**

The Office of Equity and Race will administer this Policy by serving as a resource for departments through implementation, overseeing eligibility determinations, overseeing and tracking compensation tier determinations in coordination with Community Relations, and leading policy review and updates, as necessary.

The department, office, or unit responsible for administering an advisory body will be responsible for ensuring a compensation tier determination is made, budgeting for, funding, and ensuring payment of compensation for that advisory body, submitting five-year reviews to the CEO, and otherwise implementing the Policy, as necessary.

**2.0 PROCEDURES**

These procedures establish administrative guidelines for determining compensation of members of the public serving on advisory bodies.

**2.1 Defining Advisory Bodies**

Advisory bodies are LACMTA-created or sanctioned groups, regardless of name, that voluntarily provide input to LACMTA on program, project, and other issues, and develop recommendations, when requested, to enhance projects, programs, or other provisions. The primary purpose of advisory bodies is to provide LACMTA with input and/or expertise from the perspective of members of the public or experts in specific fields. Advisory bodies can also bring together members of the public with views that are not often heard by LACMTA. Below is a list of factors for determining whether a body is an eligible advisory body under the Policy. An eligible advisory body does not need to fulfill every qualifier listed below in order to be eligible for the Policy, nor is the list intended to be inclusive of all roles that advisory bodies may play at LACMTA.

Advisory bodies are groups that:

- Have defined roles, responsibilities, and membership;
- Have members who offer specific or unique perspective, knowledge, skills, or experience which LACMTA may not have or otherwise adds value to LACMTA's work;
- Provide input and recommendations to LACMTA on projects, scopes of work, programs, policies, budgets, and other provisions;
- Review and evaluate the various transportation proposals and alternatives within Los Angeles County;
- Provide technical input and assistance to LACMTA on issues affecting local transit systems or transportation programs in Los Angeles County;



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- Assist LACMTA in improving and promoting bus and rail services to specific populations;
- Assist LACMTA in improving and promoting transportation related projects and programs to specific populations; and/or
- Provide independent oversight and enhanced level of accountability for expenditures of sales tax revenues made under the adopted expenditure plan(s)

To be eligible under the Policy, any new advisory body that is created or sanctioned by LACMTA will need to pose a unique or different value than existing advisory bodies and be reviewed for eligibility.

**2.2 Advisory Body Eligibility**

Members serving on any formal advisory body, that has been or is created or sanctioned by LACMTA, are eligible for compensation under the Policy as of the effective date unless determined ineligible by enabling legislation, charters or bylaws, or provisions in the Policy. Eligibility for the Policy may include informal advisory bodies that have been created by LACMTA and will be assessed on a case-by-case basis. Upon a determination that members of the public are asked to fulfill the same or similar roles as those described in compensation tiers below for informal advisory bodies, they will be eligible for compensation based on the tier that best fits their role. Groups that LACMTA participates in or facilitates but did not create or sanction will not be eligible for compensation under this Policy. Advisory bodies developed for project-based needs will be assessed on a case-by-case basis for eligibility under the Policy. Further information on the eligibility of project-based groups will be outlined in the forthcoming Implementation Guidelines.

**2.3 Advisory Body Member Eligibility**

All members of the public serving on LACMTA advisory bodies will be eligible for compensation regardless of immigration status, housing status, ability, or any other status that may be a barrier to participation. The Policy currently excludes LACMTA employees and any public agency, Council of Governments, or elected office staff who serve on advisory bodies as part of their professional role. Members who 1) work for a contractor or organization holding an active contract with LACMTA and 2) participate or are listed in the contract activities while serving on an advisory body are not eligible for advisory body compensation for the duration of the contract. This applies to all contractors, including non-profit organizations and community-based organizations. Once no longer under contract with LACMTA, an advisory body member may receive compensation. Further, the Policy only applies to members of the public who are formal members of LACMTA-created and sanctioned advisory bodies. Application of the Policy to unofficial advisory bodies will be determined on a case-by-case basis.



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**2.4 Advisory Body Member Tiers**

The Policy has three tier categories for compensation: 1) Advise, 2) Advise and Prepare, and 3) Advise and Collaborate. The level of responsibility and roles of the advisory member increase with each tier, along with the compensation rate. Tiers focus on the advisory body member's potential time commitment, roles, and responsibilities while serving on the advisory body.

- The Advise tier applies to advisory body members that largely play the role of an advisor for LACMTA staff with minimal responsibilities outside of attending meetings.
- The Advise and Prepare tier applies to body members responsible for one to two hours of advance preparation for meetings on top of attending meetings.
- The Advise and Collaborate tier applies to members whose responsibilities include collaboration with other members, LACMTA staff, and/or other community members or external partners, to develop a shared vision and outcomes. The Advise and Collaborate tier should be applied when advisory members have a moderate to significant workload outside of advisory committee meetings.

Determination of an advisory body's categorization in a specific tier will be determined by the LACMTA department managing the respective advisory body, in consultation with the Office of Equity and Race and Community Relations.



# Metro

## GENERAL MANAGEMENT Advisory Body Compensation Policy (ABCP)

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<b>LACMTA Advisory Body Compensation Policy Tiers</b>	
<b>Tiers</b>	<b>Roles and Responsibilities</b>
<b>Advise</b>	<ul style="list-style-type: none"> <li>-Participate in advisory body meetings once a month or less</li> <li>-Provide feedback on topics discussed at the advisory body meeting</li> <li>-Includes light advance review of materials in preparation for meetings</li> </ul>
<b>Advise and Prepare</b>	<ul style="list-style-type: none"> <li>-Participate in advisory body meetings once a month or less</li> <li>-May participate in advisory subcommittees</li> <li>-Provide feedback on topics discussed at the advisory body meeting</li> <li>-Advise or provide feedback on pieces of LACMTA's scope of work, such as draft community engagement plans</li> <li>-May require 1-2 hours of advance review of materials or other preparation for meetings, including workgroup meetings, community engagement efforts, and other tasks per meetings</li> </ul>
<b>Advise and Collaborate</b>	<ul style="list-style-type: none"> <li>-Participate in advisory body meetings twice a month or more</li> <li>-Participate in advisory subcommittees</li> <li>-May require 2-4 hours of advance review of materials or other preparation for meetings, including readings, workgroup meetings, and other tasks per meeting</li> <li>-Provide input on how LACMTA will design, plan, and execute pieces of LACMTA's scope of work</li> <li>-Provide input on substantial scopes of work from LACMTA, provide expertise on topics that other technical consultants are typically compensated for</li> <li>-Support LACMTA with external outreach or engagement with the public, a particular community or population, an affiliated group, and/or community-based organizations (CBO) on topics addressed in the advisory body</li> </ul>

### 2.5 Advisory Body Compensation Structure

The compensation structure has three tiers which align with the advisory body member tiers. Compensation will be provided on a per meeting basis, with a fiscal year maximum. Payments will be provided by a check or direct deposit, unless an alternate form of compensation is required, as described in section 2.5.6.

#### 2.5.1 Compensation Structure

The Advise tier compensation rate is set on a per meeting attended basis, with each subsequent tier increasing per meeting, up to the CEO-approved maximum. Alternates encouraged to attend and/or that participate in their body meetings will be paid at lower rates than the assigned compensation tier for their advisory body. (See Attachment 1: Advisory Body Compensation Charts, Table 1 for



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current rates).

The Policy includes an annual cap on compensation totals for advisory body member participation for each fiscal year. A cap, or maximum, serves to manage budget and workload for each advisory body, but does not preclude a department from providing additional compensation with justification. All advisory members will be compensated only for meetings attended, regardless of the advisory body meeting schedule. Advisory body members are responsible for determining accuracy of their meeting attendance, as discussed in section 2.5.6 below. Compensation will only apply to roles and responsibilities identified by advisory body administrators. Advisory body members will not be compensated for time spent on activities conducted outside of defined roles and responsibilities.

**2.5.2 Subcommittee Meeting Rates**

Advisory committee members may participate in both regular and subcommittee meetings. Some committees may include alternate and/or non-voting members who may only actively participate in subcommittee meetings. Participation in any subcommittee meetings will be compensated at a designated rate per meeting, regardless of whether the participant is a regular advisory committee member or an alternate/non-voting member, up to the cap rate for their compensation tier or member status. (See Attachment 1: Advisory Body Compensation Charts, Table 1 for current rates). Members of the public who participate in subcommittee meetings but are not regular or alternative members of the general advisory body will not be eligible for compensation under this Policy.

If an advisory body does not have existing subcommittees as of the effective date of the Policy, the body will need to have a process to define subcommittees and require approval from LACMTA staff who facilitate the body for subcommittee participation to be eligible for compensation. Advisory body members will be required to provide a justification for the creation of the subcommittee as well as identify scope. An acceptable justification may include a reason, such as regular body meetings not providing sufficient time to discuss critical topics relevant to the advisory body.

**2.5.3 Maximum Compensation**

Each compensation tier includes a maximum amount a participant may receive as a committee member in a single fiscal year. After a member's fiscal year maximum is reached, additional participation will be uncompensated until the start of the next fiscal year. Maximum compensation thresholds apply to eligible advisory bodies for each individual member. For example, if a member of the public serves on more than one LACMTA advisory body, that individual is subject to separate capped maximum compensation amounts for each separate advisory





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body.

Each department will be responsible for funding and tracking the compensation for advisory bodies it manages. A cap, or maximum, serves to manage budget and workload for each advisory body, but does not preclude a department from providing higher compensation with justification. It will be up to the individual discretion of the lead department, office, or unit to budget for, justify during the tier determination process, and provide compensation beyond the annual maximum compensation amount identified in the Policy. For projects that include advisory bodies in their scope of work, sufficient budget should be allocated for advisory member compensation at the determined tier.

**2.5.4 Compensation Tier Determination**

Each department, office, or unit responsible for administering an advisory body will submit their proposed compensation tier, maximum budget for the advisory body including any justification if higher than prescribed under the Policy, and documentation of Policy funding in the annual budget to the Office of Equity and Race and Community Relations for review of consistency with the Policy. Once the Office of Equity and Race and Community Relations approve the proposed compensation tier, LACMTA staff will commence payment to members of the advisory body. If the proposed compensation tier is determined to be inconsistent with the Policy, the lead department, office, or unit will be requested to resubmit for another round of review. If the lead department, office, or unit determines that the body is not eligible for compensation, a justification must be submitted for review and confirmation by the Office of Equity and Race. If the roles and responsibilities of an advisory body change or expand, the lead will be required to submit for another review of the compensation tier for that body. Further guidance on compensation tier determinations will be provided in the Implementation Guidelines.

**2.5.5 Memorandum of Understanding and Compensation Agreement**

Advisory members who serve on a body without existing bylaws and charters must sign a Memorandum of Understanding (MOU) that summarizes the roles and responsibilities for participation on their advisory body and the determined compensation tier. The MOU provided with the Policy is meant to serve as a template for advisory bodies and should be amended to fit application to eligible bodies as necessary. Bodies with existing bylaws and charters shall amend their bylaws and charters with the compensation tier determination and updated roles and responsibilities, and payment details as applicable by the Policy.

Receiving compensation from LACMTA is entirely voluntary and is not required. Members of the public can choose to opt in or out of receiving compensation



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from LACMTA via the Compensation Agreement which all advisory body members will be required to sign. Compensation Agreements will be valid for the length of the advisory body's established term or one fiscal year for advisory bodies without established terms. Compensation Agreements will require annual review and updates only if needed to reflect any changes in membership or anything that would affect a member's eligibility, the advisory body's tier status determination, or the payment agreement among advisory body members.

If an advisory body member wishes to change their opt-out decision during the fiscal year after a Compensation Agreement was finalized, they will need to request a change with a staff representative of the LACMTA department managing their advisory body to determine budget and administrative feasibility for a mid-year change. Retroactive payment will not apply for the period the member opted out of payment.

All advisory members who receive compensation will also be required to submit a W4 and/or other required documentation if a compensation alternative is needed.

**2.5.6 Payment Processing**

Advisory body members will be paid within one (1) month of their last meeting, pending confirmed attendance of each meeting. It is the responsibility of advisory body members to clarify or correct inaccurate record of their meeting attendance with the managing LACMTA staff of the advisory body. Compensation alternatives will be available for advisory body members who may require compensation in a form other than check or direct deposit.

Payment will be issued via check or direct deposit unless a member requires a compensation alternative. Members who request a check will have it mailed to the address provided or will be able to pick up checks at LACMTA Headquarters or a Division nearest to them. Office, department, or unit leads must notify advisory body members of the option to pick up checks at nearby LACMTA Divisions if an alternative is requested.

**2.6 Compensation Alternatives**

**2.6.1 Compensation Alternatives Criteria**

This Policy seeks to reduce barriers to advisory body participation for all members of the public. Compensation alternatives are available to accommodate advisory body members who may not be able to accept compensation in the form of a check or direct deposit. Reasons for requesting compensation alternatives must be kept private and not impact the participation of an advisory body



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member. Compensation alternatives will only be available for advisory members who qualify for any of the following criteria:

- The advisory body member is unbanked and/or unable to open a financial institution account;
- The advisory body member is a minor under the age of 18 years old;
- The advisory body member concurrently receives social or public benefits during their tenure **and** additional forms of income would make them ineligible for these existing benefits; and/or
- The advisory body member does not have a United States Social Security card or number.

If an advisory body member qualifies under one or more of the criteria above, LACMTA may provide potential payment alternatives such as pre-paid cards, gift cards, or an LACMTA-provided TAP Card at an amount equal to the member's determined compensation rate. Some compensation alternatives may still be considered income and may not be a suitable alternative for those who receive social benefits and for whom additional forms of income would make them ineligible for these existing benefits. Additional compensation alternatives are being explored and will be finalized in the forthcoming Implementation Guidelines.

### **2.6.2 Compensation Alternative Eligibility Review**

Eligibility for alternative compensation will be reviewed by an inter-departmental team comprised of representatives from the Office of Equity and Race and Community Relations on an as-needed basis. Eligibility for alternative compensation accommodations would be set for the tenure of an advisory member's service on all LACMTA advisory bodies unless the member requests a re-evaluation due to a change in eligibility. Acceptable changes in eligibility are loss, or a reasonable anticipation of loss, of social or public benefits, an advisory member becoming eligible to receive compensation via check or digital transfer or change in possession of a Social Security number.

### **2.7 Compliance Oversight**

The Policy and all activities will be monitored on an annual basis through an independent review and/or audit performed by LACMTA Management Audit Services to ensure compliance by all LACMTA-created or sanctioned advisory bodies.

### **2.8 Participation Support**

Participation support is a tool for promoting more equitable outcomes for members of the public who may experience barriers to participating in advisory bodies. It includes



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resources provided to facilitate public participation in advisory body meetings, such as food, childcare, transportation, translation/live interpretation, and other incentives that facilitate public participation towards equitable outcomes. Participation support is different from compensation and should not be considered a replacement for compensation as established by this Policy.

**2.9 ABCP Best Practices**

The following best practices are to be implemented with every advisory body that is eligible under the Policy. ABCP best practices are meant to support staff in implementation of the Policy and ensure that implementation is consistent. They are as follows:

- Build advisory body compensation costs into department budgets annually;
- Advise members that compensation received as part of the advisory body constitutes income and could impact any public benefits;
- Determine and clearly communicate compensation tiers and payment methods before any participation begins; and
- Issue payment to advisory body members within one (1) month of their last meeting, pending confirmed attendance of each meeting.

The Office of Equity and Race will regularly review the ABCP best practices, incorporating internal and/or external agency practices, as appropriate.

**3.0 Sunset Dates**

Existing advisory bodies, with the exception of those governed by legislation, will have sunset dates established every five years from the date of their tier determination for a review of the body's scope, role, compensation tier, and accomplishments, to be evaluated by the CEO. Sunset dates will be up to five years after the Policy tier determination date for existing and future advisory bodies.

**4.0 DEFINITION OF TERMS**

**Compensation Alternatives** – Payment accommodations, such as general gift cards or pre-paid cards, available to advisory body members who may be unbanked, who concurrently receive social or public benefits during their tenure and where additional forms of income would make them ineligible for these existing benefits, and/or who do not have a United States Social Security card or number.

**Compensation Agreement** – A signed payment agreement between the advisory body members and LACMTA that outlines requirements to receive payment and allows the advisory body member to opt in or out of receiving payment.



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**Memorandum of Understanding (MOU)** – An agreement between LACMTA and the advisory member that outlines roles and responsibilities, expectations, compensation tier, payment process and timeline, and schedule.

**Social or Public Benefits** – Payments received by an individual for membership or eligibility in various government programs including, but not limited to, Social Security, Disability (short-term, Social Security, veterans, workers' compensation, long-term, retirement, etc.), Family and Medical Leave Act (FMLA) or Pregnancy Disability Leave, CalFresh, Women, Infants, & Children (WIC), Medi-Cal or Health Care/Coverage, and/or unemployment.

**Unbanked Population** – Members of the public who do not have a bank account and are unable to open a financial institution account that can receive direct payment from LACMTA.

## **5.0 RESPONSIBILITIES**

**Community Relations** reviews compensation tiers for each advisory body and requests for compensation alternatives.

**Management Audit Services (MAS)** will conduct annual audits of advisory body compliance and compensation.

**Office of Equity and Race** oversees implementation of the Policy; oversees advisory body eligibility determinations; advises departments, offices, or units on Policy implementation; reviews compensation tiers for each advisory body; reviews requests for compensation alternatives

**Office, Department or Unit Leading Advisory Body** determines and submits compensation tier review for each advisory body it leads; submits requests for compensation alternatives; executes MOUs and Compensation Agreements with advisory body members; budgets appropriate funding for payment of advisory body members from the office, department, or unit's budget; and submits attendance forms to Payroll for payment of advisory body members.

**Payroll** issues payment to advisory body members for bodies with completed attendance form.

## **6.0 FLOWCHART**

Not applicable.



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**7.0 REFERENCES**

- Metro Equity Platform (2018)

**8.0 ATTACHMENTS**

1. Advisory Body Compensation Charts
2. Memorandum of Understanding
3. Compensation Agreement

**9.0 PROCEDURE HISTORY**

09/23/21    New policy



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**ADVISORY BODY COMPENSATION CHARTS**

Advisory body compensation tiers are as follows, subject to CEO approval.

**Table 1: Compensation Structure**

<b>LACMTA Advisory Body Compensation Structure</b>				
<b>Compensation Tier</b>	<b>Regular Compensation Rate</b>	<b>Maximum Compensation Per Fiscal Year</b>	<b>Alternate Rate</b>	<b>Maximum Compensation Per Fiscal Year</b>
<b>Advise</b>	\$ 100 per meeting	\$3,100	\$75 per meeting	\$2,500
<b>Advise and Prepare</b>	\$ 150 per meeting	\$4,300	\$125 per meeting	\$3,700
<b>Advise and Collaborate</b>	\$ 200 per meeting	\$5,500	\$175 per meeting	\$4,900
<b>Subcommittee Participation Only</b>	\$ 50 per meeting	\$1,200	\$50 per meeting	\$1,200

LACMTA has 16 advisory bodies as listed below. Six of the 16, including the Service Councils and Measure M Oversight Committee, received compensation and one was approved for compensation prior to the Policy. The table below lists existing advisory bodies and their proposed eligibility under the Policy.

This table will be updated as the Board of Directors or the Chief Executive Officer approve new advisory bodies.

**Table 2: Advisory Body Eligibility**

<b>Advisory Body</b>	<b>Current Compensation</b>	<b>Eligibility for ABCP</b>	<b>Justification</b>
Office of Extraordinary Innovation Advisory Board	Not currently compensated	Eligible	Fulfill roles and responsibilities in ABCP
Accessibility Advisory Committee	Not currently compensated	Eligible	Fulfill roles and responsibilities in ABCP
Technical Advisory Committee (TAC)	Not currently compensated	Eligible with exception	Majority of advisory body members work for government, city, or other agencies. One member is a member of the public.
Transportation Business Advisory Council (TBAC)	Not currently compensated	Eligible	Fulfill roles and responsibilities in ABCP



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Public Safety Advisory Committee	Not currently compensated	Eligible	Compensation approved by LACMTA Board in July 2021
Community Advisory Council (CAC)	Not currently compensated	Eligible	Fulfill roles and responsibilities in ABCP
Policy Advisory Council (PAC)	Not currently compensated	Eligible with exception	Majority of advisory body members work for government, city, or other agencies.
Metro Sustainability Council	Not currently compensated	Eligible	Fulfill roles and responsibilities in ABCP
Independent Citizen's Advisory and Oversight Committee - Prop A and C (ICAOC)	Not currently compensated	Not eligible	Not eligible for compensation per ICAOC Bylaws
Measure M Independent Taxpayer Oversight Committee	\$100/meeting	Eligible	Currently receive compensation. Fulfill roles and responsibilities in ABCP
Measure R Independent Taxpayer Oversight Committee*	Not currently compensated	Not eligible	Legislation prohibits compensation
Gateway Cities Service Council*	\$100/meeting	Eligible	Currently receive compensation. Fulfill roles and responsibilities in ABCP
San Fernando Valley Service Council*	\$100/meeting	Eligible	Currently receive compensation. Fulfill roles and responsibilities in ABCP
San Gabriel Valley Service Council*	\$100/meeting	Eligible	Currently receive compensation. Fulfill roles and responsibilities in ABCP
South Bay Service Council*	\$100/meeting	Eligible	Currently receive compensation. Fulfill roles and responsibilities in ABCP
Westside/Central Service Council*	\$100/meeting	Eligible	Currently receive compensation. Fulfill roles and responsibilities in ABCP

\*Advisory bodies approved by the Board of Directors





**LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION  
AUTHORITY**

**[Advisory body name here]  
MEMORANDUM OF  
UNDERSTANDING (MOU)**



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**LACMTA Advisory Body MOU**

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### **Section 1 Handling Instructions**

1. The title of this document is the Los Angeles County Metropolitan Transportation Authority (LACMTA) **[Advisory body name here]** Memorandum of Understanding (MOU).
2. LACMTA is the Authority for this document, which will conform to Metro values, policies, and procedures. Any changes to this document will require the approval and sign-off by Metro's designated authorities described herein.
3. Requests for interpretation of this document, additional copies, and suggestions for changes should be addressed to the **[lead department, office or unit administering advisory body]**

*1.1.1.1 Executive Officer, EO Name*  
Office, Department or Unit  
Phone Number  
E-mail

*1.1.1.2 Facilitator Position, Facilitator Name*  
Office, Department or Unit  
Phone Number  
E-mail



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**LACMTA Advisory Body MOU**

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**Section 2 Table of Contents**

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**LACMTA Advisory Body MOU**

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## **Section 3 Memorandum of Understanding (MOU) of the LACMTA Advisory Body**

### **Article I: Purpose**

[The primary purpose of the advisory body.]

### **Article II: Mission & Objectives**

[The mission and objectives of the advisory body.]

**Objective 1** – [...]

**Objective 2** – [...]

**Objective 3** – [...]

### **Article III: Advisory Body Member Roles & Responsibilities**

[Discuss roles and responsibilities.]

**A. Roles and Responsibilities:** Each advisory body member will fulfill the roles and responsibilities as part of their term on the [insert advisory body name here].

**a. Roles**

i. [List roles here]

**b. Responsibilities:**

i. [List responsibilities here]

### **Article IV: Membership & Structure**

*(Use the language that applies to your advisory body)*

**B. Advisory Body Members:** The [advisory body name here] will consist of [number of members] members.

**a. Alternate members:** The [advisory body name here] will consist of alternate members consisting of [number of members] who will support the [advisory body name here] membership in the event of vacancies due to resignation or removal from the [advisory body name here]. ***(Remove this section if there are no alternates on your advisory body.)***



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LACMTA Advisory Body MOU

- C. **Attendance** At each meeting, the [advisory body name here] facilitator will take attendance. It is the responsibility of the advisory body member to confirm their attendance or correct any errors in regards to documenting their attendance.
- D. **Voluntary Participation and Compensation:** Participation on the [advisor body name here] is voluntary. [Advisory body name here] membership will be eligible for compensation, consistent with LACMTA's Advisory Body Compensation Policy for advisory body involvement from members of the public. The compensation tier of this advisory body is [insert tier name here] at the compensation rate of [insert compensation rate here] per meeting and a compensation of [insert subcommittee compensation rate here] per subcommittee meeting for a maximum compensation of [insert maximum compensation amount identified in ABCP for members and alternates here] per fiscal year which is identified as July through June for LACMTA.

Confirmed attendance of each meeting will be required in order for compensation to be issued. Payment will only be issued for meetings with confirmed attendance of the advisory body member. It is the responsibility of the advisory body member to confirm their attendance or correct any errors in regards to documenting their attendance. Members will not be compensated for meetings they do not attend. Metro employees who serve on an advisory body are not eligible for compensation under the Policy.

- E. **Service Term:** The term of the [advisory body name here] and its membership shall be from [beginning date], until [end date].

Any member of the advisory body may resign from the [advisory body name here] at any time by delivering written and signed notice of the resignation to the [advisory body name here] and to Metro staff administering the advisory body. The resignation shall be effective upon receipt.



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**LACMTA Advisory Body MOU**

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I agree to fulfill the roles and responsibilities identified in this MOU and understand that receiving payment as a member of this advisory body is contingent upon successful execution of these roles, meeting attendance, and completion of the Compensation Agreement.

---

**Member Name**

---

**Advisory Body Administrator  
Name**

---

**Member Signature**

---

**Advisory Body Administrator  
Signature**

**Date:**

**Date:**



**Metro**

## **LACMTA Compensation Agreement for Advisory Body Members**

Contingent upon continuous fulfillment of the roles and responsibilities identified in the MOU and confirmed attendance at meetings, advisory body members are eligible for compensation on a per meeting basis under LACMTA's Advisory Body Compensation Policy.

The compensation tier is **[insert compensation tier here]** for a rate of **[insert compensation rate here]** per meeting for **[advisory body name here]**. I understand that attendance taken at each meeting will be used to issue payment. Members will not be compensated for meetings they do not attend. It is their responsibility to confirm their attendance at each meeting or correct any errors in regards to documenting their attendance.

The Policy excludes LACMTA employees and any public agency, Council of Governments, or elected office staff who serve on advisory bodies as part of their professional role. Members who 1) work for a contractor or organization holding an active contract with LACMTA and 2) participate or are listed in the contract activities while serving on an advisory body are not eligible for advisory body compensation for the duration of the contract. This applies to all contractors, including non-profit organizations and community-based organizations. Once no longer under contract with LACMTA, an advisory body member may receive compensation.

Advisory body members are independent, and no language in this Compensation Agreement shall be construed to create the relationship of agent or employee, as between an advisory body member and LACMTA. Advisory body members shall not be, or be construed to be, the employees or agents of the LACMTA.



**Metro**

I elect to do the following with the compensation I am eligible for as a member of the advisory body:

- Opt-in to receive compensation as part of my term on the advisory body
- Opt-out of receiving compensation as part of my term on the advisory body

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**Member Name**

---

**Advisory Body Administrator  
Name**

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**Member Signature**

---

**Advisory Body Administrator  
Signature**

**Date:**

**Date:**





## Board Report

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**File #:** 2021-0798, **File Type:** Informational Report

**Agenda Number:** 28.

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### EXECUTIVE MANAGEMENT COMMITTEE MAY 19, 2022

**SUBJECT: FY2023 COMMITTEE AND BOARD MEETING CALENDAR**

**ACTION: RECEIVE AND FILE**

#### **RECOMMENDATION**

RECEIVE AND FILE the FY2023 Committee and Board Meeting Calendar (Attachment A).

#### **ISSUE**

Staff has prepared the Committee and Board meeting schedule for FY2023 to maintain a regular meeting schedule and improve the ability of the agency, external stakeholders, and the public to plan for upcoming action needed by the Board of Directors.

#### **BACKGROUND**

Per the Los Angeles County Metropolitan Transportation Authority Administrative Code, Section 2-01-020, regular Board Meetings are scheduled for the 4<sup>th</sup> Thursday of the month with Committees scheduled for the week prior. For FY2023, exceptions occur in July, November, and December.

In accordance with the Brown Act, Special Board Meetings can be scheduled, and the agenda posted, 24 hours before the meeting date. Additionally, items that are not on a posted agenda that either constitute an emergency or a matter that came to the attention of the agency after posting of the agenda and needs immediate action, may be considered at a regular meeting under conditions set forth in the Act. Also, an emergency meeting may be held, in conformance with requirements under the Act, in the event of a crippling activity, work stoppage, or other activity which severely impairs public health, safety, or both.

#### **DISCUSSION**

The Committee and Board Meeting Calendar improves the ability of the agency, external stakeholders, and the public to plan for upcoming actions needed by the Board of Directors. The meeting dates have considered government and religious holidays throughout the year and shifted scheduling when necessary to prevent possible conflicts.

The FY2023 Committee and Board meeting schedule (Attachment A) details meeting dates for

FY2023.

Working with incoming Chair Najarian's Office, the following determinations have been made for FY2023, with changes bolded below:

- Planning and Programming Committee - 3<sup>rd</sup> Wednesday at 10:30 a.m., *no change*
- Finance, Budget, and Audit Committee - 3<sup>rd</sup> Wednesday at 1:30 p.m., *no change*
  - Please note that Wednesday Committees may fall on the 2<sup>nd</sup> or 3<sup>rd</sup> Wednesday, depending on what day of the week the month begins. They are scheduled for the week prior to the Board Meeting unless otherwise noted on the meeting schedule (Attachment A).
- **Executive Management Committee - 3<sup>rd</sup> Thursday at 9:00 a.m., *time change***
- **Construction Committee - 3<sup>rd</sup> Thursday at 10:30 a.m., *time change***
- **Operations, Safety, and Customer Experience Committee - 3<sup>rd</sup> Thursday at 12:00 p.m., *time change***
- Regular Board Meeting - 4<sup>th</sup> Thursday at 10:00 a.m., *no change*

During the current state of emergency, the public is not allowed to attend the Committee and Board Meetings in-person but can actively participate in public comment via telephone during the live meeting. In addition, public comment has and will continue to be accepted by 5:00 p.m. the day before the meeting via email and U.S. Mail to be included as part of the public record.

### Considerations

July will be a recess month with no Committees or Board Meetings held. Due to the holidays in November and December, only Committees will be held in November and the Board Meeting will be held in December. Due to the holiday of Shavuot, the May 2023 Board meeting will end no later than 4:00 p.m. Any actions not taken will be carried over to the June 2023 Board Meeting.

### EQUITY PLATFORM

The calendar improves agency transparency with the public by setting the Board Meeting schedule for the fiscal year in advance. It will be used to plan contract approvals, hold public hearings, and other major items for Board consideration.

Once received and filed, the calendar will be posted on boardagendas.metro.net, and shared with our external stakeholders and internal Metro staff.

Boardagendas.metro.net utilizes Google Translate, enabling the site to be translated into 110 different languages. It has been tested to ensure screen readers and other accessibility tools are compatible, to ensure compliance with international legislation and standards for accessibility.

### IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goal #5 to provide responsive, accountable, and trustworthy governance within the Metro organization. By formally adopting a Committee and Board

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meeting calendar for FY2023, internal and external stakeholders can mitigate any conflicts in their schedules far in advance.

**ALTERNATIVES CONSIDERED**

The Board may choose alternative dates for Committee and Board meetings, but this is not recommended as the current meeting pattern is complementary with the other meeting schedules of the members of the Board.

**NEXT STEPS**


Upon receiving and filing, the calendar will be posted on boardagendas.metro.net, and shared with our external stakeholders and internal Metro staff.

**ATTACHMENTS**

Attachment A - FY2023 Board Meeting Calendar

Prepared by: Collette Langston, Board Clerk, (213) 922-2837

Reviewed by: Collette Langston, Board Clerk, (213) 922-2837



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Collette Langston, Board Clerk

# FY2023 Committee & Board Meeting Calendar

July 2022						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August 2022						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
29	29	30	31			

September 2022						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October 2022						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

November 2022						
S	M	T	W	TH	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December 2022						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

January 2023						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2023						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March 2023						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April 2023						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May 2023						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June 2023						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

IMPORTANT DATES AND HOLIDAYS
July 4: Independence Day
September 5: Labor Day
September 25 – 27: Rosh Hashanah
October 4 – 5: Yom Kippur
October 9 – 16: Sukkot
November 11: Veterans Day
November 24: Thanksgiving Day
November 25: HQ Offices Closed
December 18 – 26: Hanukkah
December 25: Christmas
December 26: Christmas Holiday Observed
December 26 – January 1: Kwanzaa
January 1: New Year's Day
January 2: New Year's Holiday Observed
January 16: Martin Luther King Jr. Day
February 20: Presidents' Day
March 31: Cesar Chavez Day
April 5 – 13: Passover
April 7: Good Friday
April 9: Easter
May 25 – 27: Shavuot
May 29: Memorial Day
June 19: Juneteenth

- Planning & Programming Committee – 10:30 a.m.  
Finance, Budget, & Audit Committee – 1:30 p.m.
- Executive Management Committee – 9:00 a.m.  
Construction Committee – 10:30 a.m.  
Operations, Safety, and Customer Experience Committee – 12:00 p.m.

- Board of Directors Meeting – 10:00 a.m.
- Metro HQ Offices Closed

# FY2023 Committee & Board Calendar



Metro

Executive Management Committee  
May 19, 2022



# FY2023 CALENDAR

## FY2023 Committee & Board Meeting Calendar

July 2022						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
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August 2022						
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September 2022						
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October 2022						
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November 2022						
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January 2023						
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April 2023						
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May 2023						
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June 2023						
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IMPORTANT DATES AND HOLIDAYS
July 4: Independence Day
September 5: Labor Day
September 25 – 27: Rosh Hashanah
October 4 – 5: Yom Kippur
October 9 – 16: Sukkot
November 11: Veterans Day
November 24: Thanksgiving Day
November 25: HQ Offices Closed
December 18 – 26: Hanukkah
December 25: Christmas
December 26: Christmas Holiday Observed
December 26 – January 1: Kwanzaa
January 1: New Year's Day
January 2: New Year's Holiday Observed
January 16: Martin Luther King Jr. Day
February 20: Presidents' Day
March 31: Cesar Chavez Day
April 5 – 13: Passover
April 7: Good Friday
April 9: Easter
May 25 – 27: Shavuot
May 29: Memorial Day
June 19: Juneteenth

- Planning & Programming Committee – 10:30 a.m.  
Finance, Budget, & Audit Committee – 1:30 p.m.
- Executive Management Committee – 9:00 a.m.  
Construction Committee – 10:30 a.m.  
Operations, Safety, and Customer Experience Committee – 12:00 p.m.

- Board of Directors Meeting – 10:00 a.m.
- Metro HQ Offices Closed

Adopted by Board: xx.xx.xxxx



# CHANGES and DETAILS – Wednesday Committees

- Planning and Programming Committee - 3rd Wednesday at 10:30 a.m., *no change*
- Finance, Budget, and Audit Committee - 3rd Wednesday at 1:30 p.m., *no change*

*Please note that Wednesday Committees may fall on the 2nd or 3rd Wednesday depending on what day of the week the month begins. They are scheduled for the week prior to the Board Meeting unless otherwise noted on the meeting schedule.*

# CHANGES and DETAILS – Thursday Committees

- Executive Management Committee - 3rd Thursday at 9:00 a.m., *time change*
- Construction Committee - 3rd Thursday at 10:30 a.m., *time change*
- Operations, Safety, and Customer Experience Committee - 3rd Thursday at 12:00 p.m., *time change*



# CONSIDERATIONS

July will be a recess month with no Committees or Board Meetings held. Due to the holidays in November and December, only Committees will be held in November and the Board Meeting will be held in December.

Due to the holiday of Shavuot, the May 2023 Board Meeting will end no later than 4:00 p.m. Any actions not taken will be carried over to the June 2023 Board Meeting.

# NEXT STEPS

Upon receiving and filing, the calendar will be posted on [boardagendas.metro.net](http://boardagendas.metro.net), and shared with our external stakeholders and internal Metro staff.

*Thank You!*



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**Board Report**

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**File #:** 2020-0501, **File Type:** Motion / Motion Response**Agenda Number:** 29.

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**EXECUTIVE MANAGEMENT COMMITTEE  
MAY 19, 2022****SUBJECT: SUBREGIONAL EQUITY PROGRAM GUIDELINES****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

APPROVE guidelines for the use of the Subregional Equity Program funds (Attachment A).

**ISSUE**

Board Motion 38.1 from May 2020 (Attachment B) requests “Standard and explicit criteria for how and when a subregion’s SEP allocation may be accelerated to meet their needs”. In response, this item proposes newly created guidelines for the Subregional Equity Program (SEP) that identify how the funds can be accelerated, as well as detail on the future administration of this Measure M Multi-year Subregional Program (MSP).

**BACKGROUND**

The SEP is included in row 68 of the Measure M Expenditure Plan. The source of funding for the SEP is not specified in the Expenditure Plan, and the SEP is eligible for funding of Measure M “Systemwide Connectivity Projects” (i.e., projects related to regional facilities). The total spending available for the SEP is equal to \$1,196 million from FY 2018 to FY 2057.

The SEP was added to the Expenditure Plan in June 2016 after all other MSPs were included and funded in the Long Range Transportation Plan (LRTP) financial forecast. Because the SEP was allocated planned funding after all other Measure M projects and programs, there was no available funding for the SEP until FY 2043, and this is how SEP funds are programmed in the 2020 LRTP.

In four prior instances, Metro recommended SEP funds be accelerated for use prior to FY 2043. This was done to address cost overruns on Foothill 2B in July 2019, Crenshaw/LAX in May 2020, Eastside Access Improvements Project in March 2021, and Westside Purple Line Extension Section 1 in May 2021, all subject to approval from the respective subregions. Not all subregions have approved their SEP for these recommendations (Board motion 48 from June 2021 henceforth eliminates SEP from consideration to address funding shortfalls during construction). The existing Measure M Guidelines and Administrative Procedures do not specifically describe how the SEP can be accelerated. Several of the subregions have asked Metro staff about the availability of SEP funds.

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The Gateway Cities COG has requested the SEP for active transportation projects and to supplement local return for jurisdictions in this subregion. The South Bay COG has already committed the entire South Bay SEP for the Centinela Grade Separation Project. The Los Angeles City Council approved the commitment of the City of LA's portion of Central City Area SEP to an Arts District rail station, Vermont Transit Corridor, and Crenshaw Northern Extension.

## **DISCUSSION**

This Board item proposes SEP guidelines that identify the process for allocating funds to the subregions comparable to the process for other MSPs, and parameters for the acceleration of funds.

Staff will prepare five-year SEP funding estimates for the subregions, no later than October 31, 2022, including inflation adjustments in accordance with the Measure M Ordinance and pursuant to Board Motions 36.1 from July 2019, 38.1 from May 2020, and 48 from June 2021. The current estimated funding availability for the SEP will be programmed over the next five fiscal years. Metro staff will prepare future funding estimates by October 31 of each year.

The proposed guidelines provide for the future acceleration of SEP funding if recommended by Metro staff and in compliance with existing Board policies, including the Measure M Early Project Delivery Strategy (EPD) from November 2017. The EPD requires scoring of proposals to accelerate funds based on factors including the amount of local match and the status of the project in its development process, so long as the acceleration does not negatively impact the funding of other Measure M projects and programs.

The proposed guidelines will also allow the subregions to exchange the SEP with another MSP that is allocated to the subregion. This type of exchange is described as “inter-program borrowing” in the Final Guidelines and may be beneficial to a subregion to accelerate SEP funds that can be spent on either transit or highway uses, whereas the exchanged MSP may only be used for one purpose.

### Eligible Uses

The SEP funds can be used on transit and highway capital eligible under the Measure M Ordinance, which includes first/last mile, active transportation, and complete streets projects, as identified by the subregions. In addition to transit and highway projects led by the subregions, the SEP funds can be used to pay for capital obligations of the subregions or cities that comprise the subregions, such as the obligation for cities to pay a 3% local agency contribution for new Metro rail projects with stations in their jurisdiction.

### Outreach to Subregions

This Board item was postponed from September 2020 to allow for input from Board staff and the subregions. Metro staff prepared a “white paper” and subsequent “policy paper” that summarizes the proposed guidelines, had multiple meetings with Board staff to discuss their input, and presented the information to the Central City Area, Westside Cities, Gateway, San Gabriel Valley, and Arroyo Verdugo subregions and responded to questions and statements from their respective boards and staff. Additionally, the CEO shared the draft guidelines with the Executive Directors’ of the region’s Councils of Governments for their review and feedback. The proposed guidelines incorporate input from Board staff. The subregions prepared correspondence that includes commentary on the

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proposed guidelines. Metro staff believe the proposed guidelines are consistent with specific requests on the content of the guidelines.

## **FINANCIAL IMPACT**

### **Impact to Budget**

This item would make funds available for subregions on eligible transit and highway capital projects submitted to Metro for approval. Funding will not be required in FY 2022 for the SEP as any initial amounts will be programmed for FY 2023 or FY 2024. Should funding be needed in FY 2023 it would be paid from federal funds, and or the Measure M 35% Transit and or 17% Highway Subfunds.

## **EQUITY PLATFORM**

This report seeks Board approval of guidelines for the programming of funds to subregions, for capital projects as proposed by the cities and/or implementing agencies of the subregions in Los Angeles County. It does not change how the funds can be used. The cities and/or implementing agencies have discretion, subject to the provisions of the Measure M Ordinance, Final Guidelines, and Administrative Procedures, to determine the capital projects they will undertake, and will lead and prioritize all proposed transportation improvements, including procurement, the environmental process, outreach, final design, and construction. Nevertheless, Metro will continue to work with the subregions and cities to encourage engagement of stakeholders, including those with the greatest mobility needs, that can enhance continued efforts to fund projects that improve transportation deficiencies.

Based on the scopes previously submitted to Metro by the implementing agencies, local improvements have historically been within the public right-of-way and include infrastructure upgrades and/or enhancements such as traffic signal upgrades, signal synchronization, turn pockets, intersections, curbs, sidewalks, bike lanes, and center median improvements. Future annual reports regarding the programming of subregional funds that are presented to the Board for approval will identify any project level equity-related issues of concerns identified through the cities' project selection process.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommendation supports strategic plan goal # 5 and helps ensure fiscal responsibility in how funding determinations are made and transparency in the agency's investment decisions.

## **ALTERNATIVES CONSIDERED**

The Board can choose to modify, amend, or reject the guidelines. Any such action should consider the financial and policy implications on Metro's overall financial capacity and ability to fund other Metro projects and programs.

## **NEXT STEPS**

Metro staff will incorporate the guidelines into the Measure M Final Guidelines and post these for public dissemination. Metro staff will distribute the SEP financial forecast to the subregions in tandem with the annual forecast of funding for other active MSPs no later than October 31, 2022, and accept and review any proposals to accelerate funding in consideration of the provisions of the Measure M Ordinance and Board-adopted policies including the EPD.

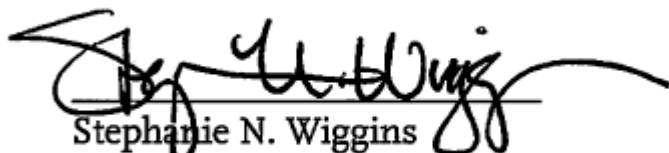
Metro staff will return to the Board for approval of specific projects and programming amounts funded from the SEP, likely at the same time as the programming for other MSPs is submitted to the Board for a subregion.

### **ATTACHMENTS**

Attachment A - Proposed Subregional Equity Program Guidelines  
Attachment B - Motion 38.1

Prepared by: Craig Hoshijima, EO, Countywide Planning & Development, (213) 418-3384  
Laurie Lombardi, SEO, Countywide Planning & Development, (213) 418-3251

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Stephanie N. Wiggins  
Chief Executive Officer

**IX.i SUBREGIONAL EQUITY PROGRAM**

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**INTRODUCTION**

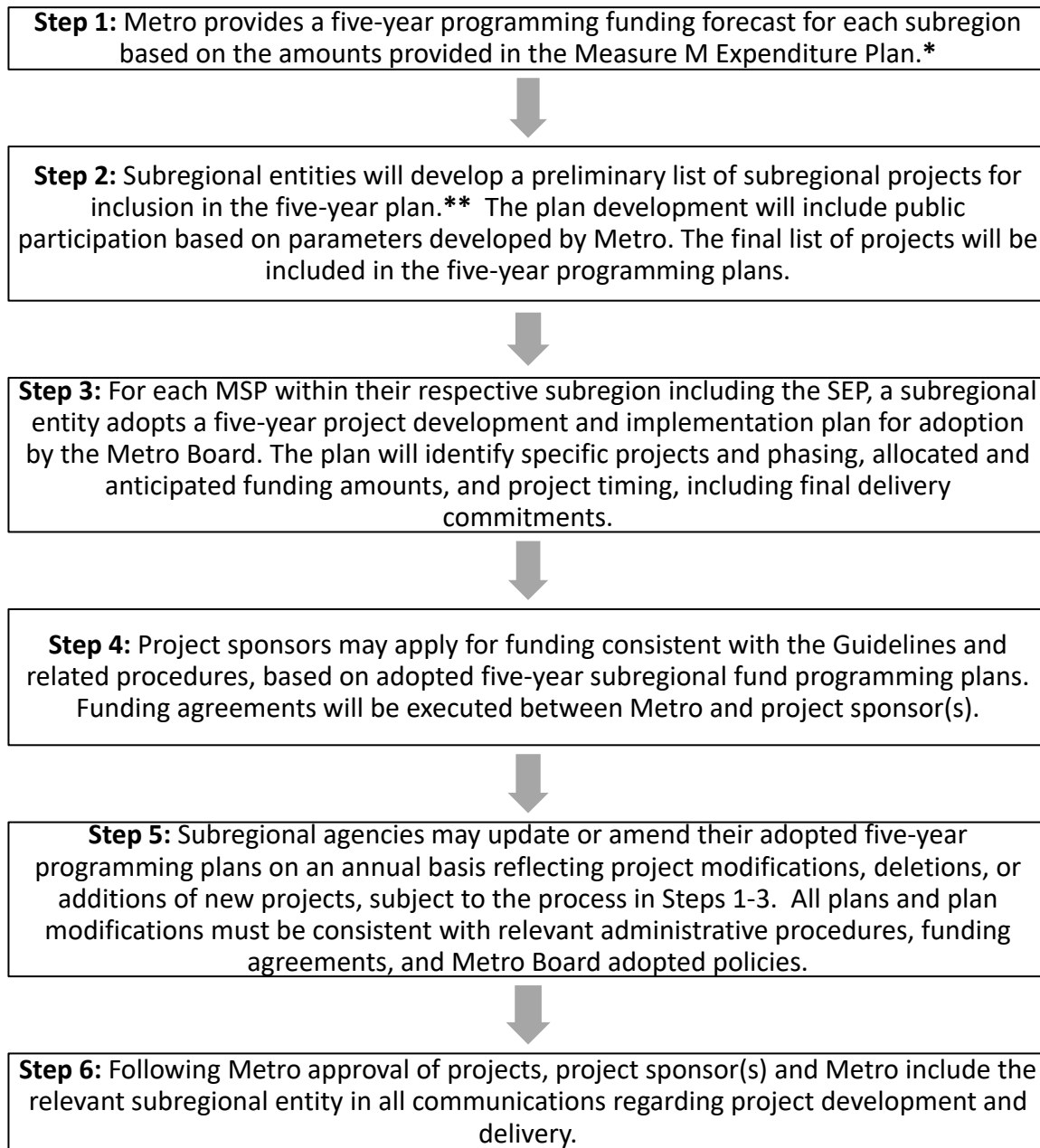
The Subregional Equity Program (SEP) is a MSP on row 68 of the Measure M Expenditure Plan. It has Guidelines separate from the MSP Guidelines because the amount of Local, State, Federal, Other and Measure M funding is not specified, a total amount of spending for each subregion is identified, and any spending can be for either transit or highway modes as defined in the Ordinance, which includes first/last mile, active transportation, and complete streets improvements. Projects that subregions submit for this program are subject to the definitions provided in the Ordinance and these Guidelines, and are limited to capital projects.

**Process**

The SEP will go through a subregional program development process similar to the other subregional MSP. The amount of SEP funding available will be consistent with the most recent Long Range Transportation Plan or Short Range Transportation Plan financial forecast presented to the Metro Board, subject to any changes in Metro’s financial capacity during the intervening period from the most recent financial forecast and the distribution of SEP funding amounts. Additional funding capacity may be incorporated into the SEP from one-time funding such as the federal infrastructure bill. It will be adjusted for inflation in accordance with the Ordinance and Board motion 36.1 (Board file #2019-0598). The source of Local, State, Federal, Other and Measure M funding for the SEP, both transit and highway, will be identified in the financial forecast. Administrative and procedural details for the process may be developed upon the adoption of these Guidelines, in the event it facilitates the functioning of the program. Generally, the development process will follow the steps provided in the following table:



**Table IX.i: Subregional Equity Program Project Development Process**



*\*Metro will announce the funding forecast by year concurrently with the announcement of the other MSP funding forecasts, and the amounts will extend five years from the date of the announcement and cover the same time period as the other MSP funding forecasts.*

*\*\* Coordination with Metro staff is required to ensure project eligibility, as determined by Metro and the applicable State or federal grant criteria. Administrative review procedures developed specific to each MSP program area (Highway, Transit modes as defined in the Ordinance, which includes first/last mile, active transportation, and complete streets improvements) will be applied to projects submitted and include plan requirements and eligible use of funds within each MSP program area.*

Resources to support the steps listed in Table IX.i can be drawn from SEP funds (subject to any restrictions on amounts funded from State or federal grants), not to exceed 0.5% of the amounts for any single year determined in Step 1 of Table IX.i. Any additional resources to support the steps in Table IX.i must be drawn from resources under the control of the subregion or its constituent cities.

### **Advancing Funds**

#### Metro Staff Recommendation

The amount of SEP funding that has not already been expended or allocated by the Board to another use can be advanced if recommended by Metro staff and adequately noticed to and approved by the respective subregion pursuant to Motion 38.1 (Board file #2020-0356). This motion calls for “Subregional governing body approval of any funding recommendation and use” and “Written notice to the respective Subregional governing body and representative Board offices at least 120 days before Metro recommends the use of SEP funding to ensure adequate time for subregions to understand and approve any funding recommendations.”

Beginning June 17, 2021, Motion 48 (Board file #2021-0435) amends the “Measure R and Measure M Unified Cost Management Policy” to eliminate the SEP from consideration to address project funding shortfalls during construction. Subregions may still choose to make SEP eligible for selected Measure M projects before they enter the construction phase.

SEP funding can also be advanced and included in the five-year funding forecast described in Table IX.i. This can occur if Measure M or other local, State, federal, or other funding is made available during the five-year period due to a reduction in funds programmed for a capital project resulting from a decrease in project cost, cancellation or defunding of the project, or provision of other local funds to supplant the funds, as identified and requested by a subregion. In addition, if new local, State, federal, or other funding, that is not already programmed by Metro for another use, is made available, this could be included in the five-year SEP funding forecast and credited against the balance available.

#### Request by Subregion

The programming of SEP funds can be considered for acceleration if requested by a subregion and in compliance with existing Board policies, including the Measure M Early Project Delivery Strategy (EPD) from November 2017 (Board file #2017-0686) and the MSP inter-program borrowing provisions in the Measure M Final Guidelines. The EPD requires scoring of proposals to accelerate funds based on factors including the amount of local match and the status of the project in its development process, so long as the acceleration does not negatively impact the funding of other Measure M projects and programs. Metro staff will evaluate the financial

impact of any proposed SEP programming and consider the potential use of debt to finance the SEP that may reduce the immediate cash flow requirement. Metro will accept all proposals by subregions, provide recommendations, and submit the proposals and recommendations to the Metro Board for consideration, which could involve an amendment to the Measure M ordinance.

The subregions may also request SEP funding to deliver a project by borrowing, or exchanging, from another MSP that has programmed funding in earlier years, in accordance with the “Cashflow Management” section of the Measure M Final Guidelines. Metro staff will be available to provide technical assistance to the subregions in preparing any proposal to borrow SEP funds.

### **Supplemental Funds Requirements**

If project sponsors are able to fully fund projects identified in their five-year plans, consistent with procedures established within these Guidelines with SEP funds, the project sponsor may proceed to request disbursement of those funds. However, if the project requires supplemental Metro support or funding, including Metro staff resources, then the project must comply with all requirements attached to Metro-sponsored or controlled fund sources and policies, as appropriate. For example, if a project using SEP funds is matched with discretionary fund programs managed by Metro, the project is subject to all evaluation criteria, reporting requirements or other provisions of that discretionary program. There is no minimal amount of additional Metro investment that would prevent additional Measure M policy requirements. The only exception to this rule is use of Local Return funding from sales tax measures A, C, R or M. Once the Metro supplemental funding request is made, staff will notify project sponsors of policy implications.

Projects and programs utilizing additional assistance or funding are encouraged to comply with the Metro Board adopted Small Business Enterprise (SBE) Program and the Prohibition against Discrimination or Preferential Treatment by State and Other Public Entities.

### **READINESS**

The timing of the actual distribution of funds will be determined based on project readiness. The Timely Use of Funds principle applies to the MSP and SEP and require establishing project readiness to be able to access program funds.

Project readiness will apply to separate phases of a project. Readiness thresholds will be determined for planning, environmental, right of way, and construction, and will be defined as appropriate for each funding category as determined by Metro (i.e., Highway, Transit, Active Transportation, etc.).

## **PROGRAM MANAGEMENT CONSIDERATIONS**

The SEP funds are subject to the cash flow parameters within these Guidelines. Project sponsors must notify Metro by the last day of February of each year of the amount of subregional funding they plan to use, by project, in the subsequent fiscal year, which for Metro begins July 1. This is needed for Metro budget purposes, and the cash flow expenditure estimate provided may differ from the initial Metro funding forecast or amounts programmed in the funding agreements between Metro and the subregions. When notice is not provided, funding availability will be on a first-come, first-served basis in the subsequent fiscal year.

Per the Cashflow provisions in Section VI, the Metro Board will consider tools that allow for expediting projects within and among subregional programs. Subregional project sponsors can elect to borrow from one MSP fund amount (including the SEP) to accelerate a project in another MSP fund of a different type that may not be available until a later year. This type of inter-program borrowing within the MSP requires approval from Metro and the affected subregion.

## **AUDIT REQUIREMENTS**

Use of Measure M funds will be subject to audit and oversight, and all other applicable state and local laws.

## **REVISIONS TO PROGRAM GUIDELINES**

These program guidelines may be revised by the Metro Board of Directors at any time.

**Metro**



**Metro**

**Board Report**

**File #:** 2020-0356, **File Type:** Motion / Motion Response

**Agenda Number:** 38.1.

**CONSTRUCTION COMMITTEE  
MAY 21, 2020**

**Motion by:**

**DIRECTORS GARCETTI, BUTTS, GARCIA AND HAHN**

Related to Item 38: Crenshaw/LAX Transit Project

**SUBJECT: CRENSHAW/LAX TRANSIT PROJECT**

**RECOMMENDATION**

APPROVE Amending Motion by Directors Garcetti, Butts, Garcia and Hahn directing the CEO to:

- A. Allocate \$33.1 million of CMAQ, plus the revenue generated from LAWA acquisition of property and easements (at least \$1.7 million) to fund immediate LOP budget needs on the Crenshaw/LAX project.
- B. After taking CMAQ and LAWA-generated revenues off the top, approve the use of Subregional Equity Program (SEP) funding for the remainder of the \$90 million Crenshaw/LAX LOP budget increase, subject to formal approval from each subregion's governing body and according to the 2016 subregional borders designating the LAX area as a Regional Facility and conforming the South Bay subregion to the South Bay COG's boundaries:

<b>Subregion</b>	<b>Miles</b>	<b>Percent</b>
Central Los Angeles	3.40	41.4%
South Bay	3.32	40.4%
Regional Facility: LAX Area	1.50	18.2%
Total	8.22	100.0%

These SEP funds shall be escalated from 2015 dollars in accordance with Board file 2019-0598, which reaffirmed that each subregion's SEP allocation as listed in the Measure M Expenditure Plan (line item 68,note s.) is listed in 2015 dollars and escalated to year-of expenditure in accordance with the escalation policies in the Measure M expenditure plan;

- C. Defer any future recommendation or use of any unprogrammed SEP funding pending the development, in partnership with all Board offices, of a uniform process by which Subregions can elect to use SEP funding, including but not limited to:
1. Subregional governing body approval of any funding recommendation and use;
    - a. Hereby acknowledging that the South Bay COG has already committed the entire South Bay SEP for the Centinela Grade Separation Project.
  2. Written notice to the respective Subregional governing body and representative Board offices at least 120 days before Metro recommends the use of SEP funding to ensure adequate time for subregions to understand and approve any funding recommendations;
  3. Standard and explicit criteria for how and when a subregion's SEP allocation may be accelerated to meet their needs, consistent with Board file 2019-0598 (see above);
- D. Report back on all the above during the September 2020 Board cycle.



## Board Report

File #: 2022-0101, File Type: Motion / Motion Response

Agenda Number: 30.

### EXECUTIVE MANAGEMENT COMMITTEE MAY 19, 2022

**SUBJECT: 48 BY '28: INCREASING SMALL AND DISADVANTAGED BUSINESS PARTICIPATION**

**ACTION: APPROVE RECOMMENDATIONS**

#### **RECOMMENDATION**

CONSIDER:

- A. RECEIVING and FILING the report back to Motion 43 on a 48 by 2028 Policy Objective to Increase Small and Disadvantaged Business Participation; and
- B. ADOPTING the Top 8 for 48 by '28 Plan.

#### **ISSUE**

On December 2, 2021, the Board passed Motion 43 (Directors Solis, Hahn, Dupont-Walker, Sandoval, and Butts) requesting a report back in March 2022 on the development of a policy objective to ensure Metro's capital program 28 by '28 accelerates the increase of small and disadvantaged business participation by directing as many contract and procurement dollars as possible toward small and disadvantaged businesses.

#### **BACKGROUND**

Metro's Small, Disadvantaged and Disabled Veteran Business Enterprise programs and initiatives such as Small Business Prime set-aside program, Contracting Outreach and Mentoring Program, Contractor Bonding & Assistance Program, and Medium Size Business Program are catalyst for economic opportunity and expands access to contracting opportunities. In 2021, Metro further enhanced the SB Prime program by increasing its contract threshold requirement, creating two new tiers, MSZ-I and MSZ-II, in the Medium Sized program, and the development of a Dashboard and Scorecard to track prime contractor performance in meeting and or exceeding SBE/DBE and DVBE contract goals. In February 2022, the Board approved the Local Small Business Enterprise (LSBE) Preference program to strengthen the local economy and maximize contracting opportunities that increase the capacity and growth of local small and historically under-utilized businesses within the communities in which Metro's transportation projects are being built. To do more to foster the inclusion of small, disadvantaged, and historically under-

utilized businesses in Metro’s contracting, staff has been asked to bring forth recommendations to support a 48 by ’28 aspirational policy objective.

In response to the Board motion, Metro has developed a 48 by ’28 plan. According to U.S. Small Business Administration (SBA), small businesses represent 99.9% of all U.S. businesses. Small businesses not only contribute to the economic recovery of communities, but successful small businesses bring growth and innovation, and help stimulate economic growth by providing employment opportunities. Los Angeles County, as the country’s largest small business economy, has approximately 250,000 local small businesses that account for 43% of the local workforce.

From the lens of equity and inclusion, Metro’s 28 by ’28 plan embraces the opportunity to develop meaningful innovative strategies to further assist, develop, grow, and increase utilization and participation of small, minority, and women owned businesses in Metro’s contracting program.

The following table provides background information on Metro’s contracting spend with small business for fiscal years 2019 through 2021. As depicted in this table, the pandemic impacted small business participation, demonstrating the need for enhanced small business initiatives.

	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>Average</b>
<b>SBE Commitment \$'s</b>	\$95,694,827.00	\$347,391,780.00	\$198,242,320.00	\$213,776,309.00
<b>SBE Commitment %</b>	34%	28%	22%	28%

**DISCUSSION**

Metro understands that it will take a collective effort both agency-wide and regionally to achieve the 48 by ’28 aspirational target. In aiming to achieve the target, all of Metro’s small business and disadvantage business programs and initiatives that generate SBE and DBE participation on Metro contracts, will contribute towards reaching the aspirational target. Metro will assess attainment of the aspirational target against its annual contracting spend, inclusive of an estimated \$2 billion in sales tax through Local Return.

The Top 8 for 48 X ’28 Plan includes the following eight initiatives:

- 1. Roll-Out 15-Day Pay Initiative for Small Business Enterprise (SBE) as Primes:** To help with cash flow constraints that many small business firms experience, Metro will enact a 15-day Pay initiative for SBE’s that perform as primes. Metro will reduce the current net 30-day payment contract term to net 15-days (Phase I). In phase 2 of this initiative, Metro will expand the 15-day pay to LSBEs and non-LSBE primes that subcontract at least 30% of the contract value with eligible LSBE firms.



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2. **Explore Feasibility of increasing the SBE certification Personal Net Worth (PNW) cap and a potential SBE certification reciprocity with** the Los Angeles Unified School District (LAUSD).; Exploring both of these components is worthwhile in Metro’s efforts to increase the pool of certified SBE firms.

Staff has begun to research the feasibility of a PNW adjustment formula. Metro’s SBE program is the most flexible to consider this type of review. Additionally, staff will also explore the viability of establishing small business certification reciprocity with LAUSD.

Staff will bring forth any future recommendation(s) to the Board for consideration.

3. **Coordination of Efforts with the Los Angeles Area Chamber of Commerce OneLA Collaborative:** The OneLA Inclusive Procurement program focuses on creating a pathway to contract opportunities for local, small and diverse businesses. Metro is a member of this collaborative that provide mentorship, training and relationship-building opportunities through a regional partnership to advance a more equitable, sustainable and resilient economic recovery. As part of our targeted strategies to support the 48x28 motion and increase the capacity and availability of firms to support Metro’s small business initiatives, including our soon-to-be launched Local Small Business Enterprise Program (LSBE), staff is proposing to strengthen our collaborative efforts with OneLA by:
- a. Providing Metro and Transportation specific “How To Do Business With Metro” workshops to small businesses graduating from the OneLA training cohort program. This training will be provided as cohorts graduate from the OneLA Program in addition to regular information provided during the training series.
  - b. Refer OneLA graduating construction contractors to Metro’s Contractor Development and Bonding Program to receive on-going technical assistance and resources.
  - c. Implementing a process by which OneLA Training graduates are informed of Metro contracting opportunities, including opportunities via Metro’s LSBE Program.
  - d. Expediting the Small Business certification review timeline for firms enrolled in the OneLA Training Program to facilitate firms bidding and/or proposing on Metro contract opportunities. Staff is implementing a change to the application system to ask firms if they are currently enrolled or have graduated from the OneLA Training Program.
  - e. Coordinating a Recognition Campaign, in conjunction with the Los Angeles Area Chamber of Commerce, to celebrate prime contractors, small businesses and others who have gone above and beyond the requirements of Metro’s small business initiatives.

4. **Enhancing the reach of Metro’s Small Business Outreach Efforts by Advertising Metro**

**Events on the City of Los Angeles' RAMP Portal:** The City of Los Angeles has created a new, comprehensive web-based portal for the regional vendor community named the Regional Alliance Marketplace for Procurement (RAMP). Joining this portal to advertise Metro outreach events and new initiatives will allow Metro to reach a greater number of firms as the goal of RAMP is to provide a one-stop regional business marketplace.

- 5. Engage Local Return and Transit Operators:** Metro is exploring the opportunity to extend the 48 by '28 initiative regionally through the Local Return program. The purpose is to increase the percentage of sales tax dollars available for SBE's and creating new opportunities for SBEs as part of accelerating an equitable recovery from the pandemic within the Los Angeles County region. As a condition of voter approval, 25 percent of the Proposition A tax revenues, 20 percent of the Proposition C tax revenues, 15 percent of Measure R and 17 percent of Measure M tax revenues are earmarked for the Local Return Programs to be used by cities, the County of Los Angeles, and transit operators in developing and/or improving local public transit, paratransit, and related transportation infrastructure.

As required in the respective adopting ordinances, Local Return funds are allocated and distributed monthly to jurisdictions on a "per capita" basis by Metro. Metro will seek to partner with the cities, transit operators and County of Los Angeles to participate in a regional voluntary initiative to encourage and highlight the role Local Return funds can play in advancing small business enterprise utilization on eligible local return projects throughout the County. Understanding that some cities and County of Los Angeles may have their own small business programs, Metro will partner to provide free technical assistance if needed, by encouraging the use of Metro's existing SBE program, if no SBE program is in place. In April, staff issued a survey to local return recipients to obtain information on their current SBE program and any current expenditures with SBE's, if available. Staff will continue to dialogue with the local return recipients on the 48 by '28.

- 6. Enhance capacity building and access to capital:** The CFAP is a new proposed component of Metro's bond program (Contractor Development and Bonding Assistance Program) designed to assist small businesses with access to capital by using their Metro contract as collateral while performing on a Metro contract. The CFAP was approved by the Board in April 2022. During Phase 2 of this initiative, Metro will seek to expand to non-construction firms.
- 7. Encourage Support for Federal Program Changes:** Metro has identified five areas to champion for change and to advance in the Federal arena, including:
- a. Recommending that the U.S. DOT allow federal recipients to exclude contract modifications for settlements and time delays from the total contract value. Prime contractors have expressed that such changes do not have DBE opportunities and should therefore be excluded from its DBE commitment. Currently, when there is a change to a contract on which there is a DBE contract goal, then that contract goal

applies to the change order as well as to the original contract.

- b. Steering Metro’s Federal advocacy efforts towards encouraging the Federal Railroad Administration (FRA) to stand-up a Disadvantaged Business Enterprise (DBE) Program similar to that of the Federal Transit Administration.
- c. Encouraging the U.S. Department of Transportation to allow for Local Small Business Preferences and goals.
- d. Working with Metro’s Federal Advocacy Team for the “Rally behind the Equity in Infrastructure Project,” a federal Initiative geared towards increasing the number, size and scope of contracts going to certified small and minority owned businesses in the infrastructure space.
- e. Encouraging the U.S Department of Transportation to review the Personal Net Worth cap for DBE certification in line with cost of living and other factors that vary across the Nation to ensure that California socially and economically small businesses are able to equitably participate in the Program.
- f. Initiating a new Disparity Study to determine the capacity and availability of firms to work on Metro’s contracting program, in addition to assessing any potential barriers and/or discrimination that would limit firms from bidding on Metro’s procurements.

**8. Increase Small Business Program Regional Attainments:** Staff recommends partnering with the regional local return and transit operator recipients to jointly achieve the goals of the 48 X 28 initiative, as discussed in Items 1 through 7 above. Staff believes that these approaches and partnerships, including reporting to the Board annually on our progress towards 48x28, will garner increased regional small business participation in time for the 2028 Olympic Games. The development of this plan, which incorporates Metro’s existing, new and/or enhanced initiatives, along with the encouraged use of Metro’s Small Business programs by local return recipients and transit operators, not only improves small business participation, but is in line with the intent of the 48 X 28 Board motion. The below table denotes how these 2 combined elements of our Program (Metro goals and local/ transit operator goals), will increase opportunities for Small Business participation and allows the flexibility for Metro to increase its own Small Business Annual goals, based on Small Business Dashboard metrics, as necessary to achieve the intent of the Board Motion.

AGENCY	FY23	FY24	FY25	FY26	FY27	FY28
<b>Metro SBE Goal</b>	30%+	30%+	30%+	30%+	30%+	30%+
<b>Local / Transit Operator Goals</b>	TBD	TBD	TBD	TBD	TBD	TBD
<b>48X28 Goal</b>						48%+

Additionally, staff will continue its efforts to launch the LSBE Preference program by June 1, 2022, which will contribute to reaching 48 percent by 2028 initiatives.

Metro will continue its current outreach initiatives that are not directly addressed in the plan to include initiating and coordinating a Countywide Certification Campaign with regional speaking engagements to diverse Chambers of Commerce including associations and Supervisorial Districts. Also, as part of Metro's Shared Responsibility Program, internal Departments will be required to prepare annual written plans on their efforts to increase contracting opportunities to include, but not limited to, unbundling components of projects for SB Prime and Medium Size opportunity, increasing bid/build opportunities, and continual cooperation and partnership in the phased increased program goal and contract goal levels.

Finally, staff considered comments from the Transportation Business Advisory Council (TBAC), the Southern California Chapter of the Associated General Contractors (AGC), and the Los Angeles County of the American Council of Engineering Companies (ACEC) on the 48 by '28 initiative. TBAC offered support of the program, while the AGC expressed some concern with the pool of available certified firms to bid on opportunities, small businesses over-extending themselves, and suggested Metro consider net 15-day payment terms to prime contractors.

### **FINANCIAL IMPACT**

Board approval of the recommendations do not have direct financial impact. Should funds be needed, they will be requested through the annual budget process and in the case of projects with Board authorized life-of-project budget, funds will not exceed the authorized level. For multi-year contracts, respective Cost Center manager(s), Project Manager(s), and Chief cabinet officer(s) are responsible for annual budget requests.

### **EQUITY PLATFORM**

Staff recommendations are to increase the utilization of small, local small business, disadvantaged, minority, and women-owned business enterprise firms in Metro's contracting program. Currently there are 2,340 Metro SBE certified firms. Of those SBE certified firms, 1,601 are also DBE certified. As a result, 68% of Metro's SBE certified firms are minority and/or women owned. These recommendations will help with the County's economic recovery by increasing the percentage of transportation dollars that remain in the region and within economically and socially disadvantaged communities. As Metro continues to establish progressive goals on projects to increase opportunities, the new recommendations will help to achieve the aspirational target of 48 by '28.

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

This report supports strategic plan Goal 5.5, "Expanding opportunities for businesses and external organizations to work with Metro."

### **NEXT STEPS**

Upon Board approval, staff will proceed with implementing the 48 by '28 Plan. The increase to the

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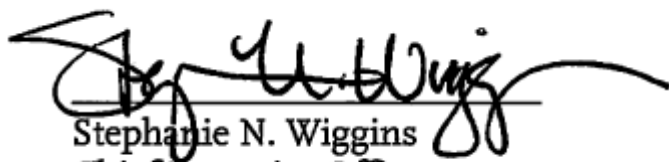
SBE Program goal will be effective July 1, 2022. Metro will highlight its progress in tracking toward reaching the 48 percent target by 2028 on an annual fiscal year-end basis. It is expected that as plan initiatives are implemented, elements of reporting and tracking will be adjusted.

**ATTACHMENTS**

Attachment A - Motion 43 (December 2, 2021 Board Meeting)

Prepared by: Tashai R. Smith, Deputy Executive Officer, DEOD, (213) 922-2128  
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Reviewed by: Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051



Stephanie N. Wiggins  
Chief Executive Officer

**Board Report**

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**File #:** 2021-0766, **File Type:** Motion / Motion Response**Agenda Number:** 43.

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**REGULAR BOARD MEETING  
DECEMBER 2, 2021****Motion by:****DIRECTORS SOLIS, HAHN, DUPONT-WALKER, SANDOVAL, AND BUTTS****48 by '28: Increasing Small and Disadvantaged Business Participation**

The U.S. Department of Transportation (USDOT) requires state and local transportation agencies to establish goals for participation of disadvantaged business enterprises (DBE) on contracts and procurements supported by the USDOT. This DBE participation goal is determined by the state or local agency based on a variety of factors including the availability of qualified DBE's. Metro re-evaluates its DBE participation goal every three years and the current goal covering Federal Fiscal Years 2022 through 2024 is 28 percent. Metro also has a Small Business Enterprise (SBE) program for projects without federal funds, which was first established in 1997 with an initial goal of 15 percent SBE utilization. Today, Metro's overall SBE participation goal is 30 percent, and a participation goal of 3 percent for Disadvantaged Veteran Business Enterprises (DVBE) is also set any time an SBE goal is established for a contract. During any contract solicitation preparation process, Metro staff considers whether or not to establish a DBE, SBE and DVBE participation goal based on various factors such as funding type and availability of subcontracting opportunities. When these participation goals are established, they become a mandatory condition of award and awardees are expected to meet or exceed their participation goals over the duration of the contract. We further understand that firms can meet DBE goals by submitting satisfactory evidence of having conducted Good Faith Efforts. These goals are partly intended to help address the disparities between the number of available small, minority- and women-owned businesses qualified to do certain kinds of work and the actual proportion of Metro contract/procurement dollars that are awarded to them.

Over 90 percent of businesses in Los Angeles County are small businesses with less than 20 employees, and Los Angeles County has more minority- and women-owned businesses than any other county in the nation. Those businesses are truly representative of the County, where over 70 percent of the population is a person of color. More than 15,000 small businesses have reported temporary and/or permanent closure as a result of the pandemic, and communities of color have borne the brunt of COVID-19's economic and public health impacts. In particular, Latinx individuals, who make up over 48 percent of the County, have seen severe impacts since the onset of the pandemic. In January 2021, daily death rates for Latinx communities in Los Angeles County exploded by 1,000 percent from 3.5 per 100,000 Latinx residents to 40 deaths per 100,000 Latinx residents. Small businesses, especially those in communities of color, have struggled to stay afloat and have been closing at higher levels due to drastically decreased revenues.

Metro is currently in the midst of delivering an ambitious program of capital projects called Twenty-Eight by '28. This initiative mainly addresses planning, design and construction of projects and does not address where those contract dollars are going. With an \$8 billion budget, Metro has the capacity to help accelerate recovery in Los Angeles County by directing as many contract and procurement dollars as possible towards small and disadvantaged businesses. To help accomplish this, Metro can establish a new policy objective to reach 48 percent participation by small and disadvantaged businesses on contracts and procurements.

**SUBJECT: 48 BY '28: INCREASING SMALL AND DISADVANTAGED BUSINESS PARTICIPATION**

**RECOMMENDATION**

APPROVE Motion by Directors Solis, Hahn, Dupont-Walker, Sandoval, and Butts that the Board of Directors direct the Chief Executive Officer to establish an aspirational policy objective for Metro to reach 48% participation by small and disadvantaged businesses on contracts and procurements by 2028, and to report back in March 2022 with recommendations to achieve the goal.



Board Report

File #: 2022-0187, File Type: Informational Report

Agenda Number: 31.

**EXECUTIVE MANAGEMENT COMMITTEE  
MAY 19, 2022**

**SUBJECT: FARELESS SYSTEM INITIATIVE AND LOW-INCOME FARE IS EASY**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

RECEIVE AND FILE status updates on Fareless System Initiative (FSI) and Low-Income Fare Is Easy (LIFE) Programs.

**ISSUE**

The Board has requested ongoing updates on the status of the Fareless System Initiative (FSI), and Low-Income Fare Is Easy (LIFE) Programs.

**BACKGROUND**

On May 27, 2021, the Board passed Motion 45 (Garcetti, Mitchell, Krekorian, Hahn, Bonin, and Solis) on implementation strategies for the Fareless Systems Initiative (FSI). The motion directed the Chief Executive Officer to implement the Fareless System Initiative, subject to a final funding plan and while pursuing cost-sharing agreements and report to the Board monthly on the development, launch, and performance of FSI.

On September 23, 2021, the Board approved a staff recommendation (File #2021-0574) to launch Phase 1 of the Fareless System Initiative for K-14 students on October 1, 2021, with the understanding that future Board approval would be required to launch Phase 2 for low-income adults once available funding had been identified. In addition, the Board adopted Motion 40 (Attachment B), which directed staff to revamp the LIFE program and implement a series of promotional activities and improvements to the LIFE program.

Phase 1 of FSI and the LIFE Program improvements are stepping stones to Phase 2 and beyond and are helping bring fare relief to low-income riders and youth who are some of Metro’s most vulnerable riders. The LIFE program goal is to increase mobility and the quality of life for the participants. As staff continues to seek funding for FSI Phase 2, significant enhancements have been made to the LIFE program, and strategic efforts have been implemented to double enrollment in the program in accordance with Motion 40 to ensure accessibility to the program.



## **DISCUSSION**

Fareless and reduced-fare transit programs in Los Angeles County are both an investment in social mobility and an important tool to assist in the fight against income and health inequality. These programs make Metro more accessible while providing financial relief from the ever-rising cost of living for the working poor. The cost barrier to transit disproportionately impacts low-income households and can limit mobility and access to employment, education, medical care, and social services. Research has found that low-income riders are more likely to be burdened by the costs of using public transit and most likely to not take or delay taking necessary trips due to cost.

### **FSI Phase 1**

Metro seeks to remove transportation barriers that will help fulfill and sustain LA County's economic and social promise, transforming the region into a happier, more vibrant, more prosperous, and more equitable place to live and work.

Lack of affordable transportation is a frequently cited barrier to regular school attendance. The FSI Phase 1 (GoPass) program provides students at participating schools the ability to receive a free transit pass, giving students unlimited access to public transportation to school, extracurricular activities, and work. Student attendance has been linked to improved academic performance, higher graduation rates, and other social benefits such as lower incarceration rates, teen pregnancy, and drug abuse.

### **Background**

In an effort to make Metro more accessible while providing financial relief from transportation costs for students and their families, Metro launched the GoPass pilot in October 2021. The GoPass pilot was supported by using one-time American Recovery Plan Act (ARPA) funds. The estimated cost of the twenty-month regional fareless pilot program for K-14 students based on projected fare-revenue loss is \$49.9 million. ARPA funds are being used by Metro, other transit agencies, and many participating school districts to cover the cost of the GoPass pilot program, which ends June 30, 2023. The cost for K-12 districts to participate is \$3 per enrolled student per year, and the cost for community college is \$7 per student per year.

Metro Government Relations and Planning Departments are vigorously continuing to seek long-term funding. Statewide and Federal funding for free student transit pass programs would help boost graduation rates and student health and wellness throughout California and would create a long-term shift toward student success and increased financial stability for this generation and future generations of Californians.

### **Program**

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With much success, the GoPass program launched on October 1, 2021, with Los Angeles Unified School District (LAUSD), Culver City Unified School District (CCUSD), and five other school districts and charter school networks.

Enrollment status as of May 5, 2022:

- Fifty-one (51) K-12 Districts and Charter School Networks,
- Five (5) Community College Districts have signed up for the program, and;
- Over one million eligible students in the partnered districts

Metro continues outreach and discussions with the remaining K-12 Districts/Networks and Community College districts in LA County to join the GoPass program. Another forty (40) K-12 Districts and four (4) Community College Districts are in the process of joining.

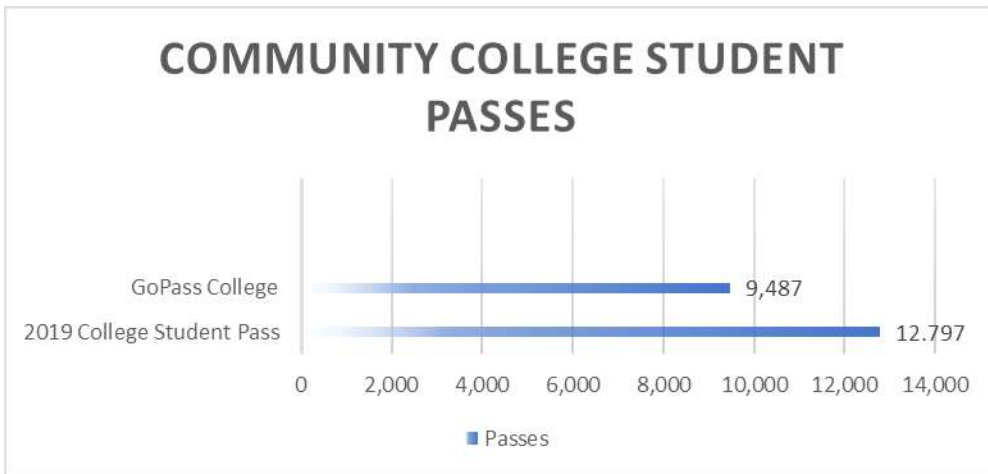
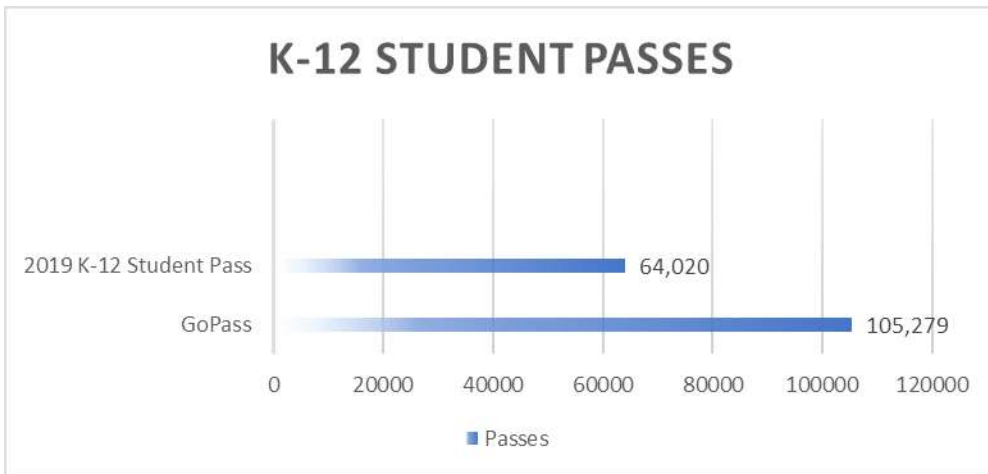
In addition:

- 716,563 GoPass TAP Cards have been distributed to schools
- 114,766 (16% of cards distributed) have been registered in the GoPass portal
- 75,190 (66% of registered cards) are being actively used on the system
- 2.82 Million boardings have been recorded on all participating transit agencies
- Active cards have an average of 38 boardings used to date

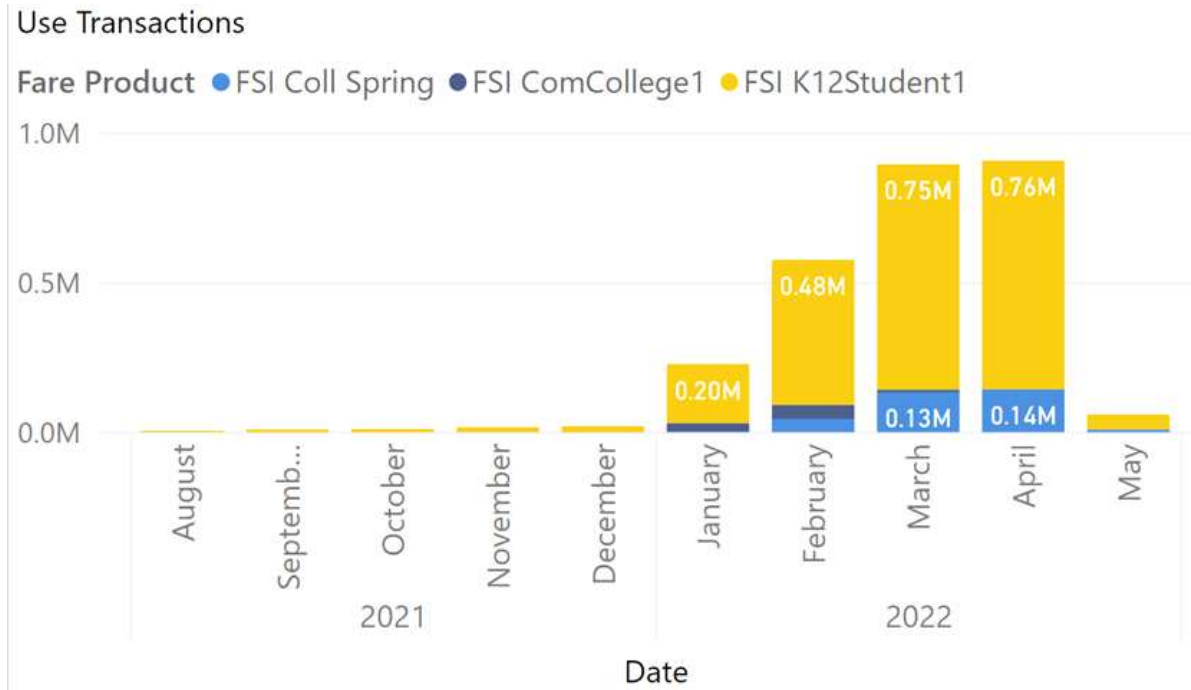
Districts and students have expressed a great appreciation for how easy it is for them to participate in the program and the cost-benefit. Schools say that they have students who rely on the program to get to school daily, and having a pass helps them avoid absences. They also appreciate the time savings in the simplified administration process. Students say that knowing people worked together to create a program that helps them makes them feel like people care about them. They are also grateful for the money that the program saves for them and their families.

GoPass Usage

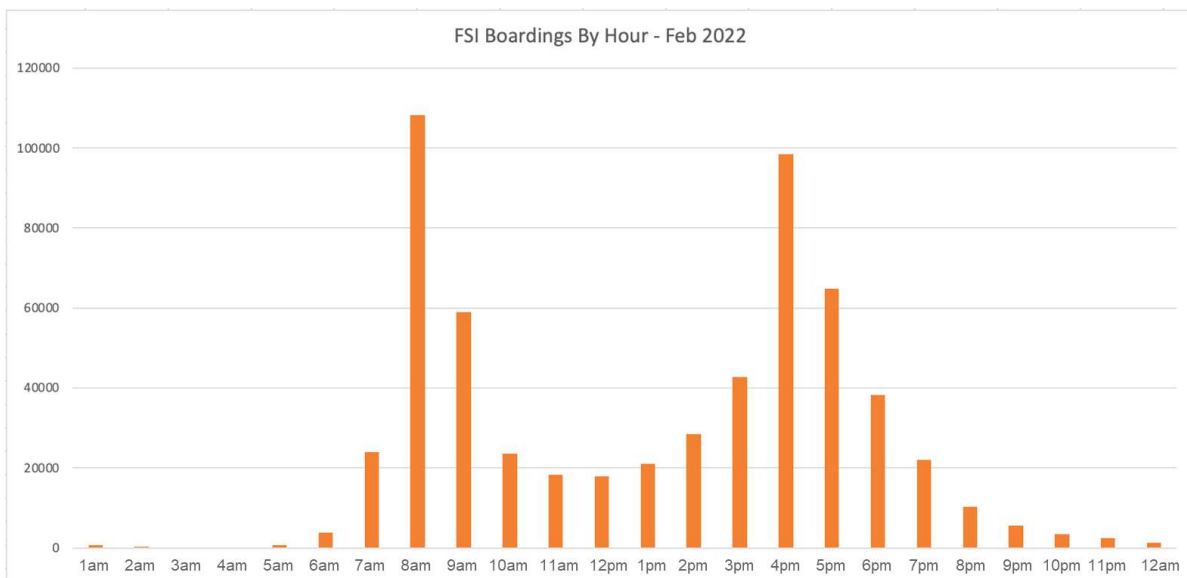
Though the program is only eight months into its two-year pilot, staff has seen considerable benefits of the program. With a focus on equity, early findings have supported that the GoPas Program has increased transit accessibility for students. Currently, K-12 GoPass participants are **64%** above 2019 K-12 cardholders. Community college participants are **74%** of 2019 College/Vocational cardholders, most colleges are still not back to in-person classes.



The increase in pass access has resulted in a 21% increase in K-12 boardings vs. pre-Covid. The tables below show that community college boardings are only 57% of pre-COVID monthly boardings because most colleges are still not back to in-person classes.



Over 90% of boardings are occurring Monday through Friday, with the highest usage peaking at 8 AM and 4 PM, consistent with school hours. This demonstrates that GoPass can be a tool to help address learning loss by removing transportation cost as a barrier to in-person school attendance.



Based on TAP, staff identified the top 5 Metro Bus and Rail Lines:

- Bus
  1. Metro Local Line 16 - DTLA West Hollywood via West 3<sup>rd</sup> st
  2. Metro Local Line 2 (East) - DTLA - Westwood via Sunset Bl
  3. Metro Local Line 4 (East) - DTLA Sonata Monica via Santa Monica Bl
  4. Metro Local Line 233 - Lake View Terrace- Sherman Oaks via Van Nuys Bl
  5. Metro Local Line 33 - DTLA- Santa Monica via Venice Bl
  
- Rail
  1. Metro B Line (Red)
  2. Metro E Line (Expo)
  3. Metro L Line (Gold)
  4. Metro G Line (Orange)
  5. Metro A Line (Blue)

In addition, 88% of GoPass participants who share their household income data are low-income compared to 69% of low-income students in LA County and 70% of Metro riders who meet that threshold.

Partnership with other transit agencies in the region has been vital to the program's success. Students' ability to travel seamlessly throughout the county has contributed to increased participation and active use of GoPass, demonstrating the viability of a true universal transit card. Twelve (12) transit agencies are participating in the program, including City of Commerce, Culver CityBus, Foothill Transit, Gardena Transit (GTrans), LA County Shuttles, LADOT DASH, Long Beach Transit, Montebello Bus, Norwalk Transit, Pasadena Transit, Santa Monica Big Blue Bus, and Torrance Transit.

### Next Steps

Staff is working with faculty at UCI to analyze the results of the GoPass program under various research grants they have available. The analysis will be conducted in Year 2 and will include: changes in participation, boardings, frequency, and purpose of usage; school success indicators such as attendance and graduation rates; effect on customer experience, safety and security, and operations; and cost for both Metro and other agency participation. Prior to completing the comprehensive evaluation, staff will conduct focus groups with school administrators and students to obtain qualitative data on the GoPass program.

Efforts will continue to encourage students to obtain and register their GoPass cards, including exploring in-kind partnerships with LAUSD. Community engagement will continue with community

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events to increase student participation. Staff recently participated in the YMCA Healthy Kids Day event at the LA Coliseum, which had 2,000 attendees. In summer, GoPass will launch a monthly prize drawing for registered cardholders, including tickets to various entertainment venues around LA County that can be accessed via transit, such as museums and amusement parks. A promotional campaign will be developed to get schools to register students, with prizes going to the top schools. As Year 2 begins in the Fall semester, the GoPass team will be partnering with schools to participate in back-to-school events to promote the program.

## **FSI-Phase 2 Low Income**

Metro embarked on an intensive process of studying and identifying challenges, and opportunities related to eliminating fares on Metro buses and trains. The FSI program is managed in a phased pilot approach, starting with Phase 1 K-14 students and expanding to Phase 2 to include low-income riders who meet Metro's existing low-income qualifications at a future date when funding can be secured.

### State Funding Opportunities

Metro has aggressively advocated for state funding to support free fare programs in the State of California. The Metro Board of Directors signed a letter communicating the Golden Opportunity Package, a bold and innovative funding proposal for how the State should spend its historic surplus. In that proposal, the Board identified that the State should allocate a portion of the surplus to transit agencies to support free fare programs. The Legislature has begun initial hearings on the state budget, and Metro has communicated support for that funding with key members and staff.

The Legislature is expected to consider various legislative proposals to support free fare programs. As of the writing of this report there are two proposals to support reduced and free fares in Sacramento. Assembly Member Holden is advancing AB 1919 which could create a grant program to support reduce fares for persons under the age of 25. The final details of this legislation are still being discussed at this time. The Governor has also proposed to provide funding for transit agencies who offer free fares as an offset to both inflation and high gas prices. Assembly Member Holden's proposal is advancing through the regular legislative process and the Governor's proposal will be considered as a part of the overall State Budget. We will also be looking at the requirements in state law relative to farebox recovery. It is important that the State address this issue comprehensively as there are currently more than 165 State laws that govern transit fares and farebox recovery as a requirement for funding eligibility. Established Board policies allow us to support those measures as they are introduced. Metro staff will continue to push for legislation supporting these programs and keep the Board apprised of any new developments.

### Federal Funding Opportunities

Consistent with our Board-approved Federal Legislative Program, Metro has been and remains a national leader in advocating for Congress and the White House to provide federal funding for reduced-fare and fare-free transit services. With the strong support of our Board of Directors and our

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CEO - Metro effectively advocated for the House Transportation and Infrastructure Chair Peter DeFazio (D-OR) to include a grant program for reduced-fare and fare-free transit services in the Build Back Better reconciliation bill he authored last year - which the full House later adopted.

Unfortunately, the House passed a measure that included a section that provided for federal funding for reduced-fare and fare-free transit services but was never adopted into law due to the failure of the U.S. Senate to consider their version of a Build Back Better reconciliation measure. Metro continues to work with California's two U.S. Senators to ensure that the House reconciliation language on reduced-fare and fare-free transit service grants be retained should the U.S. Senate consider their version of a Build Back Better reconciliation bill in the second session of the 117th Congress. Parallel to this effort, Metro is exploring funding made available through the Bipartisan Infrastructure Law that could be used to support a reduced-fare or fare-free transit initiative at our agency. In addition, last month Metro submitted earmark requests for our Fareless System Initiative (FSI) with members of the Los Angeles County Congressional Delegation to secure (for the first time) federal support for our FSI initiative.

Metro will remain a national leader on this issue by continuing to work with local, regional, state-wide, and national stakeholders who share our strong support for securing federal support for reduced-fare and fare-free transit services and to seek waivers for farebox recovery mandates.

### **LIFE Program**

Reducing the financial barrier posed by transit fares is a significant step in improving the equity of access to Metro's transit system. The expansion and enhancement of the LIFE program reduces transportation costs for low-income riders as well as further advances social and economic mobility for economically disadvantaged individuals while Metro continues to seek funding to implement FSI Phase 2 (low-income adults). Staff has continued to employ strategic and tactical actions that have streamlined and enhanced the LIFE program, increased enrollments, and furthered access to public transit for low-income riders.

### **Double Enrollment Goal**

To meet Metro's double enrollment goal, staff has advanced efforts through a LIFE Program Strategic Double Enrollment Plan (Enrollment Plan) to double the number of LIFE program enrollees by the end of 2022. The comprehensive Enrollment Plan was presented to the Board in December 2021. As shown, the Enrollment Plan served as a framework for strategies, tactics, and activities to increase program enrollments. The Enrollment Plan is delivered in partnership with LIFE program administrators, FAME Assistance Corporation (FAME), and the International Institute of Los Angeles (IILA), a network of CBO partners, public agency social service providers, regional transit operators, and other internal and external partners of Metro.

Staff's coordinated efforts have focused on increasing LIFE program enrollments through tactics such as direct enrollment, co-enrollment, marketing, promotion, and referrals; and transformative approaches such as:

- A streamlined LIFE application process that enables on-the-spot enrollment and allows applicants

to self-certify;

- Online application enrollment;
- Deep discounts such as the three months of fareless transit to new enrollees upon fare resumption; and
- Other strategic and coordinated tactics.

The Enrollment Plan is centered on the core themes of informing, identifying and enrolling low income people throughout Los Angeles County in a manner that meets people where they are in life, and the plan is centered around the core strategies:

- **Identify:** Employ wide-ranging efforts to identify qualifying program participants.
- **Inform:** Leverage Metro's coordinated, proactive outreach and engagement plan to inform low-income riders, people, and households about the enhanced LIFE program and discounted transit benefits to support program enrollment.
- **Enroll:** Mobilize LIFE program community partners, public agencies, and Metro staff to facilitate networked resources to create a seamless and streamlined process for people to apply to self-certify.

As a result of staff's coordinated efforts, including the network of community-based partners, municipal agency partners, and municipal transit agencies, Metro continues to increase new enrollments in the LIFE program that remain on-track with staff's projections to double LIFE program enrollees to 182,172 by the end of 2022.

As of May 6<sup>th</sup>, there are 49,117 new LIFE participants, representing 53.9% of the double enrollment goal and bringing the total LIFE program participants to 128,218. The new enrollments can be attributed to the various coordinated efforts, the improvements to the program, which have resulted in a more accessible, seamless application and enrollment process, and tangible results such as:

- 56% of new enrollments submitted through the new online application/portal
- 39% of applications submitted self certified; and
- 51% of new applicants requested and were issued a TAP card.
- Average enrollments are up 65% from pre-Covid



### Average Enrollments Per Week



The measurable outcomes are also attributed to an increase focus on customer engagement and customer experience. The program improvements and demonstrated outcomes as of the reporting period are also attributed to Metro Customer Centers which as of August 2021 all five Customer Centers were designated as LIFE application intake locations which increased overall accessibility to the program and ease for new applicants to submit an application and receive program information.

- Customer Centers intake approximately 200 LIFE applications weekly
- Approximately 4,700 LIFE applications have been submitted via Metro Customer Centers as of the reporting period.

### Measurable Changes in Access to Passes

#### Key Findings (Attachment C)

- The 90-day LIFE pass and discounted passes encourage riders to buy more Metro 7-day and 30-day passes
- Stored value is the most popular choice among LIFE riders(used for inter agency transfer)
- Many riders transition from the 90-day free pass to the discounted 30-day pass

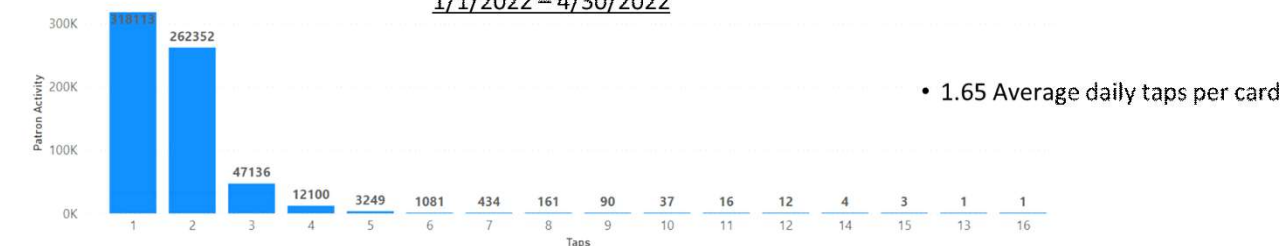
### Measurable Ridership Outcomes

In addition to the steady increase in LIFE program enrollments measurable ridership outcomes continue to be demonstrated.

9/1/2019 – 12/31/2019



1/1/2022 – 4/30/2022



- LIFE participant ridership is up 6% from ridership prior to the impacts of the Coronavirus (COVID-19);
- LIFE riders travel 8% more per day
- Average peak LIFE participant transactions more than tripled from the 114,922 to 401,680 from 2019 (pre COVID-19) and early 2022 (post COVID-19)

Additional findings are included in Attachment C.

Regional and Community Based Partnerships

Staff continues to collaborate with partner agencies to identify solutions to identify, inform, and co-enroll eligible low-income clients in the LIFE program. Metro is collaborating with community-based organizations, including County and City of Los Angeles agencies, to assist with mass program promotion, outreach, and referral. Metro is pursuing high-touch opportunities to facilitate co-enrollment for low-income clients of County public agency service providers. Recognizing the social, equity, health, and economic benefits for low-income individuals and households to gain access to public transit through the deep discounts afforded by the LIFE program,

In accordance with the Board Motion, Metro has partnered with community-based organizations (CBO’s) to support grass-root outreach and referral services for the LIFE program. Metro’s CBO

partners include the Korean American Federation LA (KAFLA), YMCA Greater Los Angeles, and Pacoima Beautiful. In addition to the primary partnerships, through the partnership with KAFLA, additional outreach services are being provided through a network of CBO sub-partners such as: Koreatown Youth & Community Center, Homies Unidos, Hwarang Youth Foundation, Partnership for Growth LA, and Anti-Recidivism Coalition (ARC).

Metro's CBO partners have been deployed countywide to provide multilingual outreach and support to hard-to-reach populations such as low-income and cash-paying riders and others at Metro stations, community events, food banks and other locations. Metro's CBs assist qualifying riders with enrollment applications and support the overall public engagement campaign. Since February 2022, Metro's CBO partners have:

- Held more than 60 in-person outreach events at Metro transit stops and stations
- Distributed more than 6,000 flyers and brochures in English, Spanish, Korean and Chinese to potential enrollees
- Distributed electronic LIFE information via email and text message to more than 100,000 people.

Metro staff will continue to work with CBO partners to expand their reach. Staff will continue to work with the network of CBO partners to collect and evaluate feedback received from new LIFE program participants and potential enrollees. The information will be utilized to adjust and better focus outreach efforts as well as identify new strategies over the summer. Staff will focus on engaging the LIFE program administrators and the CBO partners to review and evaluate the outreach efforts' effectiveness, devise new outreach strategies, and review the program's overall effectiveness. The evaluation will be performed in accordance with the Motion and will commence within the next 30 days.

### Marketing and Media Efforts

Metro continues to ensure robust outreach, engagement, and promotion tactics that have furthered the LIFE program improvements and increased enrollments in support of the double enrollment goal. As a result of focused tactics, the LIFE media campaign has delivered 15.5 million trackable impressions and 39,000 clicks resulting in 5,500 trackable online applications as a result of focused tactics. This simply means that on average every \$8.50 that Metro spends in trackable advertising has resulted in a new LIFE program applicant. Metro continues to run paid media in various platforms such as English & ethnic print, terrestrial radio, display, and paid social, including bus benches, fast food screens, laundromat banners, billboards, and other paid media platforms. Staff will continue to implement inclusive and innovative outreach, promotion, marketing, and media tactics.

### DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on the safety of our customers and employees. Metro is committed to delivering service that is safe and reliable for our customers.

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## **FINANCIAL IMPACT**

The estimated revenue loss of Phase 1 of the Fareless System Initiative is \$49.9 million dollars. Funds from the school district cost-sharing and the Federal American Recovery Plan Act (ARPA) will be used to cover the program's revenue loss.

### **Impact to Budget**

The funding source for the FSI Phase 1 is Enterprise Fund operating revenues from district cost-sharing and ARPA. The source of funds for this action, operating revenues, is eligible to fund bus and rail operating expenditures.

## **EQUITY PLATFORM**

At its core, the goal of the FSI Pilot Program is to achieve greater equity by reducing barriers and improving access to transit for all communities. Currently, 88% of registered GoPass users are low-income. This is higher than our systemwide average of 70% low-income riders measured pre-COVID, in the most recent Onboard Customer Survey in Fall 2019.

For students, access to transit increases the probability of students becoming long-term transit riders, improves school attendance and academic performance, and increases participation in extracurricular activities and employment. Increased transit ridership adds social and environmental benefits to the LA region. Further, even non-transit riders depend on frontline workers' essential services and skills. Reducing barriers to both transit and access to essential workplaces for these workers can further bolster regional recovery from the COVID-19 pandemic. Transportation is a basic need for the Los Angeles region, Phase 1 of the FSI pilot makes Metro more accessible while providing some financial relief from transportation costs on students.

One of the considerations identified for Phase 1 was that low-income families would still need to pay fare when accompanying their minor students. However, the opportunity for students to participate in a fareless program reduces the cost for the whole family to travel together. In addition, participating schools simultaneously promote participation in the Low Income Fare is Easy (LIFE) program for other family members.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Approval of this recommendation supports Metro's Strategic Plan Goal 3) Enhance communities and lives through mobility and access to opportunity and Goal 4) Transform LA County through collaboration and leadership. Metro will continue work toward providing accessible and inclusive services for the residents of Los Angeles County.

**NEXT STEPS**

Staff will continue expansion and analysis of FSI Phase 1 while continuing to seek funding and policy changes for Phase 2 of the program and continue the enhancement efforts for the LIFE program.

**ATTACHMENTS**

Attachment A - File # 2021-0372 May 2021 Board Motion 45 on FSI

Attachment B - Board Motion 40

Attachment C - LIFE Data

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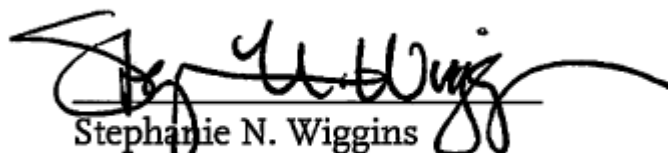
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Stephanie N. Wiggins  
Chief Executive Officer

**Board Report**

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**File #:** 2021-0372, **File Type:** Motion / Motion Response

**Agenda Number:** 45.

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**REVISED**  
**REGULAR BOARD MEETING**  
**MAY 27, 2021**

**Motion by:**

**DIRECTORS GARCETTI, MITCHELL, AND KREKORIAN**

Fareless System Initiative

Metro's Fareless System Initiative (FSI) is one of the most transformative efforts Metro can take to help Los Angeles County emerge from the pandemic, advance equity, reduce transportation emissions, simplify students' return to school, and increase ridership.

The pandemic has hit students hard. Once the Department of Public Health and schools deem it safe for students to fully return to in-person learning, Metro, municipal operators (munis), and school districts should do everything possible to make the transition back effortless for these families. Studies across the country have shown that the lack of access to transportation is a barrier to student attendance and, therefore, academic success.

Moreover, Metro riders' median household income is \$19,325 systemwide, with approximately 70 percent of Metro riders considered low-income under federal Department of Housing and Urban Development definitions. Many of our riders depend on Metro to reach their jobs as essential workers, and during the pandemic they suffered unavoidable financial impacts. Fareless transit would alleviate some of this burden, helping Los Angeles County get back on its feet.

As the FSI pilot has been developed, the following items remain to be finalized:

1. An efficient implementation process, as well as agreements with the school districts, needs to be put in place to distribute fareless K-12 and Community College student passes.
2. A final funding plan needs to be created.
3. A key concern of municipal operators is the continuation of existing funding agreements with community colleges. These funding agreements have, in many cases, taken years to negotiate. While FSI remains a pilot, these agreements and processes should be kept in place.
4. A mission statement and goals are necessary to help communicate the need for this program.
5. The existing FSI Task Force that developed the pilot should be re-formed to focus on implementation.

Board action is required to ensure these key areas of risk can be addressed and to provide clarity on

FSI's advancement and next steps.

**SUBJECT: FARELESS SYSTEM INITIATIVE**

**RECOMMENDATION**

APPROVE Motion by Directors Garcetti, Mitchell, and Krekorian that the Board direct the Chief Executive Officer to implement the Fareless System Initiative, subject to a final financial plan and while pursuing cost-sharing agreements.

WE FURTHER MOVE that the Board direct the Chief Executive Officer to:

*Administrative Coordination*

- A. Develop strategies to streamline and simplify the eligibility process for participants, striving to remove as many barriers to entry as possible;
  - 1. Include an evaluation of a self-attestation process for low-income riders;
- B. Partner with school districts on administrative coordination to enable availability at pilot launch to all LA County school and community college districts (based on each district's interest), including but not limited to any required Memoranda of Understanding or TAP coordination;

*Funding*

- C. In partnership with implementation partners and key stakeholders, pursue and support federal and state opportunities and legislation to fund the Fareless System Initiative, both the pilot phase and any permanent program (should the Board decide to continue past the proposed pilot period), including but not limited to the federal Freedom to Move Act;
- D. Pursue reasonable cost-sharing agreements with school districts;
  - 1. Seek to take advantage and leverage any existing student transportation fee programs (e.g., student-approved LACCD fees);
  - 2. Seek to preserve existing funding agreements between school districts and transit operators;
    - a. Wherever municipal operators have existing fareless agreements with community college districts, consider accepting muni student transit passes on Metro for the duration of the pilot;
  - 3. Seek new funding agreements for districts without any existing discounted or fareless student pass programs (e.g., U-Pass);
- E. Consider pursuing private funding opportunities, including but not limited to philanthropic partnerships;

*Follow-Up*

F. Report to the Board monthly on the development, launch, and performance of the Fareless System Initiative. The first update should include:

1. A mission statement and goals for the FSI pilot;
2. Lists of interested municipal operators, school districts, and community college districts;
3. An update on the refined FSI financial plan; and
4. Identification of a cross-departmental implementation team.

**HAHN AMENDMENT:** Direct the Chief Executive Officer to prepare a financial plan for the implementation of a Fareless System Initiative that meets the conditions provided below to the Board's satisfaction:

1. Municipal and local operators that choose to participate will be fully included and provided the same type of fare subsidy as Metro transit operations, in order to ensure a seamless rider experience regardless of geographic location or transit provider;
2. The initiative is funded without reducing existing transit operations or state of good repair expenditures or by using regional funding typically committed to bus and rail transit operations or intended for the capital program;
3. Opportunities to expand or adjust existing fare subsidy programs to maximize community benefit have been studied and presented to the Board; and,
4. An initiative can be scaled and/or targeted in a manner that best aligns with Metro's Equity Platform, adopted by the Board in March 2018.

**MITCHELL AMENDMENT:** Direct Metro CEO to Continue the current fare collection policy in perpetuity until the Metro Board is satisfied with a financial plan for Fareless.

**BONIN AMENDMENT:**

1. Report back in the financial plan with information on the costs, including administration, technology, and enforcement, of the proposed pilot program compared to a universal fare-free system.
2. Include in the overall final program evaluation:
  - a. Reach of the program, including student and low-income participation rates.
  - b. Effectiveness of the program in improving mobility, increasing student attendance and performance, shifting travel behavior, reducing automobile use, and increasing transit ridership.



- c. The net cost of the program and cost per rider.

**SOLIS AMENDMENT:** Report back on the feasibility of using the Federal American Rescue plan funding for the pilot.

**Board Report**

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**File #:** 2021-0627, **File Type:** Motion / Motion Response**Agenda Number:** 40.

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**REVISED**  
**REGULAR BOARD MEETING**  
**SEPTEMBER 23, 2021****Motion by:****DIRECTORS MITCHELL, SOLIS, GARCETTI, SANDOVAL, BONIN, AND DUPONT-WALKER**

Related to Item 35: Fareless System Initiative (FSI)

Effective March 23, 2020, former LA Metro CEO Phil Washington ordered that all passengers shall board the rear door when entering an LA Metro bus and, accordingly, removed the requirement for bus passengers to use the fare box. This practice was established to reduce the risk of COVID-19 transmissions on transit and to protect transit operators at the front of the bus from potential exposure to COVID-19. While put in place as a health pandemic response, this practice has been one of the most effective strategies in our region to respond to the economic pandemic our communities face.

Riders and community advocates quickly embraced LA Metro's fare free bus service and in August 2020, CEO Washington announced the formation of the Fareless System Initiative (FSI) Task Force to study the potential for continuing fare-free service as a recovery strategy to continue after the pandemic. The Task Force's research confirmed what riders already know; that LA Metro's riders are overwhelmingly low-income people of color for whom transit fares are an economic burden and for whom fare enforcement perpetuates racial disparities. Furthermore, the Task Force found that a fareless system would grow ridership and help the region meet its mobility, congestion reduction, and sustainability goals more effectively than almost any other LA Metro initiative. Buoyed by these findings, on May 27, 2021, the Board directed staff to proceed with FSI, subject to a final financial plan, which is before the Board for consideration today.

The financial plan identifies funding for free student passes as Phase 1 of FSI. Staff has moved quickly to build on the previously existing U-Pass program to expand free student passes to students in every participating school district throughout the county. However, the financial plan does not identify the funding needed to move forward and launch Phase 2 of FSI, which would serve all low-income riders. In the interim, staff proposes to build on the existing LIFE Program as a first step toward FSI Phase 2, until additional funding can be secured.

Increasing enrollment in the LIFE Program is an important interim step for an expansion of FSI. If implemented, it will create a pre-qualified pool of applicants for FSI Phase 2. While enrollment has grown since its launch in 2019, the LIFE Program still falls far short of its intended impact, largely due

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to intimidating, restrictive, and tedious enrollment barriers. The current LIFE Program design will require an overhaul to meet the needs of eligible low-income riders. Namely, the LIFE Program must be far easier to enroll in, more accessible, easier to pay for, and truly affordable for low-income riders.

Our communities are still faced with a dual economic and health pandemic that racial and economic inequalities have further exacerbated. Programs across this region-created to support families in need-will be expiring later this year, despite evidence that these programs have collectively spurred a record drop in poverty (as much as half according to the Urban Institute). Costs will quickly escalate for families, many of whom are still unemployed, taking care of children and loved ones at home, and paying off rental debt. LA Metro must do more to prevent the resumption of fares from exacerbating economic distress among economically vulnerable people in our communities. Removing financial barriers for those who cannot afford transportation creates a lifeline for those who need access to essential travel.

Revamping the LIFE Program will alleviate the impact of fares on low-income riders while preparing LA Metro to implement FSI Phase 2.

**SUBJECT: AMENDMENT TO FARELESS SYSTEM INITIATIVE (FSI)**

**RECOMMENDATION**

APPROVE Motion by Mitchell, Solis, Garcetti, Sandoval, Bonin, and Dupont-Walker that the Board direct the Chief Executive Officer to:

- A. Develop a plan to double the number of LIFE Program enrollees by the end of 2022.
- B. Expedite a streamlined application system that enables on-the-spot enrollment and the immediate issuance of LIFE Program benefits through a process that allows applicants to self-certify qualification in the program. Applicants should attest that their information and eligibility in the program is accurate under penalty of fine.
- C. Ensure the fare capping pilot approved by the Board in March 2021 applies to LIFE Program participants.
- D. Expand partnerships with local, state, and federal public benefit programs to automatically enroll members in LIFE upon qualification.
- E. Partner with community-based organizations to canvass LA Metro buses and trains to enroll qualifying riders.
- F. Provide three months of fareless transit to new enrollees as an incentive to enrollment, beginning upon the resumption of fare collection.
- G. Evaluate whether qualified applicants can enroll in the LIFE Program with the next generation of touch screen TAP Vending Machines.

WE, FURTHER MOVE, that the Board direct the Chief Executive Officer to:

- H. Continue the current boarding practices until prospective participants can enroll-on-the spot and self-certify their eligibility, with no less than 90 days for promotion and 45 days for enrollment before fare collection resumes. The resumption of fare collection should also be subject to a 45-day awareness-building period that fares collection will resume as detailed in Attachment I of the September 2021 FSI report (Board File 2021-0574).
- I. Return to the Board in January 2022 with an update on LIFE Program changes.
- J. Conduct a LIFE Program evaluation - in partnership with community-based organizations -- to:
  - 1. Develop additional strategies that support the enrollment of new participants in the LIFE Program.
  - 2. Survey and convene current and prospective LIFE Program enrollees on how well the current program meets the needs of eligible applicants.
  - 3. Review current benefit levels and recommend changes, as appropriate.

**BONIN AMENDMENT:**

I would like Metro staff to come back to us in your next report with a more reasonable evaluation of the benefits and costs of going truly fareless. This analysis needs to consider:

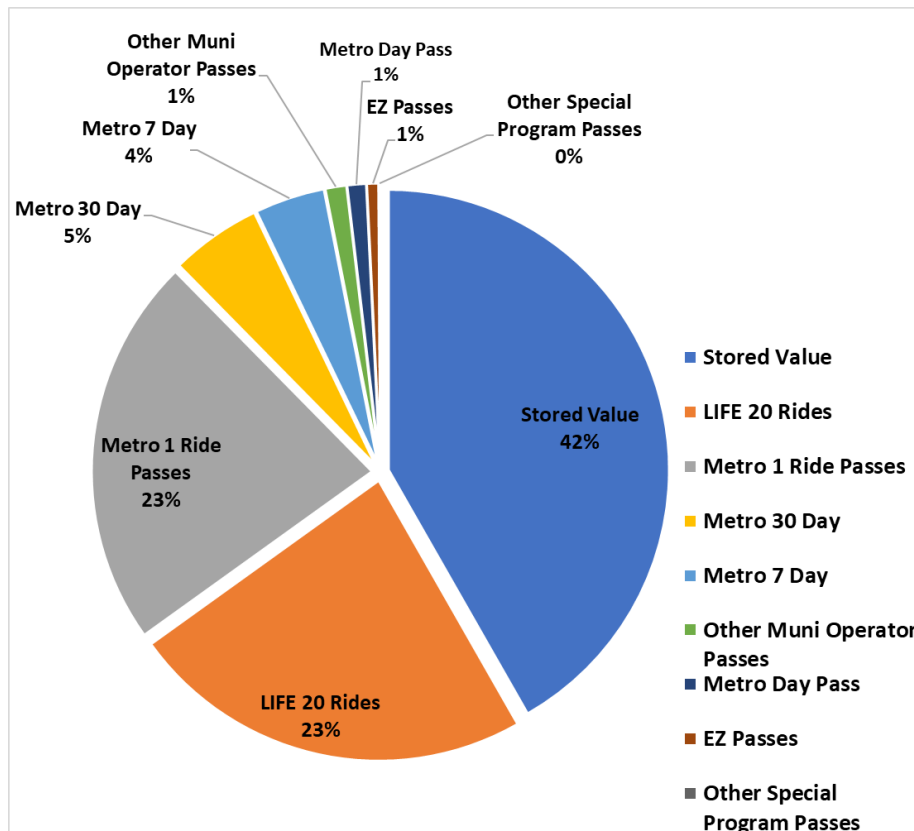
- A. A phased approach that winds down contracts rather than breaching them.
- B. The cost of anticipated upgrades and maintenance of our fare collection system that could be avoided.
- C. Realistic ridership and fare revenue forecasts that take into account actual ridership trends, use today's ridership as a baseline, and factor in already Board-approved discounts, including today's actions.
- D. Operational savings from reduced bus dwell times and reduced staff needs for fare collection and enforcement.
- E. Validating cost assumptions from munis.
- F. Looking more holistically at Access Services, including potential savings from Federal waivers and coordination with Microtransit; and
- G. Look at universal \$26 pass proposal from Bus Riders Union.

**KUEHL AMENDMENT:**

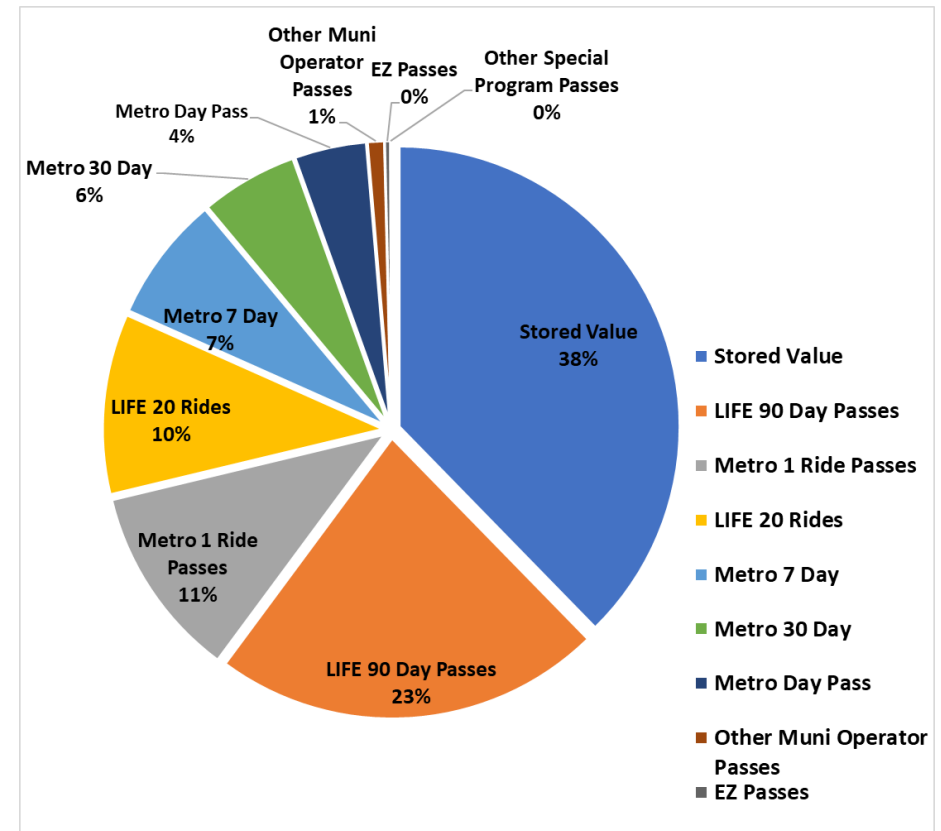
Report back on the communication plan.

# Riders Prefer Longer Duration Passes and Stored Value

9/1/2019 – 12/31/2019

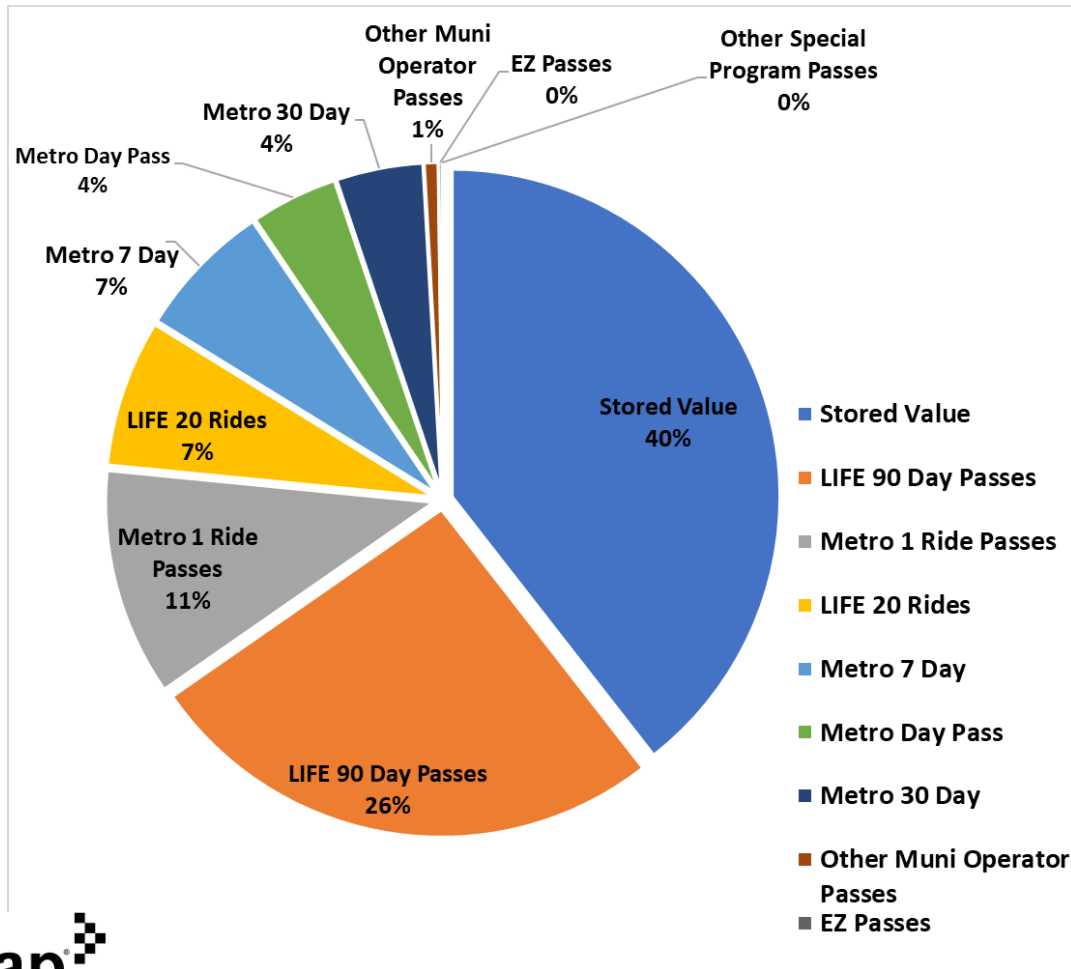


1/1/2022 – 4/30/2022

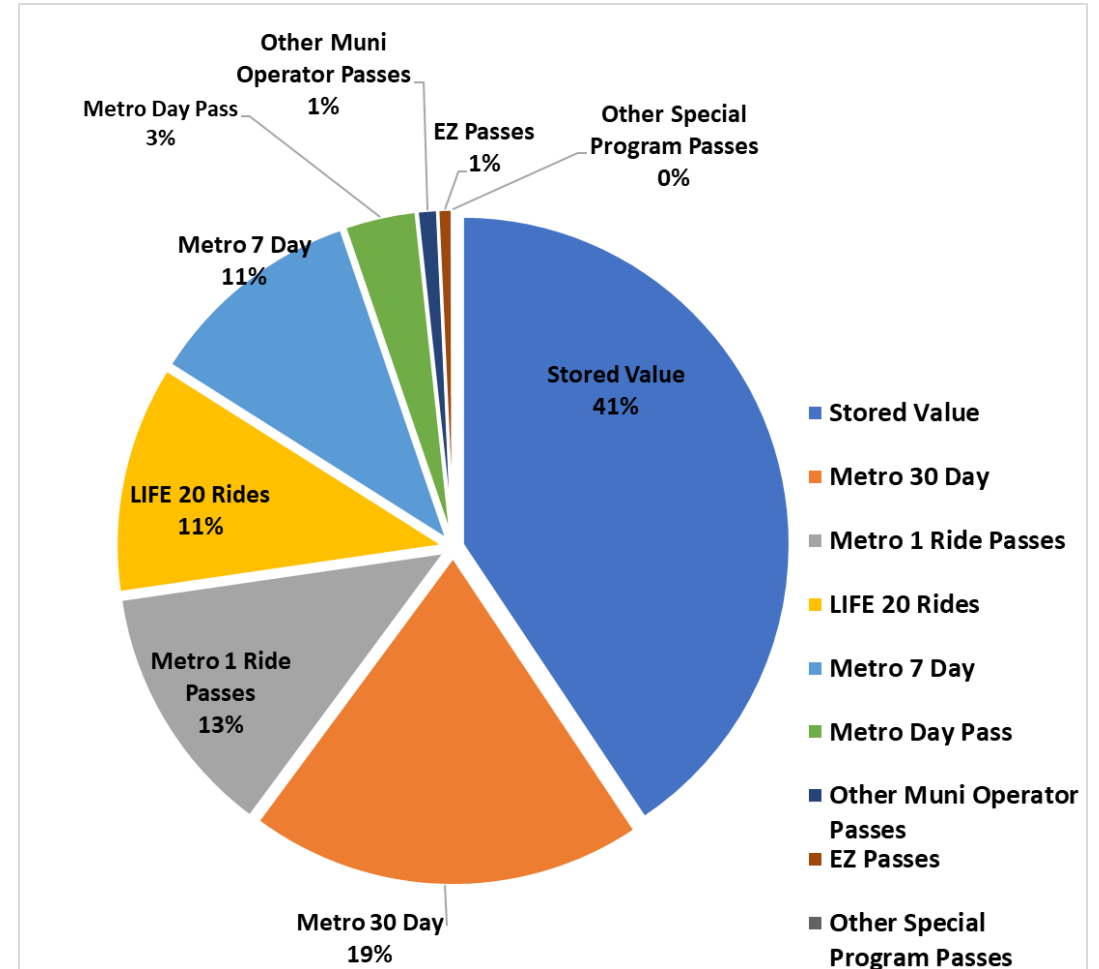


# Pass Choices During and After 90-day Pass Expires

Pass choices for LIFE riders during 90-day pass

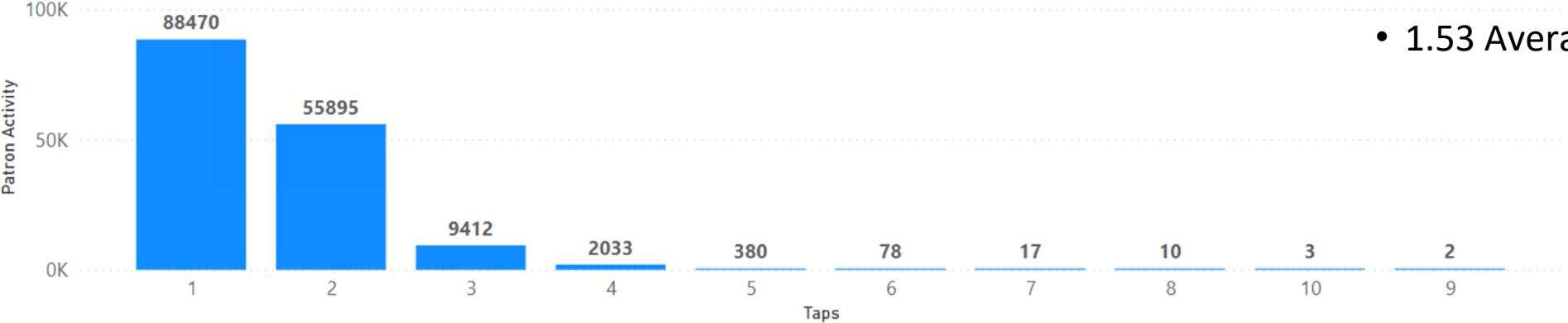


Pass choices after 90-day pass expires



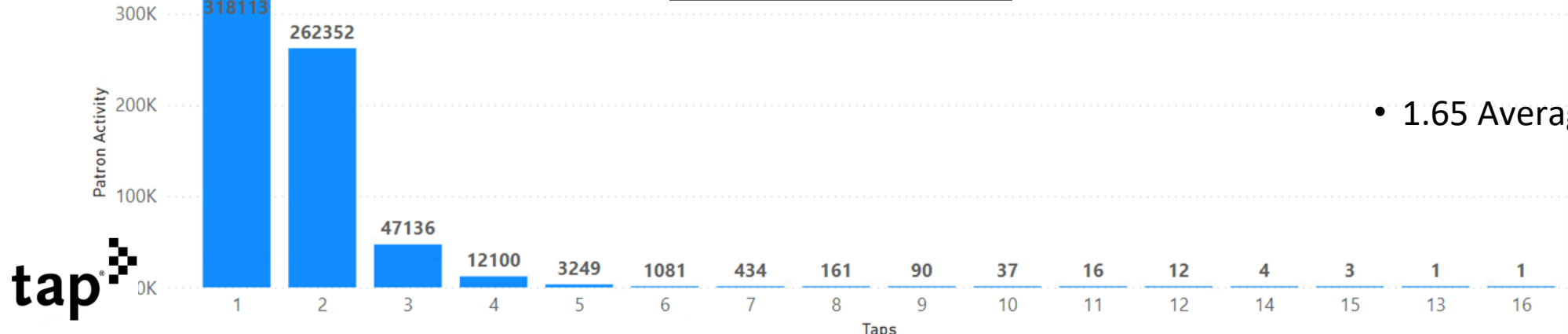
# Daily Taps per LIFE Rider

9/1/2019 – 12/31/2019



• 1.53 Average daily taps per card

1/1/2022 – 4/30/2022

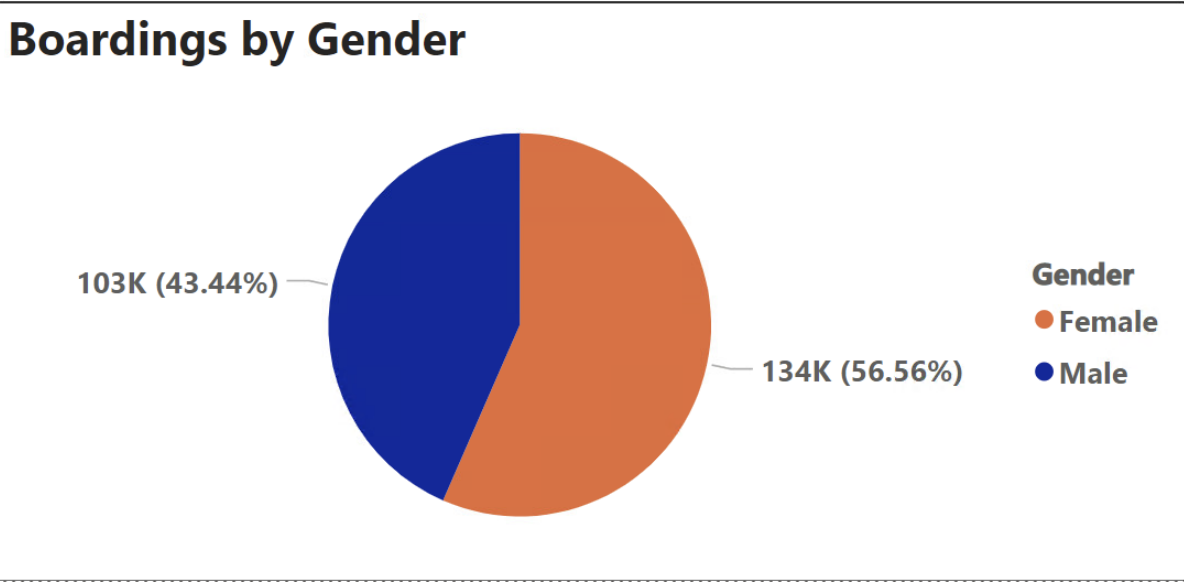


• 1.65 Average daily taps per card

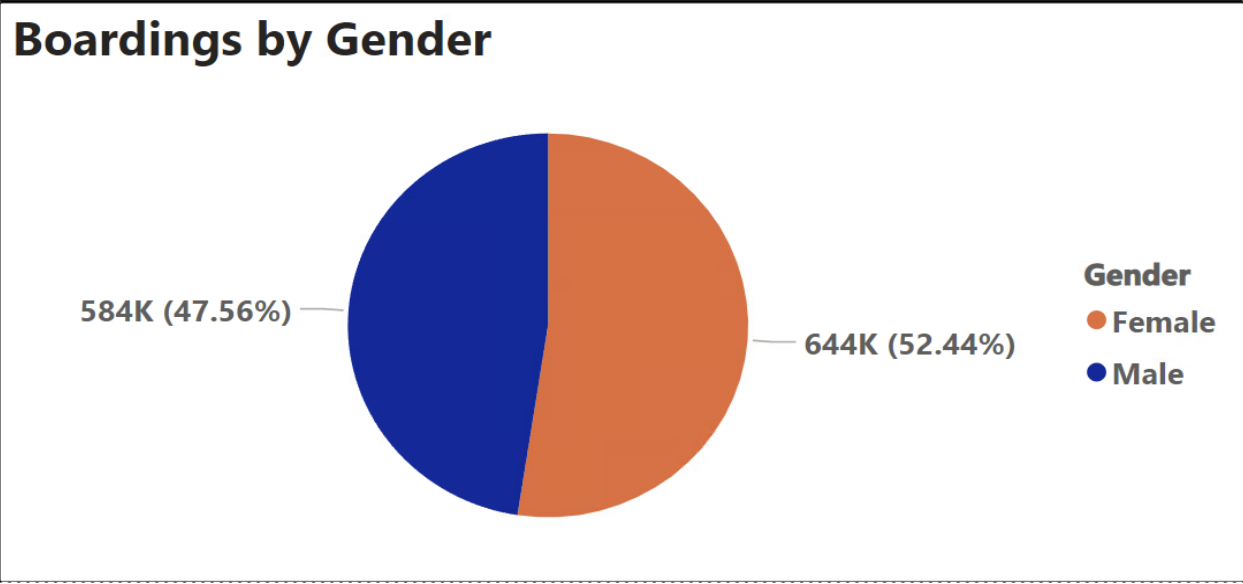


# LIFE Boarding Comparison

2019



2022

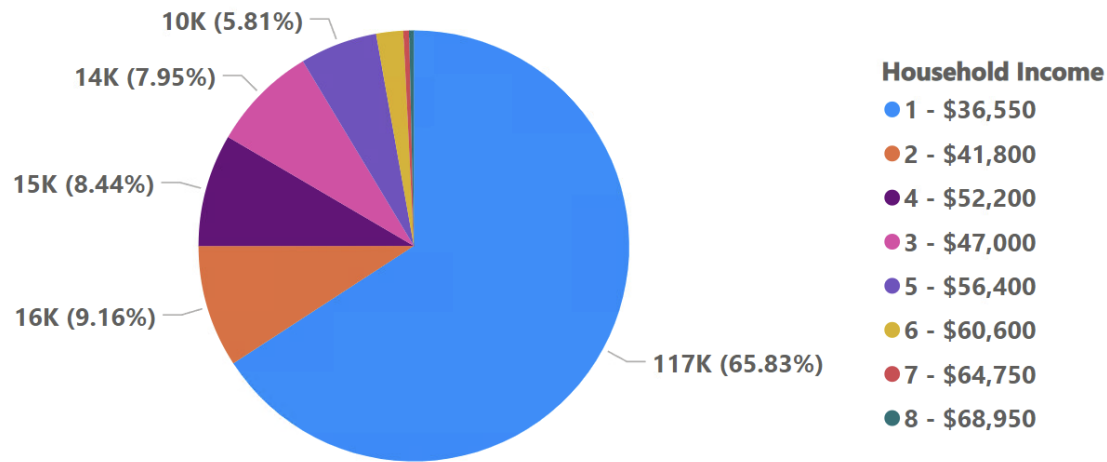




# Riders in the Lowest Income Bracket Ride More Often

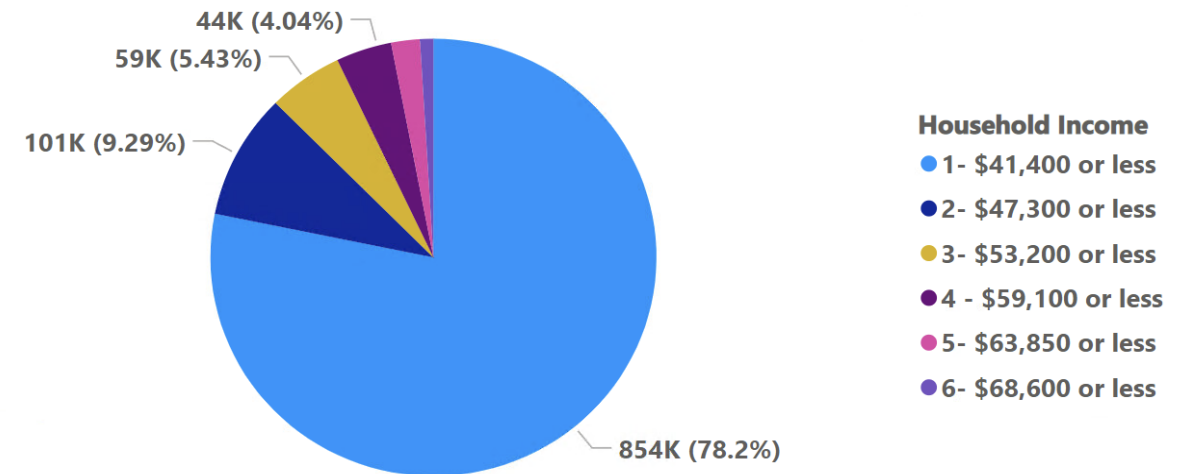
**2019**

**Boardings by Household Income**

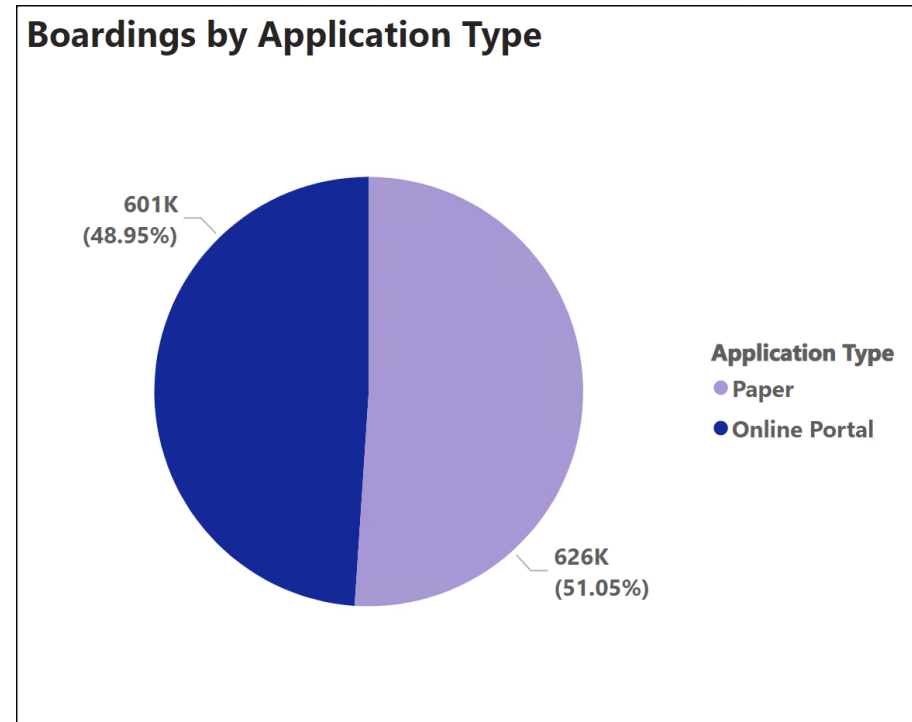


**2022**

**Boardings by Household Income**

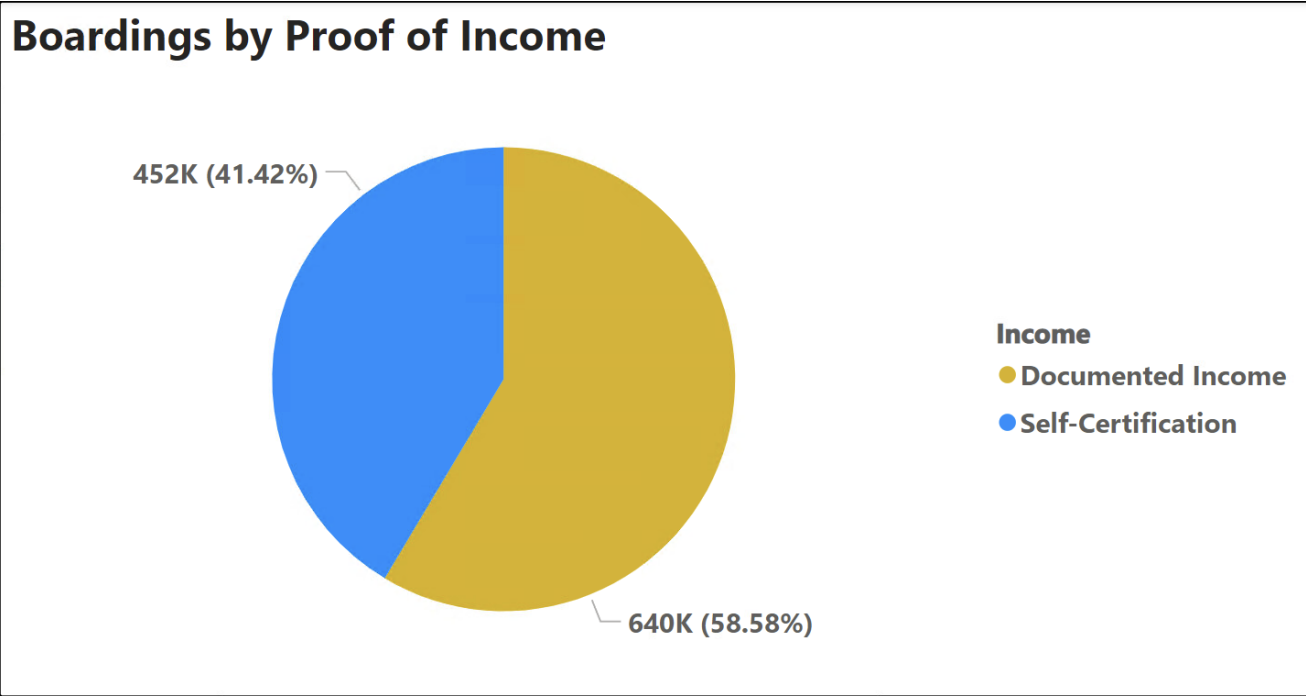


# Paper and Online Applicants Ride with Similar Frequency



- 2019 - No online portal

# Riders Documenting their Income Take More Trips



- 2019 - No self-certification option



In **over two years**, from the beginning of the LIFE program in 2019 until June 2021, the LIFE program attracted 84,594 participants.

After June, **in 11 months**, the life program increased by 62%.

Total Participants **before** June 1st, 2021  
(26 months)

**84,594**  
Total LIFE Participants

Total Participants **after** June 1st, 2021  
(11 months)

**52,733**  
Total LIFE Participants

Total **Current** Participants  
(37 months)

**137,229**  
Total LIFE Participants

# Average Enrollments Per Week

**257**

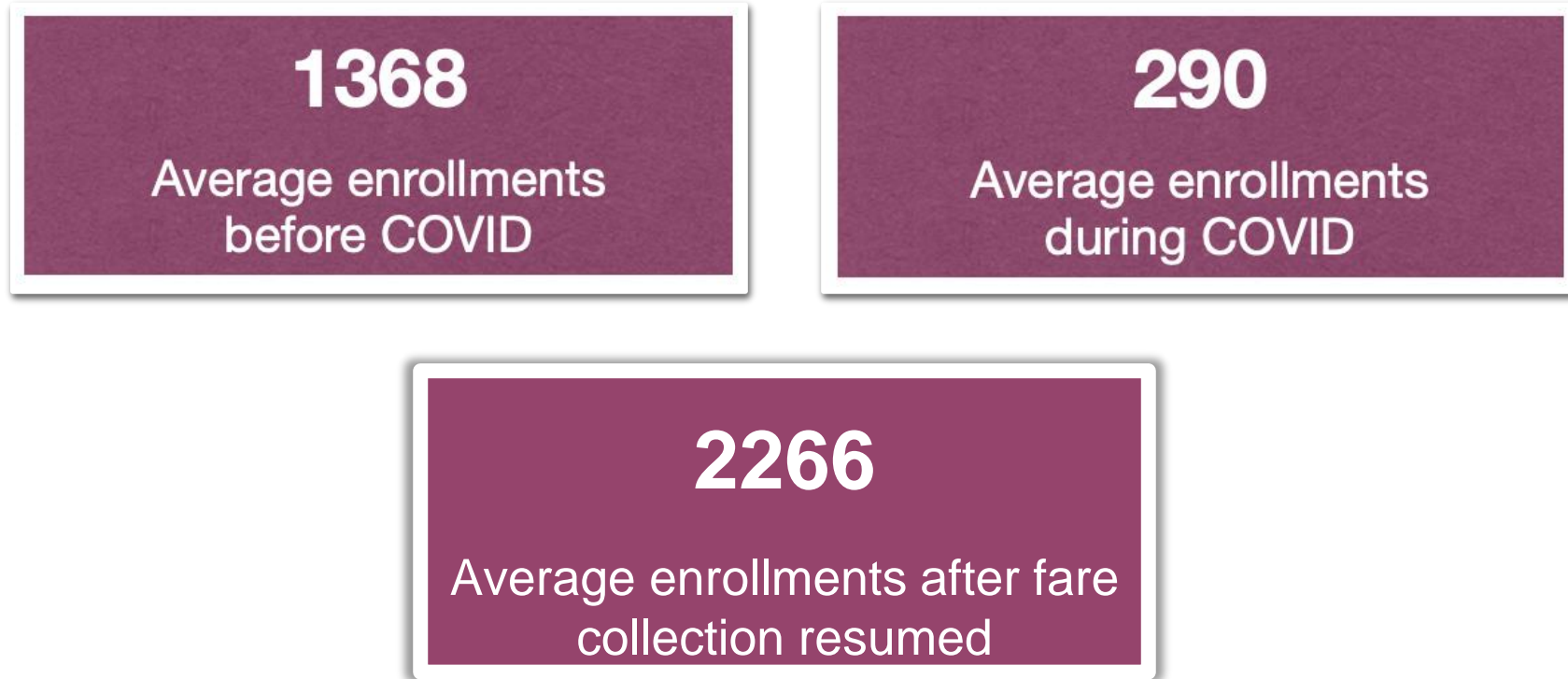
Average enrollments per week  
(01/10/21 – 05/31/21)

**1076**

Average enrollments per week  
(06/01/21 – 04/30/22)

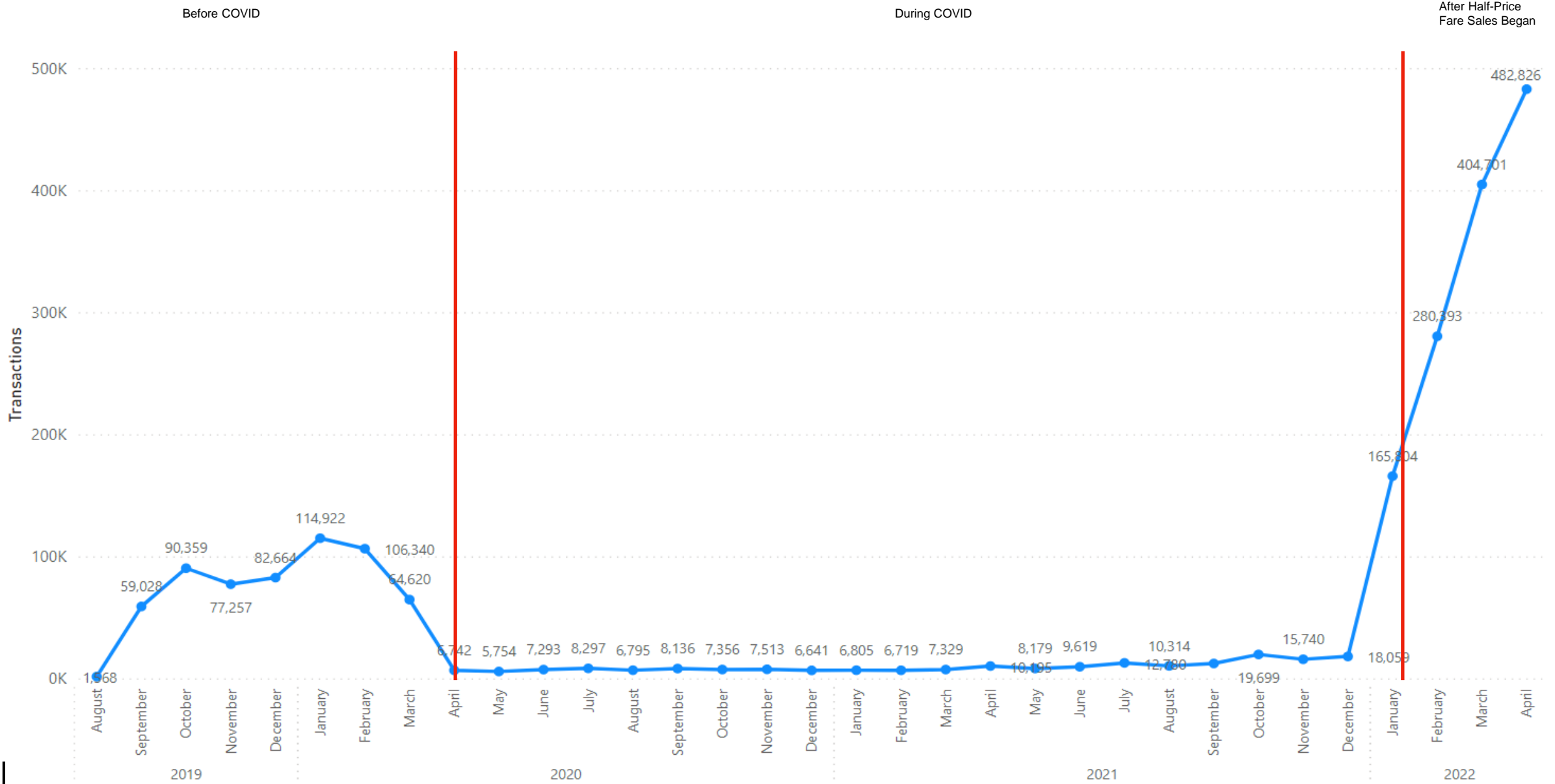
Since June 2021, the LIFE program has grown by **over 318%**.

# Average Enrollments Per Week



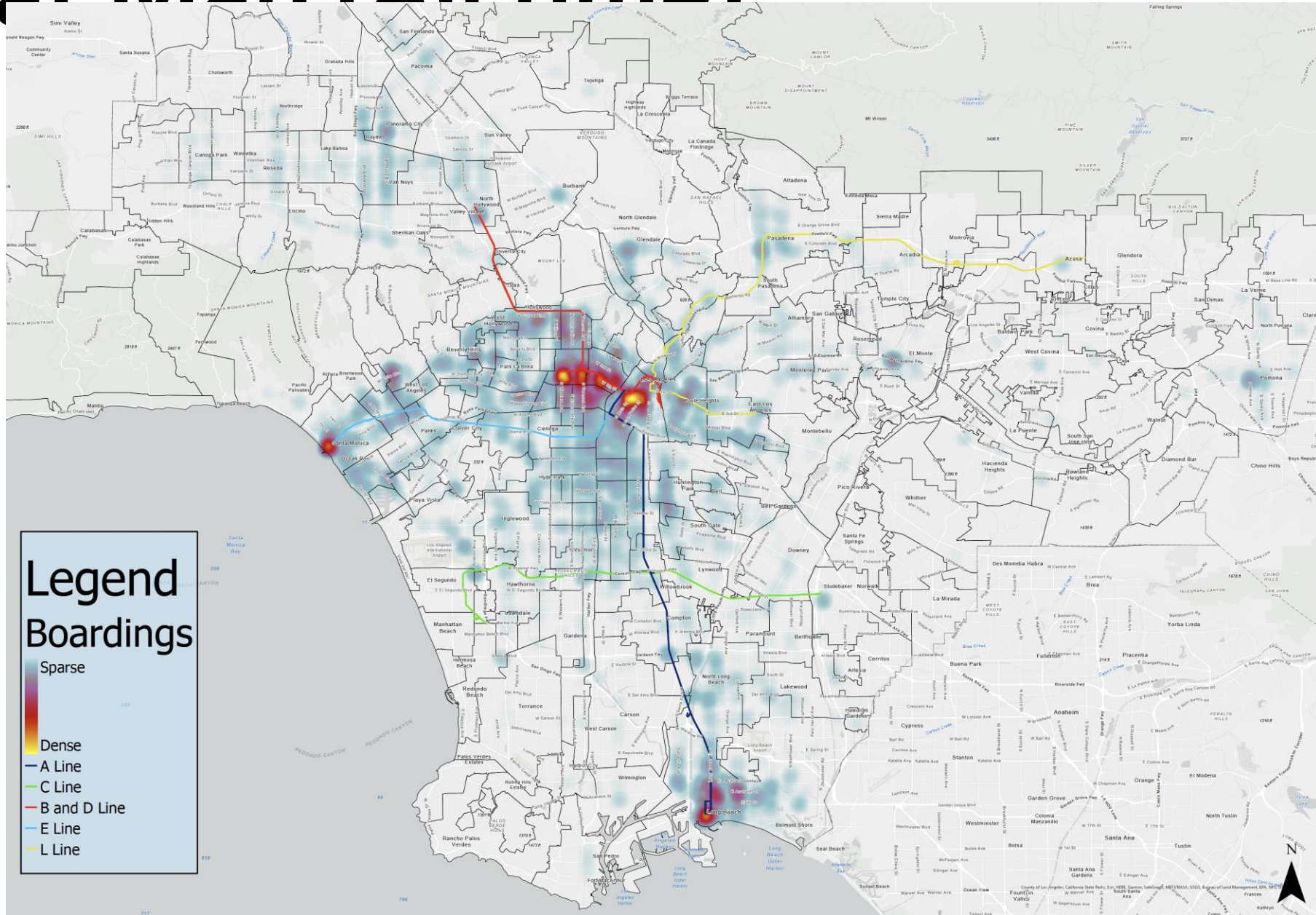
Even though Covid is still affecting overall ridership, LIFE enrollments are up **65%** from pre-COVID numbers.

# Average Taps on Metro





# Heat Map (All time)







## Board Report

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**File #:** 2022-0275, **File Type:** Informational Report

**Agenda Number:** 32.

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**EXECUTIVE MANAGEMENT COMMITTEE  
MAY 19, 2022**

**SUBJECT: 2022 EQUITY FOCUS COMMUNITIES UPDATE**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

RECEIVE AND FILE status report on 2022 Equity Focus Communities Update.

**ISSUE**

In the July 2021 Executive Committee Meeting, Chair Hilda L. Solis requested that Metro revisit the agency's Equity Focus Communities (EFC) definition and map to consider redlining and impacts from the COVID-19 pandemic as part of the EFC criteria.

**BACKGROUND**

In February 2018, the Metro Board adopted the Equity Platform, a policy framework for addressing disparities in access to opportunity resulting from historical disinvestment in low-income communities and communities of color. The Equity Platform includes four key pillars to guide the agency's work. The first of these pillars, Define & Measure, is foundational for all equity work at Metro and led to the development of the EFC definition and map used to identify communities most in need of improved access to opportunity from a mobility standpoint.

Before the Office of Equity and Race (OER) was formed, Metro Long Range Planning (LRP) staff worked with the USC Program for Environmental and Regional Equity (PERE, now the USC Equity Research Institute), Cambridge Systematics, and the Metro Policy Advisory Council (PAC) to develop the EFC definition. A working definition was presented to the Metro Board as part of the 2020 Long Range Transportation Plan (LRTP) development in June 2019. This definition identified two demographic factors that have historically been determinants of disinvestment and disenfranchisement: household income and race/ethnicity. A third factor, households with low vehicle ownership, presented an opportunity to target new mobility investments in neighborhoods with a higher propensity to take full advantage of them.

In June 2019 the Metro Board approved Motion 18.1 adopting the EFCs, which included Directive A: direct the CEO to adopt EFCs as a working definition under the first pillar of the Equity Platform (Attachment A - Motion 18.1, Directive A). Each of the three factors was given a threshold and

considered together to identify census tracts with high concentrations of historically disinvested and disenfranchised households and populations that might benefit from new mobility investments.

The EFCs adopted in Motion 18.1, and reconfirmed in the adoption of the LRTP in September 2020 (“Original EFCs”), consist of census tracts that contain the following:

- 40 percent of households are low-income (defined as having an annual household income of \$35,000 or less), AND
- 80 percent of people are non-white/Black, Indigenous, and other People of Color (BIPOC), OR
- 10 percent of households have zero vehicles.

The resulting map captured approximately 30 percent of the Los Angeles County population in order to identify the highest concentration of need. The 2020 LRTP contains nine (9) EFC specific performance measures to evaluate the benefits of the Metro investments as a whole. Additionally, this map has been used by staff to assess potential impacts from individual Metro projects, programs, and services to EFCs since September 2019.

## **DISCUSSION**

Staff has worked with LRP, Information Technology Service (ITS), and other Metro departments along with a consultant team (Esri and Cambridge Systematics) to complete the requested update to EFCs. The project team reviewed several factors, including those requested by Chair Solis, to integrate into the EFC definition and found that the three factors in the Original EFC definition continue to be the best indicators to identify areas with high concentrations of historically disinvested and disenfranchised households and populations that are anticipated to most benefit from new mobility investments. Development of the 2022 EFC Update included:

- Updating the Original EFC factors with the latest available data;
- Adjusting low-income definition to align with other agency programs;
- Using an index methodology to assign a relative equity need designation to each census tract in the county;
- Initiating development of topical overlays for focused equity analyses; and
- Establishing a three-year cycle for future updates to the EFC definition and map.

The resulting map (Attachment B) for the 2022 EFC Update divides all census tracts into five percentile tiers: Very High Need, High Need, Moderate Need, Low Need, and Very Low Need. The two high need tiers (Very High Need and High Need) are defined as Equity Focus Communities and capture 40 percent of the population in the county. Additional details, considerations, and findings related to the 2022 EFC Update are outlined below.

Approximately 87 percent of the Original EFC census tracts continue to be captured in the 2022 EFC Update. Attachment C shows a comparison of the two maps and respective EFC designations.

### **Data Update**

The 2022 EFC Update will retain the three sociodemographic indicators from the Original EFC definition: income, race/ethnicity, and household vehicle ownership. These indicators have proven to

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be a simple yet comprehensive representation of geographic disparities and opportunity gaps in Los Angeles, while not being redundant indicators that “double count” equity-seeking populations. These indicators have been updated to the most recent data available (American Community Survey 2016-2020 5-Year Estimates).

#### Low-Income Definition

The new definition changes from a static threshold (annual household income of \$35,000 or less) to a relative threshold (U.S. Housing and Urban Development (HUD) Department’s “Very Low” income designation for Los Angeles County). Metro’s LIFE program utilizes this HUD income definition and Metro’s Joint Development program uses the range of HUD income definitions, which brings the EFC in alignment with these Metro programs that serve and measure equity for low-income populations. Because Los Angeles County has an exceptionally high cost of living compared to the rest of the country, the 2021 “Very Low” annual income threshold for a family of four is \$59,100. The 2022 EFC Update uses the American Community Survey (ACS) income tier that closest captures these households: “less than \$60,000 per year” tier.

#### Index Methodology

The Original EFC definition used a binary methodology to identify EFCs: if a census tract met the thresholds for each indicator, it was designated an EFC; if it did not meet the thresholds, it was not designated an EFC. While a binary method provides clear designation of highest need EFC census tracts (based on the 30% population target) there are several limitations to using this method for equity analyses, including “hiding” nuances and variation within EFC and non-EFC designated neighborhoods.

For the 2022 EFC Update, the project team considered several methodology options before selecting an index methodology, which provides optimal opportunities for both granular comparisons as well as countywide and/or subregional analysis (see Attachment D). The 2022 EFC Update will categorize all census tract percentile rankings into an index of five percentile-based tiers: Very High Need (80<sup>th</sup> to 99<sup>th</sup>) and High Need (60<sup>th</sup> to 79<sup>th</sup>), defined as EFCs; and Moderate Need (40<sup>th</sup> to 59<sup>th</sup>), Low Need (20<sup>th</sup> to 39<sup>th</sup>), and Very Low Need (below 20<sup>th</sup> percentile), defined as non-EFCs.

#### Toolkit of Overlays

In response to the Chair’s direction, staff consulted with the Los Angeles County Department of Public Health (DPH) to identify data indicators most closely associated with COVID-19 vulnerability, such as overcrowded housing, sustained transit ridership, and COVID-19 comorbidities. Staff also analyzed alignment of redlining designations, as determined by the Homeowners Loan Corporation (HOLC) in 1939, with existing EFCs. Lastly, the project team reviewed additional indicators related to historical inequities and economic impacts of the pandemic. Attachment E summarizes this analysis. This research proved the need for additional time and resources to incorporate a comprehensive historical inequity analysis into the EFC definition. This historical analysis is a goal to be incorporated into the next EFC update in three years.

Further, while the three sociodemographic indicators of the Original EFC definition remain optimal measurements of equity need, staff will build upon the Chair’s request and develop a toolkit of topical overlays that can support additional equity analyses. These overlays may include data to analyze environmental justice/land use conditions and impacts, neighborhood-level income, community

vulnerabilities to future public health crises, and/or to track community change over time.

Since September 2021 staff met with the Policy Advisory Council (PAC) four times, including two special PAC meetings, to present and receive feedback on the 2022 EFC Update. Staff have incorporated early PAC feedback to review other geographic equity analysis tools, such as University of Southern California's Neighborhood Data for Social Change, CalEnviroScreen, and Healthy Places Index. During the most recent Special PAC Meeting in April, PAC members provided ideas for future overlay datasets on topics including intersectional gender-based analysis, non-commute trips, traffic violence, climate resiliency, disability justice, park equity, and health care access.

### Three-Year Cycle

The 2022 EFC Update is being completed three years after the Original EFCs were first defined in 2019, which has proven to be an update cycle that balances data relevance with staff capacity. For example, staff found that the concentration of low-income households in the county declined significantly in the time between the Original EFC development and 2022 EFC update, demonstrating that community conditions and characteristics are anything but static in Los Angeles. Further, a three-year update cycle would also align with Metro's Civil Rights Title VI program low-income definition updates, scheduled for a 2022 update and every three years after.

The project team also explored the feasibility, benefits, and challenges of four- and five-year update cycles. Though both a four-year and five-year interval have the potential to align with regional planning efforts or with Census data availability cycles, these external timelines are out of the agency's control and are not considered ideal for Metro's equity efforts.

## **EQUITY PLATFORM**

Metro's definition of Equity Focus Communities (EFCs) was the agency's first equity tool to assess socioeconomic disparities and gaps in access to opportunity. This update is the first of regular iterations of the tool to further refine Metro's ability to prioritize resources for people and communities with the highest need in Los Angeles County. The 2022 EFC Update data is better aligned with other Metro department low-income definitions, the updated methodology allows for both granular and broad analysis, and a three-year update cycle ensures the tool is flexible in the face of demographic changes, including those accelerated by the COVID-19 pandemic, yet stable enough for the agency's various planning, policy, and programming efforts that require long-term analyses of equity and impacts.

OER has regularly engaged the PAC at various stages of development and will continue to work with internal and external partners to develop future EFC baseline analyses and supplemental equity tools, such as the proposed toolkit of topical overlays.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This receive and file supports strategic plan goal #1.1 by further refining a geographic equity analysis tool that can be implemented to target infrastructure and service investments toward those with the greatest mobility needs.

## **NEXT STEPS**

staff will continue to engage internal and external stakeholders on historical impacts analysis and overlay dataset toolkit development, including research on other equity mapping and index industry best practices. Staff is also planning an agencywide rollout of the updated definition, including accessible online and shapefile maps, staff trainings and support, and a defined “grace period,” for staff to complete existing analysis using the Original EFC definition before transitioning to utilize the 2022 EFC definition. This rollout will replace utilization of the Original EFC map with the 2022 EFC Update map.

## **ATTACHMENTS**

Attachment A - Attachment A - Motion 18.1 Defining EFCs 2019

Attachment B - 2022 EFC Update Map

Attachment C - Original EFC and 2022 EFC Update

Attachment D - 2022 EFC Update Methodology Research

Attachment E - 2022 EFC Update Data Analysis Summary

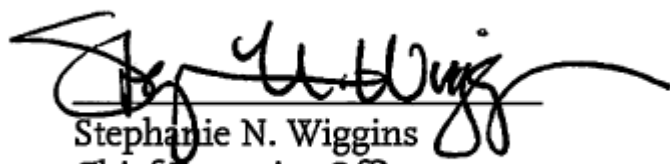
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Stephanie N. Wiggins  
Chief Executive Officer

# Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA



## Board Report

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File #: 2019-0516, File Type: Motion / Motion Response

Agenda Number: 18.1

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**REGULAR BOARD MEETING  
JUNE 27, 2019**

### Motion by:

**Bonin, Garcia, Solis, Kuehl, Hahn and Dupont-Walker**

#### Defining Equity Focus Communities

In February 2018, the Metro Board adopted the Equity Platform, a groundbreaking policy framework for addressing disparities in access to opportunity that result from historical disinvestment in low-income communities and communities of color. The Equity Platform included four key pillars to guide the work of the agency. The first of these pillars, Define & Measure, is foundational for all equity work moving forward. Over the past year, the lack of a clear definition of equity has hindered the application of the Equity Platform to agencywide planning efforts.

Los Angeles is one of the most inequitable regions in the United States, according to the National Equity Atlas. The significant gap between the region's wealthy and low-income communities manifests itself spatially, which affects educational attainment, job access, health outcomes, public safety, environmental quality, mobility, and more. Regions with greater disparities in educational and employment access are associated with slower economic growth and less social cohesion. In contrast, researchers at the Federal Reserve Bank of Cleveland, the International Monetary Fund, Standard and Poor's, and USC Program for Environmental and Regional Equity (PERE) have all found that regions that intentionally prioritize equity enjoy more robust economic growth over the long haul. Beginning to address these disparities is an urgent need, since it takes time to realign agency priorities and resources from historical practices. Adopting a working definition for use during the critical planning efforts underway, most notably the NextGen Bus Study and the Congestion Pricing Feasibility Study, would result in real benefits for communities that have waited a long time for their needs to be addressed equitably.

As part of the LRTP Draft Values Framework, Metro planning staff have developed a definition of Equity Focus Communities, learning from renowned academic experts at USC PERE and in consultation with the Metro Policy Advisory Council. This definition identifies two demographic factors that have historically been determinants of disinvestment and disenfranchisement: household income and race/ethnicity. A third factor, households with low vehicle ownership, presents an opportunity to target new mobility investments in neighborhoods with a higher propensity to take full advantage of them. Together, these three factors represent the locations where strategic transportation investments can have the greatest impact on reducing disparities in access to opportunity. While it is undoubtedly possible to further refine this definition, it would be imprudent to let this excellent work sit idle when it could be put into practice immediately.

**SUBJECT: DEFINING EQUITY FOCUS COMMUNITIES**

APPROVE Motion by Directors Bonin, Garcia, Solis, Kuehl, Hahn and Dupont-Walker that the Board direct the CEO to:

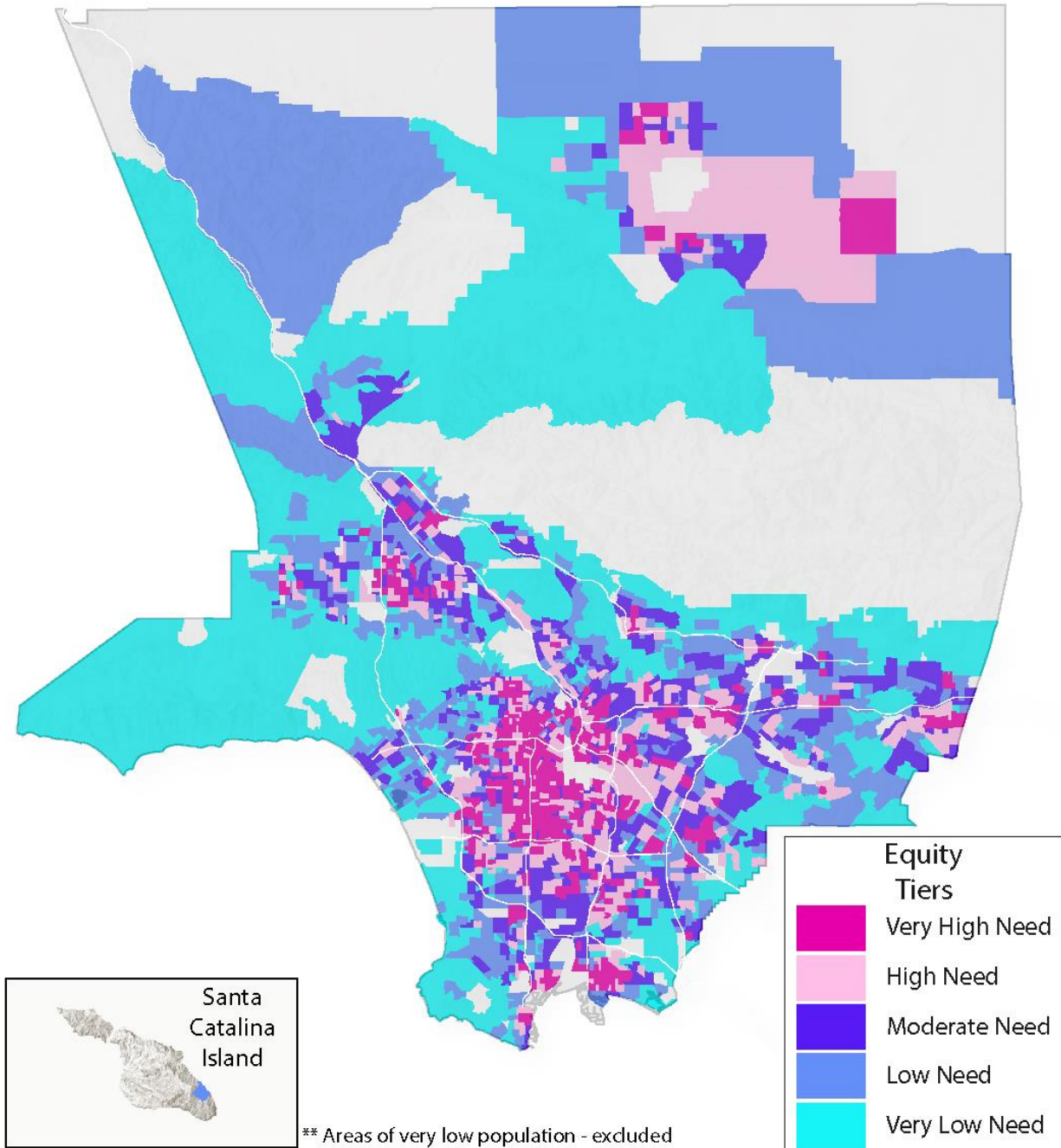
- A. Adopt Equity Focus Communities as a working definition under the first pillar of the Equity Platform;
- B. Utilize this definition of Equity Focus Communities to evaluate scenarios in planning efforts currently underway, including NextGen and Congestion Pricing, along with supplemental metrics if necessary and appropriate;
- C. Continue to refine the definition and applicability of Equity Focus Communities through the development of the LRTP and in consultation with the Policy Advisory Council and Chief Equity Officer.
- D. Report back to the Board on the status of hiring the Chief Equity Officer.

# 2022 EQUITY FOCUS COMMUNITIES UPDATE

## Attachment B – 2022 Equity Focus Communities (EFC) Map

### 2022 EFC Index

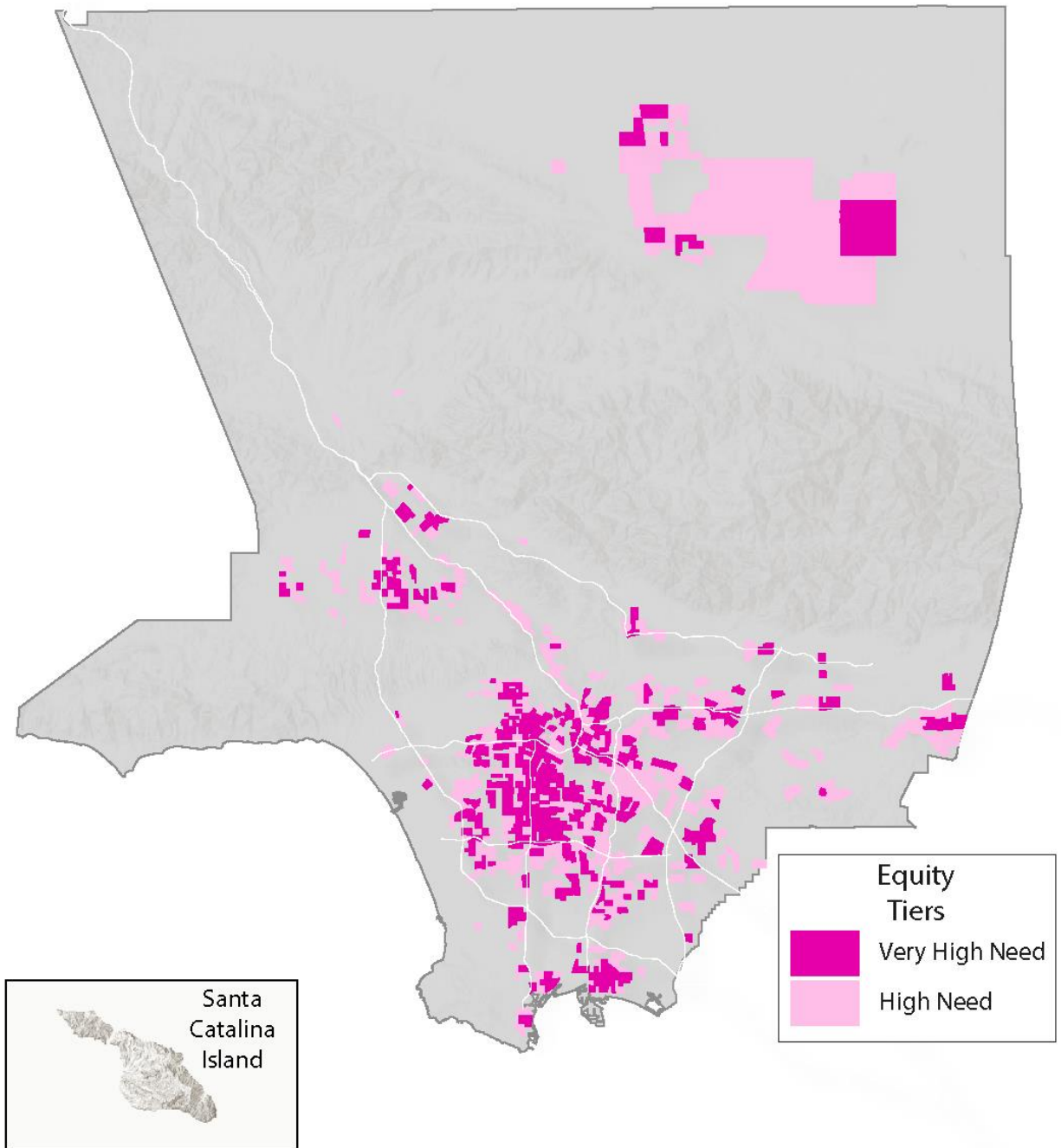
- 80 to 99th percentile: Very High Need (EFC)
- 60 to 79th percentile: High Need (EFC)
- 40 to 59th percentile: Moderate Need (non-EFC)
- 20 to 39th percentile: Low (non-EFC)
- Below 20th percentile: Very Low (non-EFC)





**2022 EQUITY FOCUS COMMUNITIES UPDATE**  
**Attachment B – 2022 Equity Focus Communities (EFC) Map**

2022 EFC Index – EFCs only

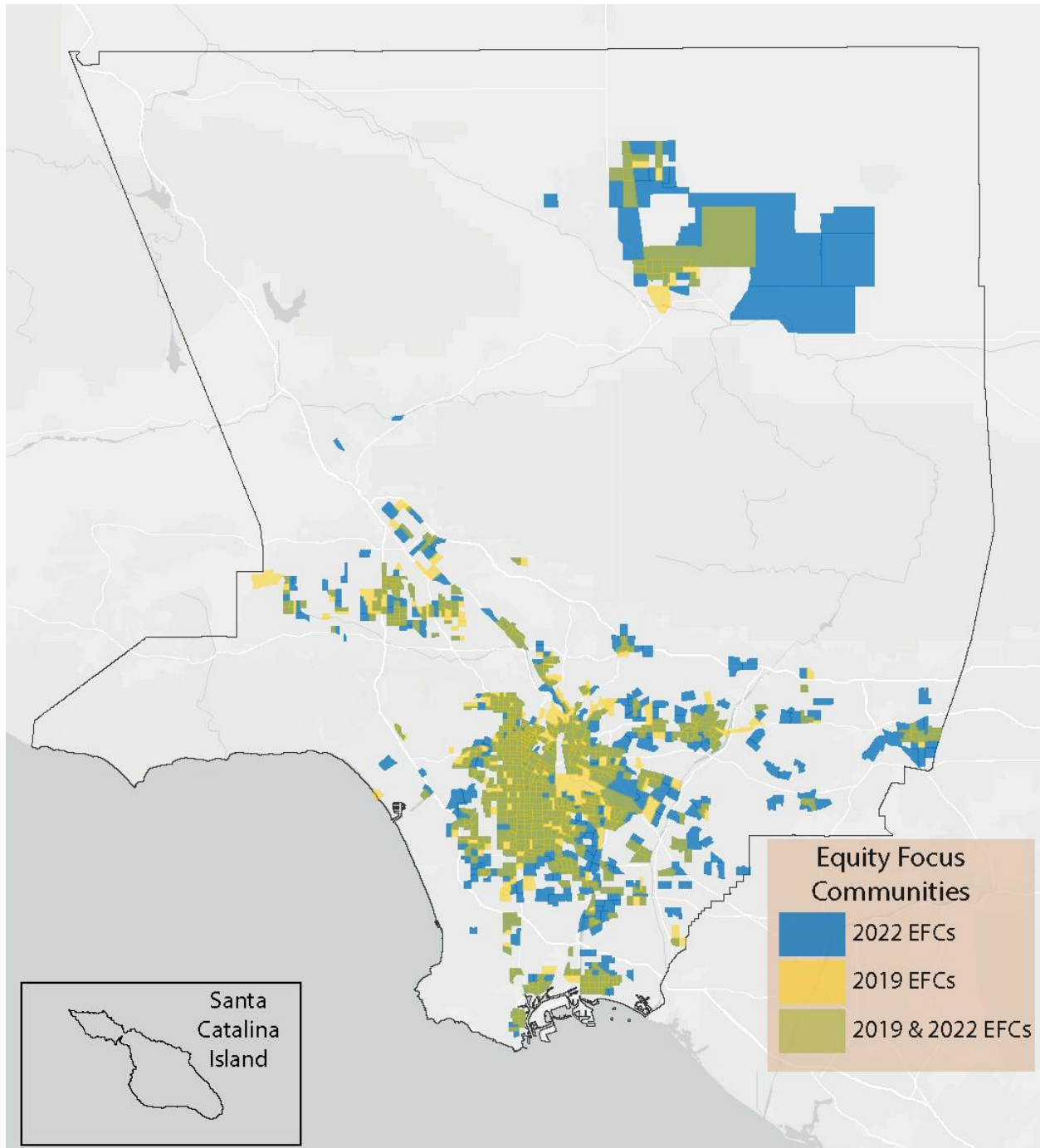


## 2022 EQUITY FOCUS COMMUNITIES UPDATE

### Attachment C – Original EFC and 2022 EFC Update Comparison

The map below shows three layers:

- Blue: 2022 EFC Updates that were not previously designated EFCs in the Original (2019) EFC definition
- Green: 2022 EFC Updates that were previously designated EFCs in the Original EFC definition
- Yellow: Original EFCs that were not in the Very High or High Need tiers of the 2022 EFC Update



## **2022 EQUITY FOCUS COMMUNITIES UPDATE**

### **Attachment D – 2022 EFC Update Methodology Research**

#### **Summary of EFC Methodology Options Considered**

##### *Binary*

The Original EFC definition used a binary methodology to identify EFC census tracts: if a census tract met the definition, it was an EFC; if it did not meet the criteria, it was not an EFC. While a binary method provides clear designation of higher need census tracts (EFCs) and others, there are some challenges to this method:

- The binary designation combines different levels of need within the EFC designation and can “lump” together very different and disparate geographies. Similarly, differences and disparities within a non-EFC designation can be hidden with this method.
- The binary designation can be misinterpreted that to mean non-EFCs have no need, which is not accurate.
- The binary designation makes equitable prioritization more difficult, especially if resources for prioritization are not sufficient for the whole proportion of designated EFCs.

##### *Raw Score*

A raw score method would calculate characteristics of each census tract in the county and assign a percentile rank based on the concentration of high-need households and populations in the census tract, using the three Original EFC indicators of income, race/ethnicity, and vehicle ownership. Each census tract would then be assigned a percentile (0 to 99), identifying its ranking compared to all census tracts in the county.

A raw score method allows for granular analysis of each census tract compared to other census tracts in the county. It also reflects a more nuanced analysis of differences between many high-needs census tracts (or low-needs census tracts). However, this method also generates thousands of individual data points, which may have challenges for big picture data analysis.

##### *Index*

An index method utilizes the raw score method and then categorizes the percentile rankings into five tiers. This method preserves the percentile ranking between 0 to 99 and aggregates similar percentile rankings for a more manageable “big picture” analysis. In the 2022 EFC Update, percentile rankings are categorized into five tiers of: “Very High Need,” “High Need,” “Moderate Need,” “Low Need,” and “Very Low Need.” An example of the use of an index with tiers is affordable housing thresholds that identify eligibility tiers based on a range of household income types, such as “Low Income,” “Very Low Income,” or “Extremely Low Income.” An index method allows flexibility in the number of tiers, depending on the level of granularity needed. Further, an index method has been used by similar geographic equity analyses in Los Angeles County, such as the 2016 Countywide Parks & Recreation Needs Assessment and the City of Los Angeles Equity Index.

The 2022 EFC Update uses the index method.

# 2022 EQUITY FOCUS COMMUNITIES UPDATE

## Attachment E – 2022 EFC Update Data Analysis Summary

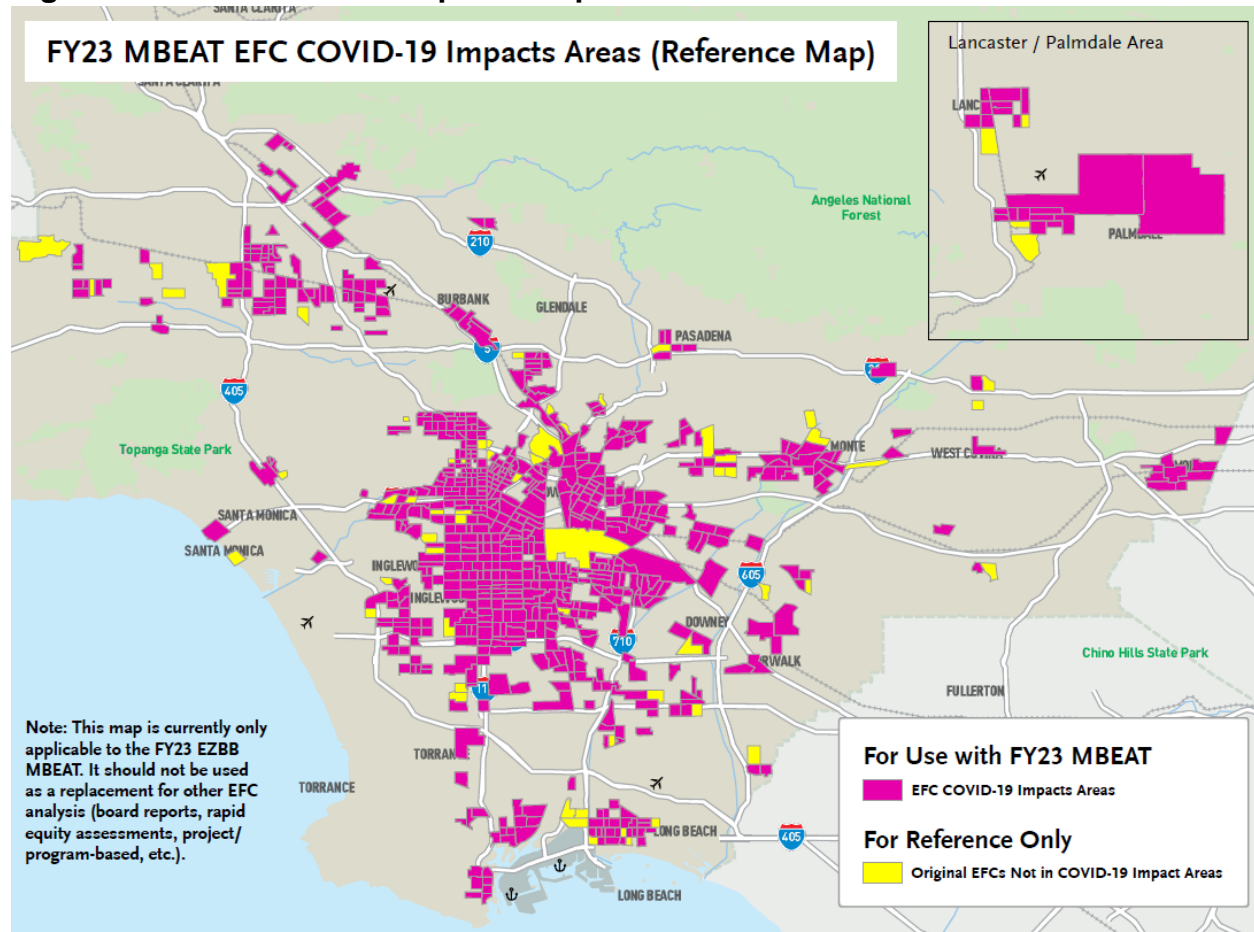
### Timeline and Maps

The 2022 EFC Update data analysis was completed between August 2021 and April 2022. Over the course of these nine months, staff created two products: (1) an EFC Covid-19 Impacts map and (2) a final 2022 EFC Update Map. Each map required different considerations and data analysis, summarized below.

### EFC COVID-19 Impacts Data Analysis

As part of the 2022 EFC Update, between December 2021 and January 2022, staff from the Office of Equity and Race (OER) developed an interim EFC COVID-19 Impacts map (Figure 1). The census tracts identified as “EFC COVID-19 Impacts Areas” (shown in pink in Figure 1) overlapped with 91% of Original EFC census tracts. The map was used in the FY23 budget process’ Metro Budget Equity Assessment Tool (MBEAT).

**Figure 1 – EFC COVID-19 Impacts Map**



### *Data Utilized*

Due to a pandemic-related delay in data availability, the EFC COVID-19 Impacts data analysis used older American Community Survey 2015-2019 (ACS 2015-2019) data,

## **2022 EQUITY FOCUS COMMUNITIES UPDATE**

### **Attachment E – 2022 EFC Update Data Analysis Summary**

available as of December 2020, to update the Original EFCs, defined by income (Table B19001), race/ethnicity (Table B03002), and vehicle ownership (Table B08201). The analysis also combined additional indicators and data from several other sources:

- Home Owners Loan Corporation maps showing grading system scores for areas of Los Angeles County (1939);
- Centers for Disease Control (CDC) Population Level Analysis and Community Estimates (PLACES) data for rates of underlying health conditions at the census tract level (2020);
- ACS 2015-2019 census tract data on household overcrowding (Table B5014), household income (Table S1901), and renter and owner housing cost burden (Tables B25070 and B25091), to identify census tracts with high concentrations of vulnerable housing conditions;
- Rail and bus stop activity data from LA Metro (2019-2021) to assess sustained transit activity and proxy presence of essential workers; and
- Rates of cumulative COVID-19 Cases and Deaths at the census tract level from the start of the pandemic through December 2021, from LA County, Pasadena, and Long Beach departments of public health.

#### *Analysis and Findings*

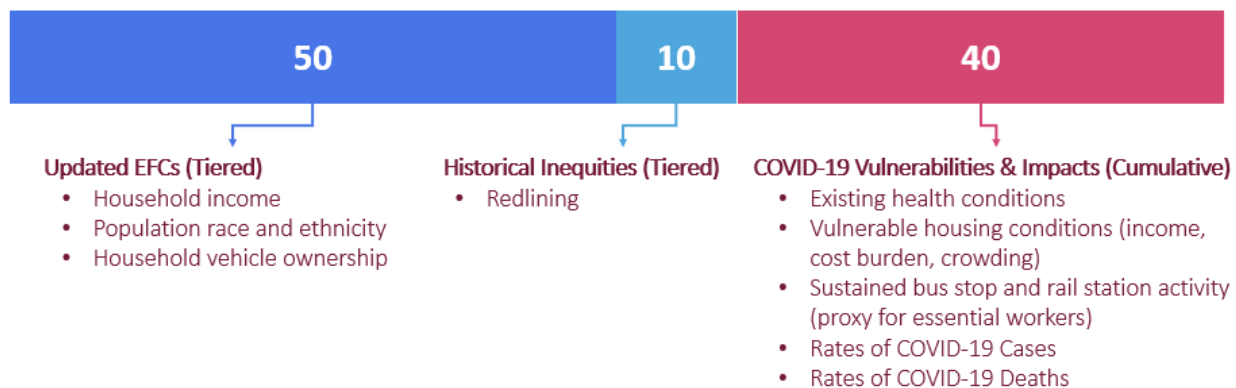
While ACS 2012-2016 data, used to identify the Original EFC census tracts in 2019, resulted in 30 percent of the Los Angeles County population being identified as living in a low-income census tract (where 40% of households earned less than \$35,000 annually), the ACS 2015-2019 data saw a reduction of that share of the population to less than 18 percent. In an effort to meet the 30 percent share of LA County population in EFCs, staff increased the household income threshold to less than \$40,000 annually, which resulted in identification of census tracts that encompassed 28 percent of the county population.

Historical inequities and COVID-19 vulnerability & health impacts indicators were combined with EFC indicators, creating an index scoring methodology that assigned a score to each census tract based on three categories (Figure 2). Census tracts that met the updated EFC thresholds received 50 points; those that were Original EFCs and no longer met the thresholds received 30 points. Census tracts that were previously redlined and currently met EFC thresholds were assigned 10 points, while previously redlined tracts that did not meet current EFC thresholds were assigned 5 points. Lastly, census tracts were assigned a combined score between 0 to 40 points, depending on the scores for each individual indicator outlined in Figure 2.

## 2022 EQUITY FOCUS COMMUNITIES UPDATE

### Attachment E – 2022 EFC Update Data Analysis Summary

Figure 2 – EFC COVID-19 index scoring methodology



#### Application

The EFC COVID-19 Impacts map was used in the FY23 MBEAT to track FY23 investments in COVID-19 impacted areas. Staff will begin analysis after approval of the FY23 Metro Budget.

#### 2022 EFC Update Map Data Analysis

##### *Data Utilized*

The final 2022 EFC Update Map includes only the three factors from the Original EFC definition (household income, race/ethnicity, and vehicle ownership) and uses ACS 2016-2020 data (tables identified above), available as of March 2022.

##### *Analysis and Findings*

In order to create an index that is flexible and easy to change over time while maintaining the use of the priority factors of low-income, BIPOC, and zero-car households, staff created a percentile-based index. The percentile score allows for the grouping of each census tract into tiers so that various levels of need can be identified for different equity planning purposes. Furthermore, it allows one to normalize for income when considering additional variables and aligns with other equity indices such as California's Office of Environmental Health Hazard Assessment's *CalEnviroScreen*<sup>1</sup> and the Public Health Alliance of Southern California's *Healthy Places Index*.<sup>2</sup>

The consultant team calculated and removed outlier data in two steps:

- Eliminated census tracts with low population numbers that may skew the results<sup>3</sup>
  - Removed census tracts in LA County with a population of 1500 or less
    - The average census tract population in LA County is 4,020

<sup>1</sup> <https://oehha.ca.gov/calenviroscreen>

<sup>2</sup> <https://www.healthyplacesindex.org/>

<sup>3</sup> The Healthy Places Index also follows a similar methodology to eliminate outliers.  
<https://www.healthyplacesindex.org/>

**2022 EQUITY FOCUS COMMUNITIES UPDATE**  
**Attachment E – 2022 EFC Update Data Analysis Summary**

- Removed census tracts with less than 100 households
  - The average number of households in a census tract in LA County is 1,369

The consultant team then calculated percentile rankings for each of the three indicators and thresholds, then combined these into a final EFC percentile ranking that could be divided into five equity tiers:

- Very High Need – Above 80<sup>th</sup> percentile
- High Need – 60<sup>th</sup> to 79<sup>th</sup> percentile
- Moderate Need – 40<sup>th</sup> to 59<sup>th</sup> percentile
- Low Need – 20<sup>th</sup> to 39<sup>th</sup> percentile
- Very Low Need – below 20<sup>th</sup> percentile

One notable change is the decision to increase the income threshold from “less than \$35,000” to “less than \$60,000.” This better aligns the EFC with Metro’s other programs which are using the California Dept of Housing and Community Development’s definition of “very low income” being \$59,100 household income for a family of four.<sup>4</sup> The resulting map is shown in Figure 3 and the household and population characteristics of census tracts in each tier are summarized in Table 1.

**Table 1. Household and Population Characteristics of Equity Tiers**

<i>Equity Tier</i>	<i>Population</i>	<i>Households</i>	<i>Low Income Households</i>	<i>BIPOC Population</i>	<i>Zero Vehicle Households</i>
<i>Very High</i>	1,900,280	570,319	347,495	1,771,969	105,564
<i>High</i>	2,131,122	682,121	339,075	1,814,469	81,798
<i>Moderate</i>	2,072,962	686,858	268,137	1,591,754	51,567
<i>Low</i>	1,826,317	642,768	194,558	1,236,540	32,847
<i>Very Low</i>	2,026,834	728,717	151,466	971,795	18,564
<b><i>Total*</i></b>	<b>9,957,515</b>	<b>3,310,783</b>	<b>1,300,731</b>	<b>7,386,527</b>	<b>290,340</b>

*Application*

The 2022 EFC Update will use the “Very High Need” and “High Need” tiers (top 40% of census tracts) to identify EFCs, covering roughly 40% of the population of LA County. The “Moderate,” “Low,” and “Very Low” tiers will be identified as non-EFCs.

<sup>4</sup> <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml>



**2022 EQUITY FOCUS COMMUNITIES UPDATE**  
**Attachment E – 2022 EFC Update Data Analysis Summary**

**Figure 3 – 2022 EFC Update Map**

