

Metro

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



Agenda - Final

Wednesday, February 19, 2020

11:00 AM

**One Gateway Plaza, Los Angeles, CA 90012,
3rd Floor, Metro Board Room**

Planning and Programming Committee

Hilda Solis, Chair

Jacquelyn Dupont-Walker, Vice chair

Mike Bonin

Janice Hahn

Ara Najarian

John Bulinski, non-voting member

Phillip A. Washington, 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 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.



323.466.3876 x2

Español

323.466.3876 x3

한국어

日本語

中文

русский

ភាសាខ្មែរ

ภาษาไทย

Tiếng Việt

ភាសាជប៉ុន

HELPFUL PHONE NUMBERS

Copies of Agendas/Record of Board Action/Recordings of Meetings - (213) 922-4880 (Records Management Department)

General Information/Rules of the Board - (213) 922-4600

Internet Access to Agendas - www.metro.net

TDD line (800) 252-9040

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

CALL TO ORDER

ROLL CALL

5. **SUBJECT: RESPONSE TO MOTION BY DIRECTORS BONIN, HAHN, GARCIA, AND NAJARIAN - ALIGNING HIGHWAY PROGRAMS WITH STATE EMISSIONS REDUCTION GOALS DATED OCTOBER 16, 2019** [2019-0845](#)

RECOMMENDATION

RECEIVE AND FILE report responding to Board Motion by Directors Bonin, Hahn, Garcia and Najarian (Item 51 from Planning & Programming Committee on October 16, 2019) to assess effects of Governor's Executive Order 19-19 on Metro's highway program and steps needed to ensure eligibility for State funding.

Attachments: [Attachment A - Governor's Executive Order 19-19](#)
[Attachment B - Highway Operational Improvement Projects Currently Pursued](#)

6. **SUBJECT: WESTLAKE/MACARTHUR PARK JOINT DEVELOPMENT** [2019-0827](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer ("CEO") to execute a short-term Exclusive Negotiations Agreement and Planning Document ("ENA") with the Walter J Company ("Proposer") for the joint development of Metro-owned property at the Westlake/MacArthur Park Station ("Site") for a period of six months, with an option to extend up to three additional months.

Attachments: [Attachement A - Project Site](#)
[Attachment B - Proposed Project Rendering](#)
[Presentation](#)

7. **SUBJECT: 103RD ST/WATTS TOWERS STATION JOINT DEVELOPMENT** [2019-0828](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer ("CEO") to execute an Exclusive Negotiation Agreement and Planning Document ("ENA") with Watts Station LP, a California limited partnership, for the development of 3.67 acres of Metro-owned property at the 103rd St/Watts Towers Station ("Site") for 18 months with the option to extend up to 30 months.

Attachments: [Attachment A - Project Location and Ownership](#)
 [Attachment B - Project Rendering](#)
 [Presentation](#)

8. SUBJECT: EASTSIDE TRANSIT CORRIDOR PHASE 2 [2020-0027](#)

RECOMMENDATION

CONSIDER:

- a. Proceeding with the California Environmental Quality Act (CEQA) only for the project's environmental process;
- b. Withdrawing the SR 60 and Combined Alternatives from further consideration in the environmental study;
- c. Preparing a feasibility study independent from the Eastside Transit Corridor Phase 2 project to evaluate other options that better serve the needs of the San Gabriel Valley; and
- d. Approving the Eastside Transit Corridor Phase 2 Title VI Service Equity Analysis.

Attachments: [Attachment A - SR 60 and Combined Alternatives Issues and Constraints Report](#)
 [Attachment B - Eastside Transit Corridor Phase 2 Title IV Service Equity Analysis](#)
 [Presentation](#)

9. SUBJECT: MEASURE M MULTI-YEAR SUBREGIONAL PROGRAM [2020-0064](#)
ANNUAL UPDATE - LAS VIRGENES/MALIBU SUBREGION

RECOMMENDATION

CONSIDER:

- A. APPROVING:
 1. Inter-program borrowing and programming of additional \$4,100,000 from the Las Virgenes/Malibu Subregion's Measure M Multi-Year Subregional Program (MSP) Highway Efficiency Program to the Active Transportation/Transit/Tech Program, as shown in Attachment A;
 2. Programming of additional \$7,000,000 within the capacity of Measure M MSP Highway Efficiency Program, as shown in Attachment B; and
- B. AUTHORIZING the Chief Executive Officer or his designee to negotiate and execute all necessary agreements and/or amendments for approved projects.

Attachments: [Attachment A - Active Transportation Transit Tech Program Project List](#)
 [Attachment B - Highway Efficiency Program Project List](#)

**29. SUBJECT: THE MICROTRANSIT PILOT PROJECT - PART B
(IMPLEMENTATION)**

[2019-0865](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 5 to firm fixed price Contract No. PS46292001 with RideCo., Inc. as a private partner and technology firm for operations in conjunction with the deployment areas outlined in Attachment F (Regional Readiness Operating Plan) and Attachment G (Map), in the amount of \$28,874,747.50, increasing the total Contract value from \$285,985.13 to \$29,160,732.63.

- B. AMEND the FY20 budget for the MicroTransit pilot project implementation positions and funding listed below:
 - 1. 80 Contract positions to operate the vehicles and 7 Contract positions to supervise the service; and
 - 2. \$7,750,000 for FY20 contractual and operational expenses

- Attachments:**
- [Attachment A - Procurement Summary](#)
 - [Attachment B - Contract Mod Change Order Log](#)
 - [Attachment C - DEOD Summary](#)
 - [Attachment D - MicroTransit Pilot Project Team Staffing Plan](#)
 - [Attachment E - MicroTransit Pilot Project Expenditure Plan](#)
 - [Attachment F - Regional Readiness Operating Plan](#)
 - [Attachment G - Proposed Service Zones Map](#)

(ALSO ON OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE)

SUBJECT: GENERAL PUBLIC COMMENT

[2020-0116](#)

RECEIVE General Public Comment

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

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

Adjournment



Board Report

File #: 2019-0845, **File Type:** Motion / Motion Response

Agenda Number: 5.

PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 19, 2020

SUBJECT: RESPONSE TO MOTION BY DIRECTORS BONIN, HAHN, GARCIA, AND NAJARIAN - ALIGNING HIGHWAY PROGRAMS WITH STATE EMISSIONS REDUCTION GOALS DATED OCTOBER 16, 2019

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE report responding to Board Motion by Directors Bonin, Hahn, Garcia and Najarian (Item 51 from Planning & Programming Committee on October 16, 2019) to assess effects of Governor's Executive Order 19-19 on Metro's highway program and steps needed to ensure eligibility for State funding.

ISSUE

Upon release of Governor's Executive Order 19-19, the Planning and Programming Committee directed staff to report back with:

- A. An assessment of how Metro's highway program will be affected by the Governor's Executive Order 19-19 (Attachment A);
- B. Steps that can be taken to align Metro's highway program with the Executive Order in order to ensure continued competitiveness for scarce State resources; and,
- C. Recommended revisions to local funding and project development rules and guidelines to ensure project eligibility, scoping, and selection criteria are consistent with State and regional planning goals.

BACKGROUND

Metro Highway Program, in collaboration with the California Department of Transportation (Caltrans), the subregional authorities, and local jurisdictions, initiates, funds, and implements mobility/operational improvement projects on State highways and arterials in Los Angeles County. Metro provides funds through Proposition C25%, Measure R, Measure M, and State and federal grants where available. Measure R and M funds are allocated to highway improvement projects in accordance with the Expenditure Plans approved by the voters and the Metro Board of Directors. A

sample list of those projects is presented herewith as Attachment B.

Although several major freeway capacity enhancement projects had been pursued in the past, Metro Highway Programs has shifted direction to prioritize mobility/operational improvements on the existing system and minimize environmental, social, and property impacts of Metro-funded projects. This shift includes more detailed evaluation and validation of investments to ensure maximized regional mobility benefits of the completed projects.

DISCUSSION

The following is an assessment of the relationships between the items in the Executive Order 19-19 and the core functions and practices of Metro Highway department and discussion of potential opportunities to improve guidelines and rules in project identification, eligibility, determination, prioritization, and funding.

1. The Executive Order directs “...*every aspect of state government redouble its efforts to reduce greenhouse gas emissions and mitigate the impacts of climate change while building a sustainable, inclusive economy*”.

While the Executive Order 19-19 is directed specifically to three State agencies: Dept. of Finance, Transportation Agency/Dept. of Transportation, and Dept. of General Services, other transportation agencies such as LA Metro, should incorporate the intent of the Executive Order to implement reasonable, logical, and practical policies and practices that would prevent/minimize the adverse effects of climate change.

2. The order to the State Transportation Agency (Item 2) requires *leveraging \$5+ billion in its annual spending for construction, operation, and maintenance to help reverse trend of increased fuel consumption and reduce greenhouse gas emissions associated with the transportation sector*.

Discussions with California State Transportation Agency Secretary Kim indicate that the executive order is the beginning of a discussion regarding climate change and the role that the state’s transportation system investments can play in addressing climate change. The Executive Order does not supersede existing state law.

In Los Angeles County, traffic/congestion relief has been a major focus of the Measure R and Measure M ballot measures. Under those sales tax measures, the voters went to the extent of voting for specifically defined highway improvement projects to address traffic congestion. Metro will actively follow and participate in the development of State guidance regarding the implementation of the Executive Order to ensure State and local policies and actions are aligned.

Most of LA Metro’s projects on the State highway system improve operations and mobility and relieve congestion by correcting existing bottlenecks and design deficiencies that exacerbate congestion and result in traffic spillage onto the arterials, local streets, and neighborhoods. When implemented, these projects will help relieve highway congestion and minimize the

traffic spillage on local streets and neighborhoods.

Metro currently has a Green Streets policy that describes design features and policies to address the needs of all users of the county's roadways. This policy can be incorporated into Metro's state grant applications.

Furthermore, under Measure M, Metro assigned more funds, under the Highway Multi-Year Subregional programs, to active transportation projects and complete streets with the expectation of mode shift, reduction in automobile demand, congestion relief, and air quality improvements.

Item 2a (EO-19-19): *“Align the State’s climate goals with transportation spending on planning, programming, and mitigation to achieve the objectives of the State’s Climate Change Scoping Plan where feasible.”*

Metro Highways continues to partner with the State and local agencies to pursue development and implementation of operational improvement projects along the State highways and arterials in Los Angeles County. Operational improvement projects are identified based on validation of current deficiencies such as bottlenecks, design deficiencies, accident rates, and other factors resulting in “choke points”, traffic backups and spill overs/diversions to other roadways, compromised roadway safety, loss of lives, and economic losses, with a focus on minimizing the negative impacts of projects.

Item 2b (EO 19-19): *Reduce VMT by bringing homes to where the jobs are.*

VMT is largely escalated due to the longer distances between the origins and destinations of automobile trips. Patterns of residential and commercial development away from the major job/demand centers have been a major factor contributing to increase in VMT. It is important to note that the State plans to shift from using Level of Service to evaluate projects impacts and use VMT instead. Caltrans is expected to issue specific guidance on VMT reduction this year. Metro will incorporate the appropriate guidance in evaluating investments in transportation improvement projects.

Item 2c (EO 19-19). *Reduce congestion through innovative strategies to move people from cars to other modes of transportation.*

Metro codified its intentions to shift people from cars to other modes with the adoption of the Complete Streets policy in 2014. Since then, Metro has begun testing new concepts to encourage more ridesharing through the Microtransit and Mobility-on-Demand pilot programs. Pending successful pilots, staff will seek partnerships with the State to advance more investment to encourage the more use of these types of transportation modes. Also, through the NextGen bus study, Metro is leveraging the availability and capacity of the bus network to move more people in less space.

Item 2d (EO 19-19). *Fund transportation options that contribute to the overall health of*

Californians and reduce greenhouse gas emissions such as transit, walking, biking, and other active modes.

Metro is currently funding multiple transportation modes and will seek partnerships with the State to advance more investment to encourage the use of sustainable transportation modes.

In response to Motion 51:

A. An assessment of how Metro’s highway program will be affected by Governor’s Executive Order 19-19 (Attachment A);

Metro will continue to engage in dialogue and work with Caltrans as more specific guidance related to the EO 19-19 is developed. Metro does not anticipate any changes to the implementation of the specific projects identified in the sales tax measures currently in place, but there may be adjustments in how the projects are implemented depending on the guidance to be adopted.

B. Steps that can be taken to align Metro’s highway program with the Executive Order in order to ensure continued competitiveness for scarce State resources;

Metro Highway department, in collaboration with its State and local partner agencies, local communities, and with support and approval by the Board, will continue to identify and implement viable transportation project priorities that leverage State funding resources consistent with the goals, policies, directives and guidelines of Board policies, approved sales tax measures, and the appropriate directives set forth in the Executive Order.

C. Recommended revisions to local funding and project development rules and guidelines to ensure project eligibility, scoping, and selection criteria are consistent with State and regional planning goals.

Metro will consult with the State to develop guidance on the implementation of the Executive Order. Once guidance is developed and issued, Metro will review and incorporate the guidance into our own evaluation procedures and guidelines, as appropriate. Staff will update the Board on any changes to our own guidelines and procedures at that time.

Concurrent and related activities include the Board staff subcommittee assessing potential changes in the Metro Highway Program to align with Board policies and motions. The subcommittee will produce a report documenting any recommended changes. In addition, Metro is working with Board staff to evaluate changes as part of the 10-year Measure R transfer process.

FINANCIAL IMPACT

No immediate impact to the budget. Staff will evaluate guidance issued by the State to determine

future impacts to the budget.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Metro Highway Program's current and planned actions support all Metro Strategic Plan goals and are consistent with the intent of the Governor's Executive Order.

Goal 1, *"Providing high quality mobility options that enable people to spend less time traveling"* by continuing to identify and improve the highway and arterial system deficiencies and "Hot Spots" to provide for better mobility and safer roadways for the users;

Goal 2: *"Deliver outstanding trip experience for all users of the transportation system"* by removing choke points, reducing delays and idling traffic;

Goal 3: *"Enhance communities and lives through mobility and access to opportunity"* by reducing congestion, provide for more trip reliability, and easing countywide trips to major job centers and places of interest;

Goal 4: *"Transform LA County through regional collaboration and national leadership"* by close and productive collaboration with Caltrans, regional authorities, local jurisdictions, regulatory, resource, and permitting agencies to identify the best and most effective solutions to traffic congestion while minimizing impacts to the environment and communities; and

Goal 5: *"Provide responsive, accountable, and trustworthy governance within the Metro organization"* by collaborating with other Metro functional units responsible for non-highway modes to collectively identify the most beneficial and functional mobility options that accurately address the transportation needs of the users within the environment/area of effect of each project for the best results leading to the highest levels of environmental, social, and economic sustainability.

ALTERNATIVES CONSIDERED

N/A

NEXT STEPS

Staff will update the Board on the future changes in policies and procedures as those become available.

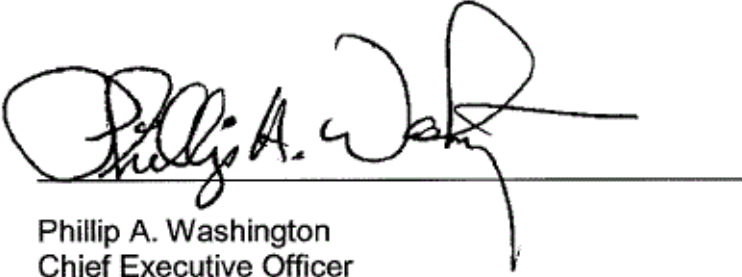
ATTACHMENT

Attachment A - Governor Executive Order 19-19

Attachment B - Highway Operational Improvement Projects Currently Pursued

Prepared by: Abdollah Ansari, Senior Executive Officer, (213) 922-4718
Bryan Pennington, Deputy Chief Program Management Officer (213) 922-7449

Reviewed by: Richard F. Clarke, Chief Program Management Officer, (213) 922-7557



Phillip A. Washington
Chief Executive Officer

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-19-19

WHEREAS California is proof that a bold climate agenda is good for the economy, for workers, for health and for our future, as evidenced by our state having achieved record economic growth while reaching some of the strongest climate goals in the world; and

WHEREAS in the face of inaction on climate change from the federal government, California is a global leader in climate change mitigation efforts through bold climate goals and actions, as well as leadership in the US Climate Alliance and Under2 Coalition, using the state's power as the fifth largest economy in the world to drive positive action; and

WHEREAS California has ambitious and essential climate goals to transition to a healthier, more sustainable and more inclusive economy, including: reducing greenhouse gas emissions 40 percent below 1990 levels by 2030; providing 100 percent of the state's electricity from clean energy sources by 2045; reducing methane emissions and hydrofluorocarbon gases by 40 percent; and adding five million zero-emission vehicles to California's roads by 2030; and

WHEREAS California has made substantial, measurable progress on many of the goals enumerated above, but in recent years, direct tailpipe emission from cars, ships, diesel trains, airplanes, and other transportation sources have remained a stubborn driver of greenhouse gas emissions, totaling 40.1 percent of all greenhouse gas emissions statewide; and

WHEREAS the California Air Resources Board has a fifty-year history of leading the globe in addressing harmful pollution through innovative air pollution control standards, including the nation's first NOx emissions standards for motor vehicles; and

WHEREAS California's renewable energy targets have spurred innovation and private investment in new technologies with California leading the nation in clean technology patents and bringing in more than 50 percent of all clean energy investment in the nation; and

WHEREAS the state has made significant progress in lowering greenhouse gas emissions and mitigating climate risk in California's own state government operations and public schools; and

WHEREAS achieving California's climate goals will require concerted commitment and partnership by government, the private sector, and California residents.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue the following Order to become effective immediately to require that every aspect of state government redouble its efforts to reduce greenhouse gas emissions and mitigate the impacts of climate change while building a sustainable, inclusive economy.

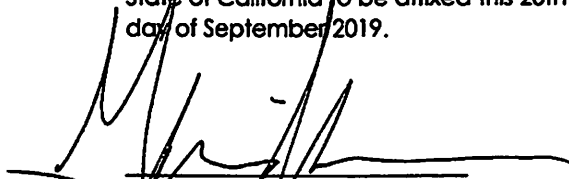
1. To leverage the state's \$700 billion investment portfolio to advance California's climate leadership, protect taxpayers, and support the creation of high-road jobs, the Department of Finance shall create a Climate Investment Framework.
 - a. The Framework shall include a proactive investment strategy for the state's pension funds that reflects the increased risks to the economy and physical environment due to climate change.
 - b. The Framework shall provide the timeline and criteria to shift investments to companies and industry sectors that have greater growth potential based on their focus of reducing carbon emissions and adapting to the impacts of climate change, including but not limited to investments in carbon-neutral, carbon-negative, climate resilient, and clean energy technologies.
 - c. The Framework shall align with the fiduciary responsibilities of the California Public Employees' Retirement System, California State Teachers' Retirement System and the University of California Retirement Program.
 - d. The Department of Finance shall consult with the Governor's Office of Planning and Research, and the California Department of Human Resources on the Framework.
2. The State Transportation Agency shall leverage the more than \$5 billion in annual state transportation spending for construction, operations, and maintenance to help reverse the trend of increased fuel consumption and reduce greenhouse gas emissions associated with the transportation sector. To accomplish this, the State Transportation Agency, in consultation with the Department of Finance, shall:
 - a. Align the state's climate goals with transportation spending on planning, programming and mitigation to achieve the objectives of the state's Climate Change Scoping Plan, where feasible,
 - b. Reduce vehicle miles traveled by strategically directing discretionary transportation investments in support of housing production near available jobs and in accordance with the state's smart growth principles, as defined in Government Code section 65041.1, and taking public health into account,

- c. Reduce congestion through innovative strategies designed to encourage people to shift from cars to other modes of transportation,
 - d. Fund transportation options that contribute to the overall health of Californians and reduce greenhouse gas emissions, such as transit, walking, biking and other active modes, and
 - e. Mitigate increases in transportation costs for lower income Californians.
3. The Department of General Services shall leverage its management and ownership of the state's 19 million square feet in managed buildings, 51,000 vehicles and other physical assets and goods to minimize state government's carbon footprint. To accomplish this, the Department of General Services shall:
- a. Maximize reduction of greenhouse gas emissions, including harmful diesel emissions, from the state fleet,
 - b. Develop and implement sustainable purchasing policies across state agencies that prioritize the purchase of environmentally preferable goods such as more sustainable food and recycled materials, consistent with state climate policies,
 - c. Reduce greenhouse gas emissions and mitigate climate risk from the state's owned and future-leased buildings,
 - d. Manage energy demand to maximize benefits to the grid, and
 - e. Promote zero-emission vehicle purchasing in state and local government fleets.
4. To accelerate progress towards California's goal of five million zero emissions vehicles sales by 2030, the California Air Resources Board shall:
- a. Develop new criteria for clean vehicle incentive programs to encourage manufacturers to produce clean, affordable cars,
 - b. Propose new strategies to increase demand in the primary and secondary markets for zero emissions vehicles, and
 - c. Consider strengthening existing or adopting new regulations to achieve the necessary greenhouse gas reductions from within the transportation sector.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order shall be filed with the Office of the Secretary of State and that widespread publicity and notice shall be given to this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its departments, agencies, or other entities, its officers or employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 20th day of September 2019.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

Highway Operational Improvement Projects Currently Pursued

I-5 HOV Lanes and truck climbing lanes between SR-14 in Santa Clarita and Parker Road in Castaic

The project was approved by the Board, has passed the environmental process, completed final design, has received State grants for its validated purpose and need, is strongly supported by the North County JPA, the Golden State Gateway Coalition, and other entities, and will be in construction by early 2021. The project will improve roadway congestion created by suburban land use practices resulting in significant VMT and traffic destined to remote job centers and services. It also promotes carpooling and accommodates freight movement in the corridor.

SR-60/7th Avenue Interchange Improvements Project

Operational improvement by correcting design deficiencies at a local interchange/freeway off-ramp that currently result in traffic backing up onto the freeway mainline slowing the mainline flow. The accident rate at this interchange is 31% higher than the statewide average for comparable facilities. This project was studied and prioritized under the I-605 Hot Spots study and is supported by both the Gateway Cities COG and the San Gabriel Valley COG and approved by the Board.

SR-57/SR-60 Interchange Improvements Project

The project was approved by the Board, supported by the San Gabriel Valley Council of Governments, Caltrans, and the cities of Diamond Bar and Industry and was included in the Measure M Expenditure Plan (Line Item 18). The project has received State grants, has environmental clearance, is currently in final design. The start of construction in the Measure M Expenditure Plan is 2025. Staff is pursuing State and federal grants to accelerate project delivery by early construction start in 2022. The project will correct geometric design deficiencies contributing to high number of traffic accidents, slow down, recurring congestion and lost time/productivity as well as interruption in freight movement. This location has one of the highest number of truck accidents (27 accidents per mile per year due to high weaving from one freeway to the other, its accident rate is 50% higher than the statewide average for comparable facilities and has been ranked fourth-worst truck bottleneck in the nation by the American Transportation Research Institute.

SR-71 Improvements Project

The project was approved by the Board and strongly supported by the San Gabriel Valley Council of Governments and the City of Pomona and is one of Caltrans' highest priority projects. The project was included in the Measure M Expenditure Plan (Line Item 12) as a regional high priority project. It is environmentally cleared and will be constructed in 2 phases. Phase 1 between Mission and the south County Line is an expressway bottleneck

between the northerly segment (Freeway - between Mission and the I-10) and the freeway segment to the south in Orange County and will start construction in 2020. Phase 2 will include modifications to the northerly segment between Mission and I-10 and will follow when full funding is available.

SR-91 Improvement Projects

Several location-specific operational improvement projects along SR-91 identified and validated through extensive studies, promoted by the Gateway Cities Council of Governments, listed in the Measure M Expenditure Plan (Line Item 61), and collectively and individually approved by the Board. The projects are:

- SR-91, Central to Acacia: In environmental phase. Construction start is anticipated in 2024.
- SR-91, Atlantic to Cherry: In environmental phase with anticipated construction start in 2022.
- SR-91/I-605 Interchange Improvements: Is environmentally approved, in final design, and scheduled for construction in 2022

I-405 Improvement Projects

Proposed operational improvements along the most congested freeway in the nation. The I-405 provides access to the Los Angeles International Airport, Ports of Los Angeles and Long Beach, in provides countywide connectivity via I-5, I-210, SR-118, US-101, I-10, SR-91, I-105, I-110, I-710, SR-22, and SR-55.

The I-405 was identified as a major regional priority in the Measure M Expenditure Plan (Line Item 37). The South Bay Cities Council of Governments placed bulk of their funds in Measures R and M in highway investments but currently is proposing to repurpose their 2nd decade Measure R funds to non-highway projects.

The segment of the I-405 between I-10 and US-101 is prioritized for implementation of ExpressLanes. Extension of those lanes south of I-10 will maximize the effectiveness and operational benefits of the ELs. The Current active projects are:

- Crenshaw Interchange: This project was developed by Caltrans and has environmental and final design approvals. Construction is scheduled for 2021
- Auxiliary lane between El Segundo Blvd. and Artesia Blvd.
- Auxiliary lane between I-110 and Wilmington

I-605 “Hot Spots” Operational Improvement Projects

Several location-specific operational improvement projects along I-605 identified and validated through extensive studies, strongly supported by the Gateway Cities Council of Governments, listed in the Measure M Expenditure Plan (Line Item 61) and collectively and individually approved by the Board. Improvements at the I-605/I-10 interchange are listed as Line Item 33., Projects in the I-605 Corridor currently in progress are:

- I-605/South Street Interchange Improvements: significant back up at the

southbound off-ramp due to high traffic destined to the auto mall, a regional mall, the Cerritos Civic Center, and residential communities. Backup extends into the freeway mainline and impacts both I-605 and SR-91 interchange. Slow/stopped traffic approaching the South Street off-ramp poses high accident risk on the freeway.

- I-605/Beverly Interchange Improvements: The project will eliminate an existing short weaving distance between the loop on and off-ramps by replacing the current design with a diamond configuration. The project benefits include reducing weaving conflicts, thereby improving freeway operations and safety. Additionally, the project will include all directional movements at the S/B interchange, easing congestion at the intersections near the interchange. The project has environmental approval, is in final design, and scheduled for construction in 2021.
- I-605/Valley Blvd. Interchange Improvements: significant back up at the northbound off-ramp due to operational deficiencies which are forecasted to increase and exacerbate existing traffic conditions without planned improvements. The project will reduce congestion, improve traffic operations and mobility by increasing ramp storage, implementing minor geometric revisions, adding right-turn pockets and improving the signals. The project is in environmental phase with construction start anticipated in 2021.

SR-710 Mobility Improvement Projects

Metro Highway Department supported implementation of mobility improvement projects along the SR-710 gap between I-10 and I-210 to off-set the impacts of the current and future anticipated escalating traffic that was planned to be resolved by the completion of the freeway gap at much higher cost and impact. Development of the mobility improvement projects will start as early as the current Fiscal Year. Most of those projects will not have any environmental impacts. None of those projects will generate “new demand”. In fact, not implementing these projects will have further negative impacts on local streets and neighborhoods. Potential impacts of the larger projects will be fully mitigated.

I-710 Corridor and Early Action Projects

I-710 South Corridor Improvements are listed as Line Items 20 and 28 in the Measure M Expenditure Plan. Metro Highway Department, in collaboration with the Gateway Cities Council of Governments (GCCOG) has identified early action operational improvement projects that can be implemented incrementally along the corridor until there is support for major investment in improving the capacity of the I-710. The early action projects will be implemented within the current financial capacity and with no significant environmental impacts.

Other Metro Highway-based projects/programs:

Congestion Reduction/ExpressLanes:

Congestion reduction program strives to reduce congestion through dynamically pricing the roadway based on congestion and distance traveled to reduce delay and increase throughput (both vehicle and person) in underutilized HOV lanes. ExpressLanes rely on economic cues and operational improvements to manage demand on the roadways and

encourage carpooling, transit, and alternative transportation usage. As currently implemented in Los Angeles County, congestion reduction is designed to improve mobility by reducing idling and stop and go traffic resulting in reduced greenhouse gas emissions. The on-going efforts include:

- I-105 ExpressLanes: The project will convert HOV lanes between I-405 and I-605 to ExpressLanes enabling carpoolers to travel free of charge and SOVs to use the lanes for a toll. This project received Measure M funding, is in the environmental phase and has received tolling authority from the California Transportation Commission.
- I-10 HOV Conversion to ExpressLanes: This project, upon completion of an 11-mile gap in the I-10 HOV lanes, will convert those lanes to toll lanes to improve mobility along this corridor. Once completed, the lanes in Los Angeles County will connect to the ExpressLanes in San Bernardino County to accommodate the daily commute traffic between the two counties.
- I-405 Sepulveda Pass ExpressLanes: Currently beginning the environmental phase, this project aims to improve mobility through the heavily congested 10-mile segment of the I-405 between I-10 and US-101 with the goal of future extension along the I-405 corridor.
- Countywide Congestion Pricing Assessment Study: LA Metro began this two-year study in 2019 to assess the potential benefits of congestion pricing in Los Angeles County with the intent of reducing peak hour traffic congestion, promoting ridesharing, use of alternative modes of transportation, and ultimately improving the air quality and environmental quality in the LA basin.

Goods Movement

Movement of goods through the County depends on efficient performance of the freeways and other truck corridors. According to the Federal Highway Administration, Freight Analysis Framework (FAF) 4.5, 2019 report, 68% of the total 740.5 million tons of goods moved in the LA region is moved by trucks. This equates to 60% of the total value of \$1.7 billion.

Lack of capacity, deficient operation, and recurring and non-recurring congestion result in delayed and unreliable movement of goods with economic consequences. The land-based goods movement-related infrastructure in Southern California was built with reliance on strategic and progressive investment in roadways. Lack of investment in roadways without a well-planned alternative system to support timely and cost-effective movement of goods will have negative impacts on jobs, lives, and the economy of Southern California and the LA County. All proposed Metro-funded highway operational improvements on major freight routes consider improvements to accommodate movement of goods.

Other Contributions to Mobility Improvements

Metro Highways is working with Caltrans and local jurisdictions on development of “**Connected Corridors**” – a concept to combine the State highways and parallel local arterials with addition of ITS elements such as signal synchronization and electronic signage/message boards - to improve mobility along the State highways

without major highway widening and through active traffic management. This concept is presently being implemented on I-210.

Metro Highways also engaged with the Ports of Los Angeles and Long Beach and the private sector in testing a “**Truck Platooning**” concept, in which, through on-board computer systems, trucks can be connected to operate as trains with minimum headways at constant speeds for improved efficiency and mobility. A pilot project was successfully conducted on I-710. Further development of the concept and identification of the appropriate corridors are in progress.

**Board Report**

File #: 2019-0827, **File Type:** Agreement**Agenda Number:** 6.

**PLANNING AND PROGRAMMING COMMITTEE
FEBRUARY 19, 2020****SUBJECT: WESTLAKE/MACARTHUR PARK JOINT DEVELOPMENT****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (“CEO”) to execute a short-term Exclusive Negotiations Agreement and Planning Document (“ENA”) with the Walter J Company (“Proposer”) for the joint development of Metro-owned property at the Westlake/MacArthur Park Station (“Site”) for a period of six months, with an option to extend up to three additional months.

ISSUE

Staff have completed evaluation of an Unsolicited Joint Development Proposal (“Conceptual Proposal”) for development of the Metro-owned property at the Site along with adjacent property under the control of the Proposer. Staff have determined that the proposal to develop Metro’s property may yield significant affordable housing, community benefits and improvements surrounding the Site, and recommends entering into a short-term ENA to further refine the proposal with additional stakeholder and community input prior to considering entering into a full-term ENA with the Proposer.

BACKGROUND

On December 22, 2017, Metro received a Conceptual Proposal from the Proposer. In accordance with the Joint Development Unsolicited Proposals Policy (“JD UP Policy”), an evaluation committee made up of Metro staff from Joint Development, Operations, and Program Management reviewed the Conceptual Proposal and determined that it warranted additional consideration. After receiving CEO approval to proceed in February 2018, the Proposer was invited to submit a Phase 2 proposal (“Detailed Proposal”). After several phases of evaluation, the committee recommended advancing the proposal to the CEO. On June 14, 2019, per Federal Transit Administration requirements, Metro published its interest in the joint development of the Site for a 30-day period and ultimately recommended moving forward with the Proposer.

DISCUSSION

The Conceptual Proposal includes the redevelopment of the existing Metro plaza in conjunction with the construction of high-rise buildings on two adjacent lots owned by the Proposer (see Attachment

A). The plaza redevelopment will enhance connectivity and transit access at the Site while providing additional residential, commercial, and community space. The towers will provide housing and space for hotel units. In total, this transit-oriented development proposes:

- 665 residential units, with 120 units of affordable housing
- 252 hotel rooms
- 67,791 square feet of commercial space, and 75,679 square feet of open space amenities
- Significant enhancements to the Metro plaza promoting activation and connectivity of the station area
- A cooperative marketplace designed to support local artisans and vendors, with 20% of the commercial or retail floor area dedicated to minority-owned businesses and businesses that are owned and operated by Westlake/MacArthur Park District residents

Findings

The evaluation committee concluded that the Conceptual Proposal offers significant Transit Oriented Community (“TOC”) benefits that would not be possible if the development were to proceed without Metro’s property. Nor would it be possible for Metro to achieve the same degree of TOC benefits were the property to be developed on its own. From 2002 to 2017, Metro has been in various stages of negotiation for development of the Metro property at the station. These negotiations ended when it became clear that appropriate transit-oriented development was infeasible without using adjacent property as further discussed below. Staff’s analysis of the proposal indicates that the total value of development would be substantial enough that combining Metro and adjacent private property could overcome these hurdles.

Upon completing the review of the Conceptual Proposal, the committee recommended that it be advanced for the following key reasons:

- 1. Adjacent land enables a more substantial development project to overcome the challenges of a complex site:** The Metro-owned property at the Site is constrained by two station portals, an elevator, vent shafts, and a shallow station box that runs diagonal below the site. These physical constraints make it challenging to build above the station and deliver transit-supportive densities. A prior JD project was recently terminated in part due to the inability of the developer to deliver a financially feasible and desirable project given the Site’s constraints. The Proposer’s two adjacent properties, combined with the Metro-owned property, create a unique opportunity to span the station box and provide a mixed-use project with a significant number of housing units adjacent to transit.
- 2. Affordable Housing Provision:** Metro’s JD Policy sets a goal for 35% of the total housing units in the Metro Joint Development portfolio to be affordable for residents earning 60% or less of the Area Median Income (“AMI”). The Proposal would provide 120 affordable housing units (18% of total housing units) on the combined site. Including Metro’s property allows the Proposer to increase the project’s overall floor area ratio making it possible to build more affordable and market rate units than if the Metro property were to be developed on its

own.

3. Developer Team Experience with Metro: The Proposer's team has experience working with complex development sites and constructing over Metro subway portals. The Proposer's team architect designed and developed Solair, a mixed-use 22-story condo project above the Wilshire/Western station entrance.

4. Recent Community Experience: The Proposer's team has experience working with the MacArthur Park community. They will soon be breaking ground on a 41-story residential project with cultural/performance space at 1930 Wilshire, which is around the corner from the Site.

Short-Term ENA Deliverables

After careful consideration, the proposal has several areas that staff believes need to be addressed before moving forward with a full-term ENA. This includes requiring the developer to conduct initial community outreach to solicit input on the proposal and considering potential refinements to the project scope including the housing composition, parking quantities, and design integration with adjacent development opportunities. In addition, addressing concerns about gentrification and ensuring the protection of Metro's subsurface infrastructure will be critical. The short-term ENA will serve as an interim step that will allow the parties to directly communicate and address these areas of concern.

Equity Platform

Partnering to build a transit-oriented development with affordable housing falls into Pillar III-Focus and Deliver, of the Equity Platform by supporting affordable housing in an Equity Focused Community (as defined in the Values Framework of the Long-Range Transportation Plan update).

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety. Operations staff will review and comment on the proposed development to ensure that the proposal will have no adverse impact on the Westlake/MacArthur Park Station, portal and public-serving areas on Metro's property. In addition, the eventual implementation of this Joint Development project will offer opportunities to improve safety for transit riders through better pedestrian, bicycle, and mobility connections.

FINANCIAL IMPACT

Adoption of the ENA would have no significant financial impact to the agency.

Impact to Budget

Funding for the Joint Development activities related to the ENA and the proposed project is included in the FY20 budget in Cost Center 2210, Project 401038.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed project allows for a development that is in line with Goal 3 of the Strategic Plan, enhancing communities and lives through mobility and access to opportunity. The addition of affordable housing and community spaces adjacent to transit will increase ridership and activate the station area enhancing the community and the lives of community members through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board could choose not to proceed with the recommended action and could direct staff to seek new development options via a competitive process. Staff does not recommend proceeding with these alternatives as the Proposal will yield greater affordable housing and TOC benefits than Metro would be able to achieve with its property alone.

NEXT STEPS

Upon Board approval of the recommended action, staff will execute the short-term ENA and Metro staff and the Proposer will commence preliminary negotiations in parallel with community outreach to engage stakeholders in a dialog about the development proposal and address the mentioned areas of the proposal that require refinement before returning to the Board to request a full-term ENA.

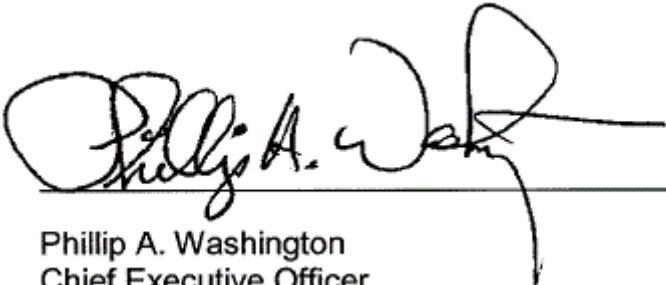
ATTACHMENTS

Attachment A - Project Site Plan

Attachment B - Proposed Project Rendering

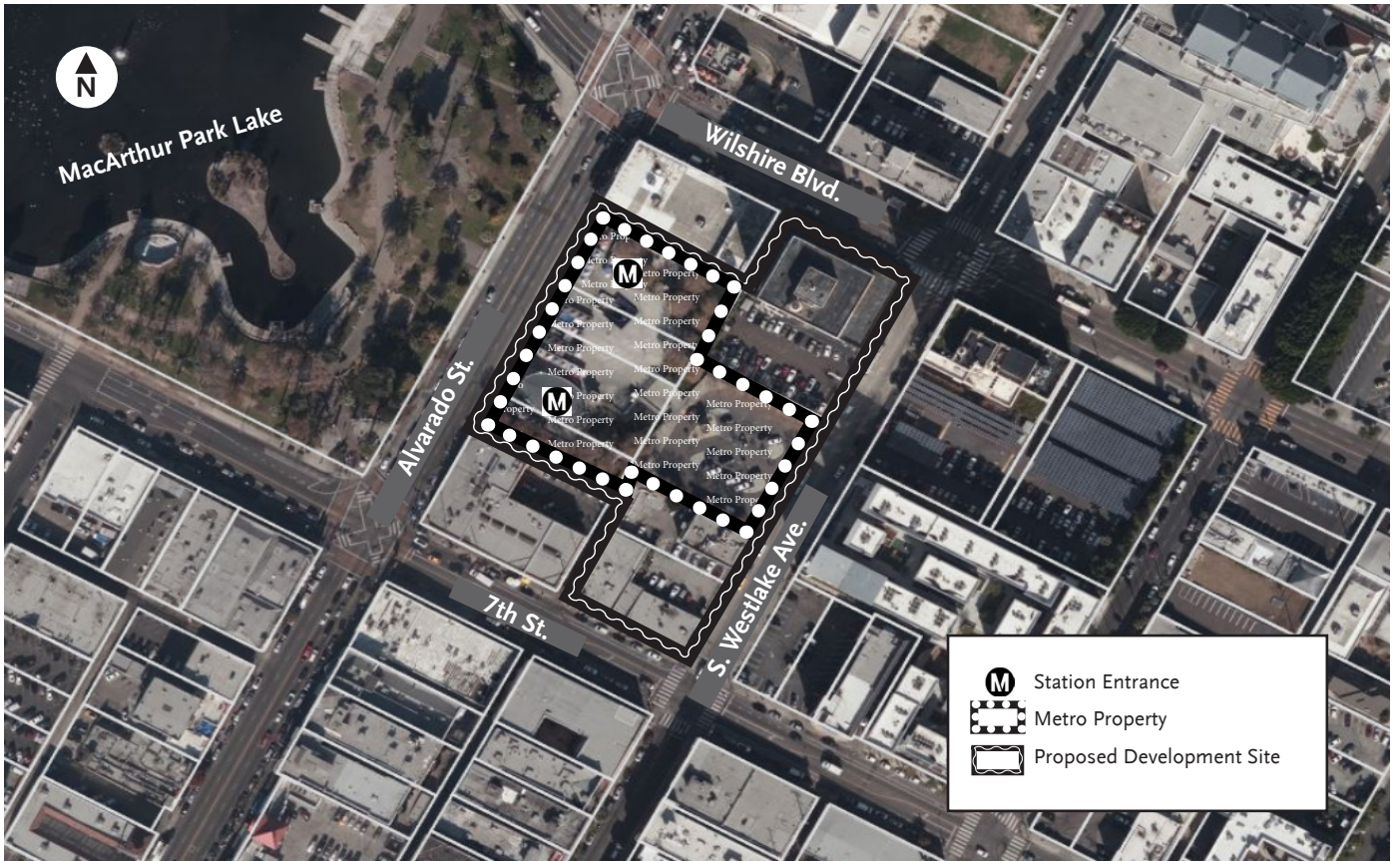
Prepared by: Olivia Segura, Senior Manager, Countywide Planning & Development, (213) 922-7156
Wells Lawson, Senior Director, Countywide Planning & Development, (213) 922-7217
Nick Saponara, DEO, Countywide Planning & Development, (213) 922-4313
Holly Rockwell, SEO - Real Estate, Transit Oriented Communities and Transportation Demand

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



Phillip A. Washington
Chief Executive Officer

Attachment A - Project Site



Attachment B – Proposed Project Rendering





Next stop: building communities.

Westlake/MacArthur Park Joint Development

Planning and Programming Committee

February 19, 2020

Legistar File 2019-0827

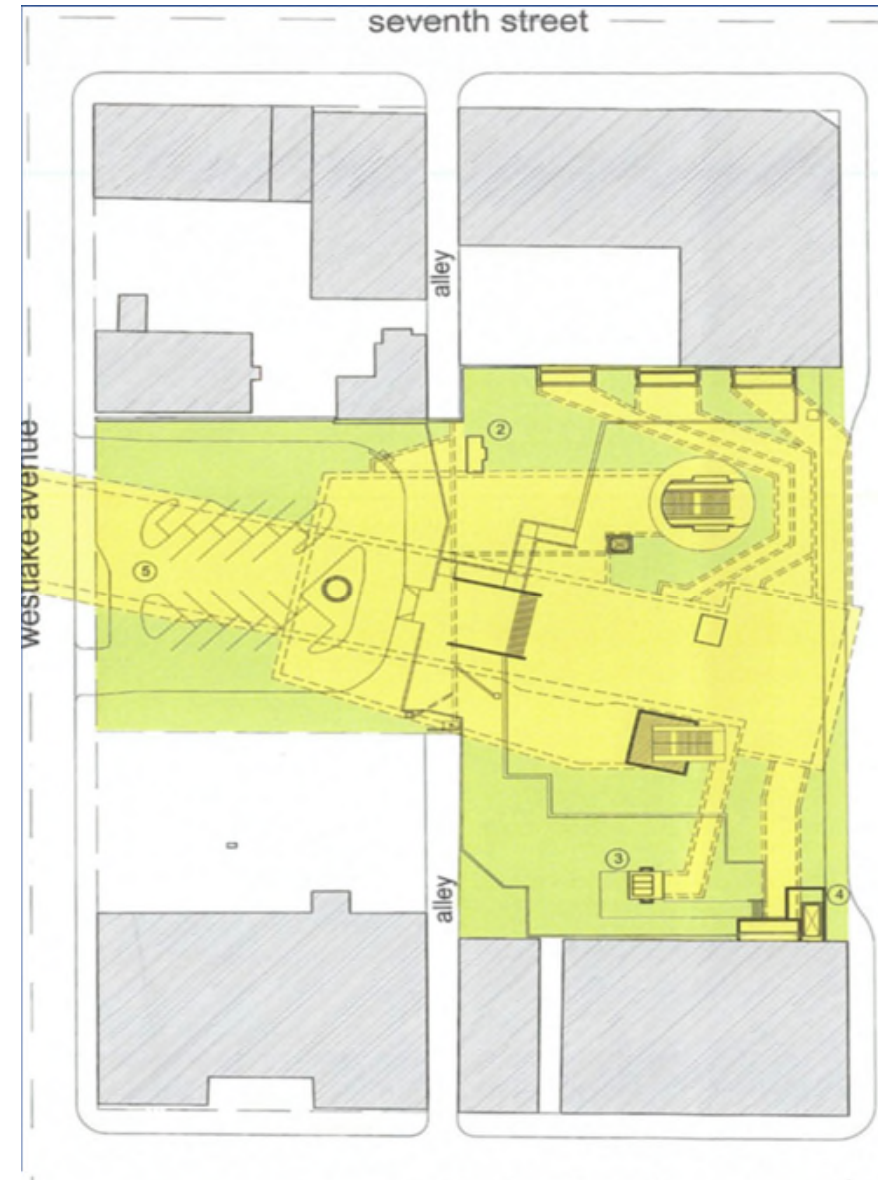


Recommendation

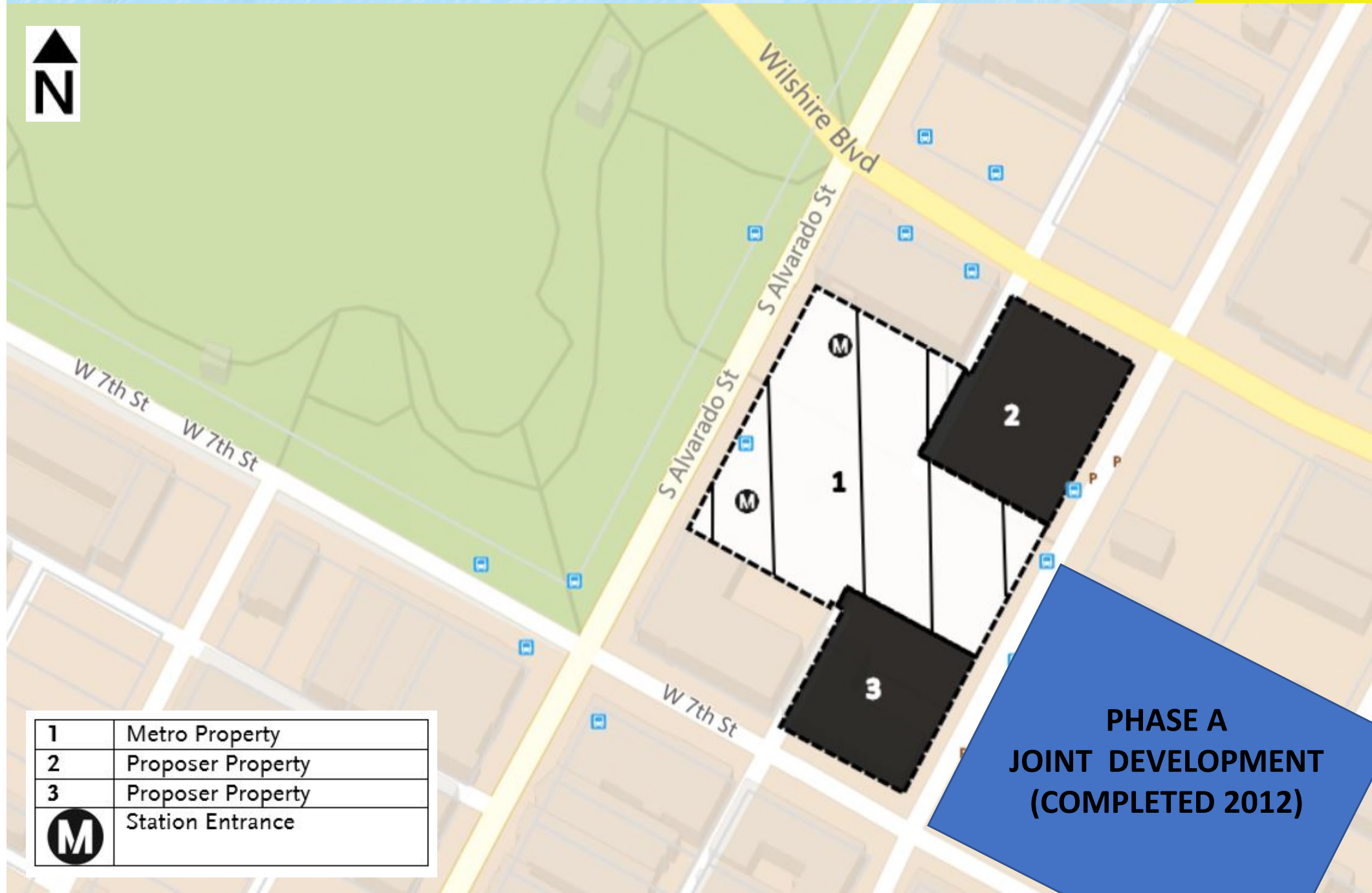
- > Authorize the Chief Executive Officer to execute a short-term Exclusive Negotiations Agreement and Planning Document (“ENA”) with the Walter J Company (“Proposer”) for the joint development of Metro-owned property at the Westlake/MacArthur Park Station for a period of six months, with an option to extend up to three additional months
- > Short-Term ENA will enable staff to exit procurement “blackout” period and open a dialogue with the Proposer and the community


Background

- May 2012 Phase A completed with 90 units of 100% Affordable Housing
- May 2017 Phase B (80 affordable units) determined infeasible due to subsurface infrastructure
- December 2017 Unsolicited Proposal received, initiating procurement “blackout”
- May 2019 Evaluation Committee recommends posting opportunity to allow for competing proposals
- June 2019 Second proposal received with fewer affordable units
- February 2020 Staff initiate study of affordable housing policy



Westlake/MacArthur Park Site Overview



1	Metro Property
2	Proposer Property
3	Proposer Property
	Station Entrance

**PHASE A
JOINT DEVELOPMENT
(COMPLETED 2012)**

Developer Proposal – Subject to Negotiation

- > 665 residential units, with 120 units of affordable housing
- > 252 hotel rooms
- > Approximately 70,000 sq./ft. commercial space
- > Approximately 75,000 sq./ft. open space amenities
- > Significant enhancements to the Metro plaza, promoting activation and connectivity of the station area
- > Cooperative marketplace supporting local artisans and vendors

Next Steps

Upon Board approval staff will:

- > Execute a short-term ENA
- > Commence preliminary negotiations with Proposer to address:
 - Affordable Housing Set-Aside and Community Amenities
 - Community Outreach
 - Design Concept including Parking
- > Staff will return to the Board in Fall 2020 to recommend next steps



Board Report

File #: 2019-0828, File Type: Agreement

Agenda Number: 7.

**PLANNING AND PROGRAMMING COMMITTEE
FEBRUARY 19, 2020**

SUBJECT: 103RD ST/WATTS TOWERS STATION JOINT DEVELOPMENT

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (“CEO”) to execute an Exclusive Negotiation Agreement and Planning Document (“ENA”) with Watts Station LP, a California limited partnership, for the development of 3.67 acres of Metro-owned property at the 103rd St/Watts Towers Station (“Site”) for 18 months with the option to extend up to 30 months.

ISSUE

Staff have completed evaluation of an Unsolicited Joint Development Proposal (“Conceptual Proposal”) for the Site and, having determined that it would advance Joint Development policy goals, are recommending pursuing the proposal under an ENA. The proposal offers construction of a 100% affordable housing development on Metro-owned land, including 83 units at or below 60% Area Median Income (“AMI”) for seniors, families and artists. The Site is part of a larger proposed development that will offer an additional 130 affordable housing units on adjacent property, renovation of the historic Watts Train Station, neighborhood-serving retail and pedestrian-friendly design that will activate the station area and support transit ridership.

BACKGROUND

On June 28, 2018, Metro received a Conceptual Proposal from Watts Station LP, a partnership formed by Thomas Saffron & Associates Development Inc. and Housing Corporation of America, a 501(c)3 non-profit (“Proposer”). An evaluation committee made up of Metro staff from Joint Development, Operations, and Rail Engineering reviewed the Conceptual Proposal and, after receiving CEO approval in February 2019 to proceed, invited the Proposer to submit a Phase 2 proposal (“Detailed Proposal”). In September 2019, after several phases of detailed evaluation, the evaluation committee recommended advancement of the proposal. On November 12, 2019, as per Federal Transit Administration requirements, Metro published its interest in the joint development of the Site for a 30-day period, however, no other proposals were received.

DISCUSSION

The proposed project includes the redevelopment of 3.67 acres of Metro-owned property at the 103rd St/Watts Towers Station (“Station”) along the A Line (see Attachment A). The Proposer has acquired the surrounding parcels formerly owned by the Community Redevelopment Agency of Los Angeles for the development of affordable housing and other community-serving uses. As the Proposer has acquired the surrounding parcels, the Metro-owned property would accommodate additional affordable housing and open space for a total project site of eight acres. The total project would include 213 affordable units, a multi-purpose community center, and renovation of the historic Watts Train Station to include retail with seating for customers and Metro patrons (see Attachment B - Project Rendering).

The proposal for the Metro portion of the site includes:

- 83 units of affordable housing
- Design that seeks to maintain and accentuate visibility of the Watts Towers
- “Watts Art Walk”: a series of art-focused open space, landscape and streetscapes linking the Station to the Watts Towers
- “Watts Gateway”: improvement of open space and added streetscape around the existing pedestrian bridge
- Integration into larger project with a mix of affordable housing for seniors, families and formerly homeless as well as open space and community space

Findings

In accordance with the Joint Development Unsolicited Proposal Policy, the evaluation committee conducted a comprehensive evaluation of the Phase 2 Proposal. The committee made the following conclusions:

- The proposed project prioritizes development of transit-adjacent affordable housing to assist in meeting the Joint Development portfolio-wide goal of 35% affordable housing; and
- The developer has extensive experience in affordable housing development and controls adjacent property which makes possible the development of this otherwise challenging site.

The proposal offers several potential benefits to Metro including: additional affordable housing adjacent to transit, increased transit ridership, reduced congestion through transit-oriented development, and residential and community spaces integrated into the project that would allow for activation of the Station area. The proposal also presents an opportunity to improve a Metro-owned parcel that would be difficult to develop without the inclusion of adjacent property controlled by the Proposer. Additionally, the redevelopment of the station area, including the adjacent property formerly owned by the Community Redevelopment Agency of Los Angeles, has been long anticipated. Metro’s participation would support broader community development goals along the A Line where Metro does not generally own many properties.

Equity Platform

Partnering to build a transit-oriented development with affordable housing falls into Pillar III-Focus and Deliver, of the Equity Platform by supporting affordable housing in an Equity Focused Community (as defined and approved by the Board in the Long-Range Transportation Plan update).

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety. Metro's operations staff will review and comment on the proposed development to ensure that the proposal will have no adverse impact on the Station and Metro operations. In addition, the eventual implementation of this Joint Development project will offer opportunities to improve safety for transit riders through better pedestrian, bicycle and mobility connections.

FINANCIAL IMPACT

Adoption of the ENA would have no significant financial impact to the agency.

Impact to Budget

Funding for the Joint Development activities related to the ENA and the proposed project is included in the FY20 budget in Cost Center 2210, Project 401053. The ENA will require the developer to pay a non-refundable fee of \$50,000, due upon execution of the ENA, as well as a \$50,000 deposit to cover certain Metro staff costs and third-party expenses during the negotiation period.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed project allows for a development that is in line with Goal 3 of the Strategic Plan, enhancing communities and lives through mobility and access to opportunity. The addition of affordable housing and community spaces adjacent to transit will increase ridership and activate the station area enhancing the community and the lives of community members through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board could choose not to proceed with the recommended action and could direct staff to seek new development options via a competitive process. Staff does not recommend proceeding with this alternative as the selected Proposer is an experienced affordable housing developer committed to ongoing stakeholder engagement and controls adjacent property which will make the development of this otherwise challenging site possible. A new competitive process would delay the development of the Site. Further, any proposals received would not include the adjacent land required for feasible mixed-use development of this scale and the Site would be difficult to develop on its own due to its irregular shape. Finally, the proposed project offers 213 units of affordable housing, of which 83 are proposed on Metro's property supporting Metro's affordable housing goals.

NEXT STEPS

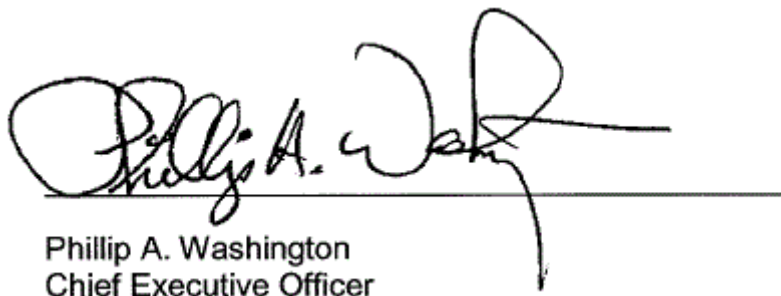
Upon Board approval of the recommended action, staff will execute the 18-month ENA, and Metro staff and Proposer will commence preliminary negotiations in parallel with community outreach to engage stakeholders in a dialog about the development proposal. Metro staff, with support from a financial consultant and County Counsel, will negotiate a term sheet for a Joint Development Agreement and Ground Lease to be presented to the Board for consideration prior to the conclusion of the ENA negotiation period.

ATTACHMENTS

Attachment A - Project Location and Ownership
Attachment B - Project Rendering

Prepared by: Olivia Segura, Senior Manager, Countywide Planning & Development, (213) 922-7156
Wells Lawson, Senior Director, Countywide Planning & Development, (213) 922-7217
Nick Saponara, DEO, Countywide Planning & Development, (213) 922-4313
Holly Rockwell, SEO - Real Estate, Transit Oriented Communities and Transportation Demand

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



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A – PROJECT LOCATION AND OWNERSHIP



- 1** Metro
- 2** Proposer (formerly CRA/LA)
- 3** Proposer (formerly City of LA)
- 4** Proposer (formerly CRA/LA)

ATTACHMENT B – PROJECT RENDERING





Next stop: building communities.

103rd St/Watts Towers Joint Development

Planning and Programming Committee

February 19, 2020

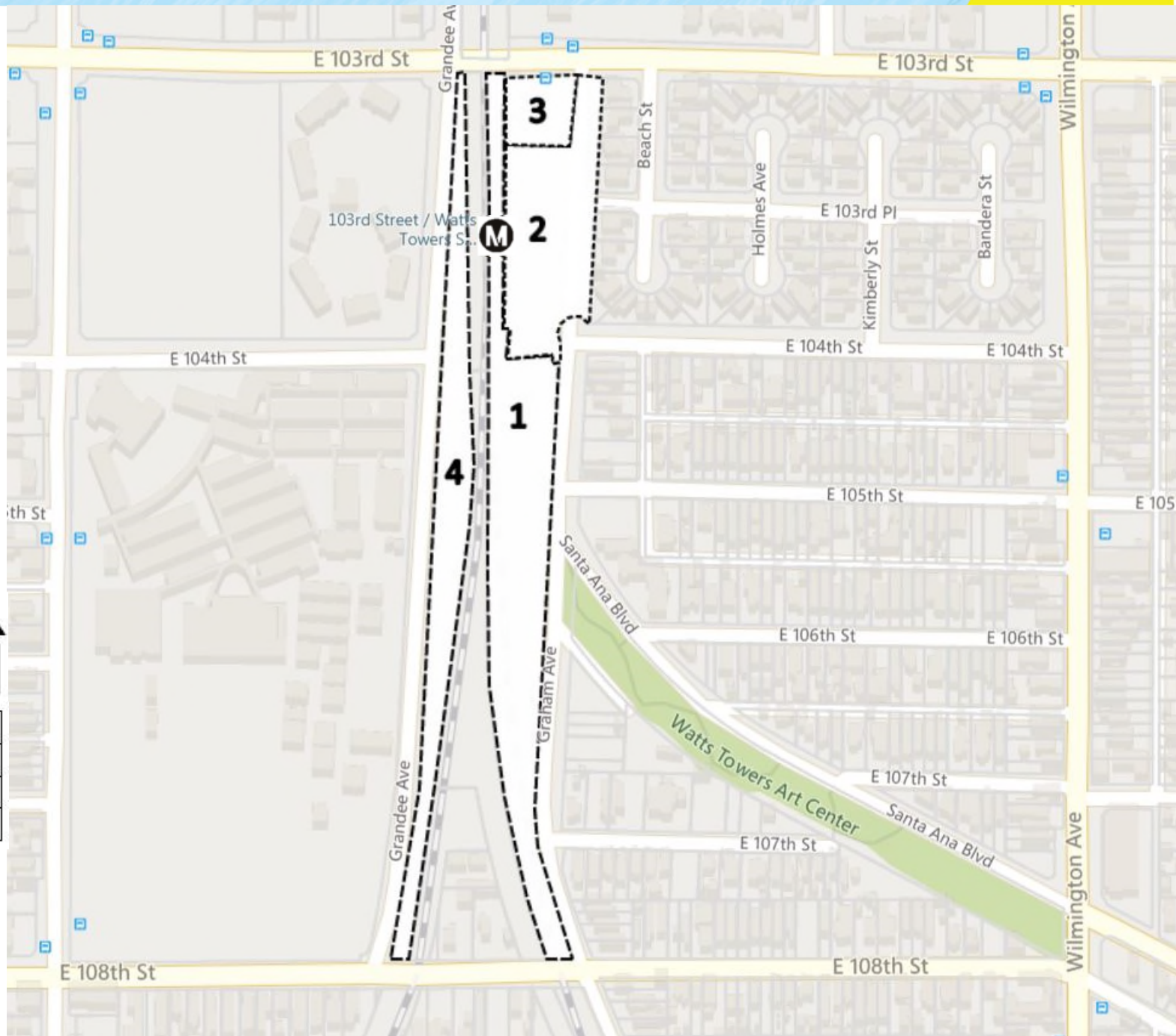
Legistar File 2019-0828



Recommendation

- > Authorize the Chief Executive Officer to execute an Exclusive Negotiation Agreement and Planning Document (“ENA”) with Watts Station LP, a California limited partnership, for the development of 3.67 acres of Metro-owned property at the 103rd St/Watts Towers Station (“Site”) for 18 months with the option to extend up to 30 months

103rd St/Watts Towers Site Overview



1	Metro Property
2	Proposer Property
3	Proposer Property
4	Proposer Property



Proposal Scope

- > 100% affordable housing project including 83 units on Metro property and integration into larger affordable housing development yielding a total of 213 units for seniors, families and formerly homeless
- > Art-focused community and open space, landscape, street scape linking development to Station and Watts Towers
- > Improvement of area surrounding existing pedestrian bridge
- > Experienced development team with over 4,000 units of affordable housing units built throughout Greater Los Angeles

Next Steps

Upon Board approval:

- > Execute an 18-month ENA
- > Coordinate outreach plan with Proposer
- > Refine project design
- > Negotiate a term sheet for a Joint Development Agreement and Ground Lease to be presented to the Board



Board Report

File #: 2020-0027, File Type: Informational Report

Agenda Number: 8.

PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 19, 2020

SUBJECT: EASTSIDE TRANSIT CORRIDOR PHASE 2

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- a. Proceeding with the California Environmental Quality Act (CEQA) only for the project's environmental process;
- b. Withdrawing the SR 60 and Combined Alternatives from further consideration in the environmental study;
- c. Preparing a feasibility study independent from the Eastside Transit Corridor Phase 2 project to evaluate other options that better serve the needs of the San Gabriel Valley; and
- d. Approving the Eastside Transit Corridor Phase 2 Title VI Service Equity Analysis.

ISSUE

Measure M allocates \$6 billion to the Eastside Transit Corridor Phase 2 project (Project) to be programmed in two cycles. Cycle 1 identifies \$3 billion for one alignment with a 2029 groundbreaking date and an opening date of 2035. Cycle 2 identifies \$3 billion with a 2053 groundbreaking date and an opening date of 2057. The Project is currently in the environmental review process pursuant to the CEQA and National Environmental Policy Act (NEPA) with three build alternatives under study to support the adoption of a Locally Preferred Alternative. These three alternatives (SR 60, Washington, and Combined Alternatives as described in this report) were approved for study by the Board in May 2017 (Legistar #2017-0154). This Project is one of the four pillar projects identified by the Board for acceleration efforts to be completed in time for the 2028 Olympic and Paralympic Games in Los Angeles (Motion 32.4, #2019-0108).

The recommendations in this Board Report would facilitate efforts for project acceleration. Discontinuing NEPA analysis would streamline the environmental study by not requiring federal reviews. The current environmental schedule includes NEPA and CEQA clearances of the three project alternatives as well as a no-build Alternative. Final environmental clearance is anticipated in 2023 and construction by 2029, placing the Project at risk of not meeting 2028 acceleration goals. Pillar projects must begin construction no later than the calendar year 2023 to be completed and

enter into revenue service by 2028 (Legistar file 2019-0434).

The SR 60 and Combined Alternative face significant environmental and engineering challenges and are less consistent with adopted Metro policies than the Washington Alternative. These issues and constraints are documented in the attached SR 60 and Combined Alternatives Issues and Constraints Report (Attachment A). Narrowing the project alternatives, in this case, selecting the Washington alternative as the proposed project for continuing environmental review would shorten the project schedule by narrowing and focusing environmental and engineering work currently in progress. The selection of an alternative requires a Title VI service equity analysis which has been completed for this project. Results of the analysis are included in the Eastside Transit Corridor Phase 2 Title VI Service Equity Analysis (Attachment B).

BACKGROUND

The Eastside Transit Corridor Phase 2 has been studied extensively and has evolved since its inception. These studies have included:

- In 2007 an Alternatives Analysis (AA) Study for the Project was initiated, wherein 47 alternatives were evaluated.
- In January 2009, the Metro Board approved the AA Study and identified two build alternatives to be carried forward.
- In 2010 the Draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) was initiated. The Draft EIS/EIR analyzed two build alternatives, SR 60 and Washington Boulevard, in addition to the No-Build and Transportation Systems Management (TSM) Alternatives. The Draft EIS/EIR was released for public review in August, 2014.
- In November 2014, the Board directed staff to carry out additional technical work to address concerns raised by Caltrans, United States Environmental Protection Agency (EPA), and United States Army Corps of Engineers (USACE) about the SR 60 Alternative. The technical work also included identifying a new north-south alignment to connect to the Washington Boulevard Alternative.
- At the May 2017 meeting, the Board received the findings of the Post Draft EIS/EIR Technical Study and approved an updated project definition.

Based on these actions the following project alternatives were carried forward and are included in the current study:

SR 60 Alternative

Generally, follows the southern edge of the SR 60 Freeway primarily in an aerial configuration from Atlantic Station, the current Metro Gold Line terminus at Pomona Boulevard and Atlantic Boulevard, and continues to Peck Road in the city of South El Monte. A 1.5-mile segment shifts to the north side of the freeway, between Greenwood Avenue and Paramount Boulevard to address technical issues regarding the proximity to the Operating Industries, Inc. (OII) Superfund site and avoid disturbance of contaminated materials. Proposed stations along this route that are being considered include: Garfield Avenue station serving Montebello and Monterrey Park, The Shops at Montebello station in Montebello, Santa Anita Avenue station in South El Monte, and Peck Road station in South El Monte.

Washington Alternative

Travels south along Atlantic Boulevard in an underground segment between the current Metro Gold Line terminus station at Pomona Boulevard/Atlantic Boulevard and the Citadel Outlets in Commerce. The route then proceeds east along Washington Boulevard via aerial and at-grade (street level) configurations ending at Lambert Road in the city of Whittier. Proposed stations along this route that are being considered include: redesigned Atlantic Boulevard station, Atlantic/Whittier Boulevard station in East Los Angeles, Commerce/Citadel station in Commerce Greenwood Avenue station in Montebello, Rosemead Boulevard station in Pico Rivera, Norwalk Boulevard station serving unincorporated Los Nietos, Whittier, and Santa Fe Springs, and Lambert Road station in Whittier.

Combined Alternative Explores the potential build out and operation of both the SR 60 and Washington Alternatives as described above. The Combined Alternative would allow service from South El Monte and Whittier to downtown Los Angeles and the regional transit network. The alternative would require infrastructure and operational elements that would not otherwise be required if only one of the alternatives was operated as a “stand-alone” line. Trains would alternate between continuing west past Atlantic Boulevard Station and providing a one-seat ride between South El Monte and Whittier in a “C” configuration via a wye junction (i.e., three-way junction). Specifically, the Combined Alternative would include a wye junction in the East Los Angeles area near the Via Campo neighborhood that would connect the SR 60 and Washington Alternatives, allowing alternating train movements between both lines.

In October 2018, the Board authorized the award of professional services contracts (Legistar file 2018-0303) to restart the environmental studies and clear the Project under CEQA and NEPA and to complete Advanced Conceptual Engineering design. As part of the reinitiated environmental review planning process, additional focused technical analysis was done to address concerns raised by Cooperating Agencies for the SR 60 and Combined Alternatives. The constraints and challenges within or along the freeway corridor have become more evident with further technical analysis, additional engineering design, and coordination with future improvements for the SR 60 Freeway. The Combined Alternative compounds these technical challenges by requiring the addition of an underground wye junction at Pomona/Atlantic where the existing Gold Line ends.

Recent Metro Board adopted policies to address emerging transportation priorities, including equity, Transit-Oriented Communities (TOC), First/Last Mile (FLM) planning, and parking policies which were not in place when the project was first introduced. An analysis of TOC- and FLM-related factors relevant to assessing the SR 60 and Washington Alternatives was completed as part of the current planning process. The Washington Alternative shows greater potential compared to the SR 60 Alternative as it relates to TOC and FLM.

DISCUSSION

CEQA Only Environmental Clearance (Discontinuing NEPA)

The Eastside Transit Corridor Phase 2 is one of the four pillar projects which introduces acceleration goals to the Measure M Program. The Project is primarily funded by Measures M and R and other

state and local sources. Federal funding allocation for this Project is not a significant component of the project's funding plan.

Currently, \$40.4 million out of the \$3 billion Cycle 1 project funding plan are federal. The designated federal funds could be reallocated to other projects with commensurate state and local funding reprogrammed for Eastside Transit Corridor Phase 2. In the future, should additional federal funding for the project become available, staff would have the ability to reinitiate NEPA analysis. Pursuing environmental clearance only through CEQA could streamline the environmental analysis and advance acceleration efforts to support the pillar project goals. Federal reviews would no longer be required and FTA could prioritize reviews of other Metro priority projects.

Summary of Technical Issues and Constraints of the SR 60 Alternative

From the onset, the SR 60 Alternative posed environmental and engineering challenges associated with running parallel to the SR 60 Freeway and adjacent to sensitive land uses and environmental resources. These concerns have been analyzed and reevaluated through several studies beginning with the 2014 Draft EIS/EIR Report, the 2017 Post Draft EIS/EIR Technical Study, and additional focused analyses that were initiated in 2019.

Longstanding environmental and engineering challenges raised by Cooperating Agencies and utility providers are detailed in Attachment A. A summary of critical constraints and challenges that have intensified since the 2014 Draft EIS/EIR and the 2017 Post Draft EIS/EIR Technical Study that impede the Project implementation efforts and inability to meet acceleration schedule are described below.

Future Improvements of the SR 60 Freeway

The SR 60 Alternative runs primarily within the existing Caltrans right-of-way (ROW) and must be closely coordinated with major improvements that are planned for the SR 60 Freeway including Caltrans' planned future widening which would bring existing general-purpose lanes up to Caltrans' current standards and add HOV lanes. These planned improvements pose major constraints for the SR 60 Alternative which have become more apparent as engineering and environmental studies have advanced.

Adverse issues associated with the SR 60 Alternative include:

- In meetings in 2019, Caltrans underscored that the SR 60 Alternative would impact Caltrans' ability to widen the freeway in the future. The widening of the SR 60 Freeway would result in shifting the SR 60 Alternative aerial guideway out of the Caltrans ROW in most cases.
- Based on Caltrans' planned criteria for the freeway, an approximate 93-foot buffer was agreed upon as sufficient space to accommodate future improvements. The 93-foot buffer is conceptual and would require Caltrans approval upon submittal of Advanced Conceptual Engineering drawings.
- This alignment shift, if implemented along the full alignment, would further impact adjacent residential and environmentally sensitive areas beyond what was identified in the 2014 Draft EIS/EIR. The impacts would occur particularly to single-family and

multifamily residences, Whittier Narrows Recreation Area and South El Monte High School.

- The SR 60/ I-605 Interchange Improvements project is currently in the environmental clearance phase. This project, managed by Metro's Highways Program in coordination with Caltrans, has led to modifications to the terminus station at Peck Road to accommodate the freeway widening and new ramp configurations. This design places the guideway approximately within 5 feet of the residential condominiums adjacent to the freeway ramp.

Issues related to the required rail transit guideway as it crosses the freeway have raised additional issues:

- The SR 60 Alternative transitions to the north side of the freeway between Greenwood Avenue and Paramount Boulevard to circumvent the OII Superfund site and avoid disturbance of contaminated materials. Caltrans raised concerns about the 2014 design that proposed the placement of bridge column supports in the median of the SR 60 Freeway.
- To address these comments, a focused technical analysis of alternative bridge options and alignments to cross the freeway was undertaken. It was concluded that a clear-span option (i.e., avoiding a column in the median of the freeway) is feasible to address Caltrans' concerns. However, the curve radius for the alignment across these bridge spans would reduce operating speeds from 55 mph to 25 to 30 mph for the Project. The proposed clear-span bridges do not meet the desired operating speeds for light rail. The Metro Rail Design Criteria (MRDC) establishes maximum operating speed of 65 MPH for exclusive and semi-exclusive alignments and states that mainline alignments should be designed for the established maximum operating speed.

Caltrans-Required Lateral Encroachment Permit

Historically, Caltrans has communicated that a Lateral Encroachment Permit would be required for the areas of the guideway that are proposed to be within Caltrans' ROW (partially or fully). This is an added constraint and risk to the Project because of potential delays to obtain such permit. These types of proposed lateral encroachment permits are not conventional within the Caltrans permitting process, which would require extensive reviews to ensure State compliance.

Constrained Maintenance Storage Facility (MSF)

An MSF and potential initial operating segment would need to be identified for each Alternative to serve rail operational functions and demands. Metro Operations' regional needs are being met through this Project based on the Fleet Management Plan. The plan establishes a need for an MSF site, approximately 20 acres in size, that can accommodate storage capacity for 100 to 120 light rail vehicles (LRV) and required operational elements. Issues associated with identifying a Maintenance & Storage Facility have included:

- Identifying an MSF site along the SR 60 Freeway is limited primarily due to the surrounding land uses, including the SR 60 Freeway, the OII Superfund site, the Whittier Narrows Flood Control Basin, and residential and recreational areas.
- The proposed SR 60 MSF is a small site, approximately 15.5 acres in size, with a storage capacity of approximately 70 LRVs. This is less than what would be required for

the SR 60 Alternative, which would require close to 100 to 120 LRVs, and less than required for the Combined Alternative to serve Metro's overall system needs.

- The non-revenue lead tracks would extend beyond the proposed terminus, Peck Road station, in an aerial configuration approximately half-mile. The lead tracks would cross over the San Gabriel River and the San Gabriel River Trail/Bike Path in an aerial configuration.
- The elevated structure would conflict with Southern California Edison (SCE) overhead transmission lines, which would have insufficient vertical clearance. Also, an easement from SCE would be required, including through the middle of the MSF facility.

Summary of Technical Issues and Constraints of the SR 60 Alternative

The Combined Alternative introduces the inclusion of wye junction. The wye junction's proposed location is in unincorporated East Los Angeles County at the intersection of Atlantic Boulevard/3rd Street/Pomona Boulevard in the Via Campo neighborhood. Additional property acquisitions would be required along Pomona Boulevard from La Verne Avenue to Sadler Avenue.

- The approximately 2/3-mile stretch would require the acquisition of the whole first row of mostly commercial properties along the south side of 3rd Street/Pomona Blvd for the construction of the wye junction as part of the Combined Alternative.
- As a stand-alone element, incorporating the Combined Alternative would add approximately \$1.3-1.7 billion to the project capital cost for the wye junction, which is not commensurate with the forecasted number of riders it would serve.

The Washington Alternative does have its challenges, however not as complex relative to the SR 60 and Combined Alternatives. The focused technical analysis for the Washington Alternative included the evaluation of the underground section, design variations at Rosemead and 605 freeway, and the bridge crossings. These challenges are being resolved within the project's predetermined timeline for environmental clearance.

Inconsistencies with Metro Adopted Policies

In June 2018, Metro's TOC Policy was adopted to promote places (such as corridors and neighborhoods) that, by design, allow people to drive less and access transit more. TOCs promote more walkable, bikeable, and sustainable neighborhoods adjacent to transit. The TOC Policy sets the direction to guide Metro decision-making for projects and to assist local jurisdictions in maximizing the potential of transit investments in their communities.

A TOC and FLM Assessment Report is being prepared which establishes TOC and FLM criteria. TOC criteria relate to an evaluation of adjacent land uses, population and employment densities. FLM criteria analyzed bicycle facilities, block sizes, and active transportation elements. In addition to TOC and FLM analysis, the Assessment Report reviews Environment and Equity criteria to assess physical barriers in the surrounding station area environment and the extent to which TOCs are served. Initial findings from the TOC and FLM assessment work indicates that the SR 60 Alternative lacks potential as it correlates to all three criteria: TOC, FLM, and Environment and Equity. This is due to the spatial nature of proposed station areas along the alignment.

The SR 60 Alternative is challenged and constrained because the guideway runs parallel to the freeway. Stations are adjacent to the freeway which lacks direct connections to residential communities within the half-mile station area. Some stations along the SR 60 Alternative are situated in large commercial shopping malls, parking lots and recreational zones near freeway on/off-ramps. Connections to existing residential neighborhoods are hindered by the quality of the public realm, a discontinuous and suburban street network, large block sizes, numerous freeway on/off ramps, and freeway underpasses.

Given the lack of proximity to residential communities and the lack of direct connections within the half-mile station area, the SR 60 Alternative is less supportive of the adopted equity goals, serving fewer low-income and transit-dependent populations. Land uses surrounding these stations are also less transit-supportive than those along the Washington Alternative. Preliminary results of the TOC and FLM Assessment Report are summarized in Attachment A.

The Washington Alternative exhibited better compatibility with Metro's adopted policies. Proposed stations along the Washington Alternative demonstrated greater TOC compatibility. The stations are planned in areas with a connected street network making it easier to walk, bike, and ride transit. Station areas either have existing transit-supportive land use patterns or have the potential for future planning efforts. This is mainly because the stations along this alignment are located close to existing residential neighborhoods and commercial corridors. In general, the Washington Alternative stations are situated in areas with a higher presence of residential land uses, serving more economically disadvantaged communities who would benefit from improved transit access consistent with Metro's Equity Platform.

Public Scoping Meetings

Through the reinitiated environmental review process, a 45-day scoping period was held from May 31 to July 15, 2019. Public scoping meetings were held in June 2019 in the cities of Whittier, South El Monte, Commerce, Montebello, Pico Rivera, and unincorporated Los Angeles County in the East Los Angeles community.

Approximately 300 comments were received during the scoping period. Approximately two-thirds of the comments referenced the build alternatives. Over one-third of the comments referenced the SR 60 Alternative, which received the lowest amount of support from the public. An organized community group-Justice and Equality for the Eastside Coalition-obtained over 400 signatures from residents of the Via Campo neighborhood opposed to the current proposed construction of an at-grade and aerial portion of the SR 60 Alternative. They were concerned with the negative health and quality of life impacts. In general, there was some support for all three project alternatives. The major themes expressed by stakeholders in their comments included:

- Opposition to at-grade alignment on SR 60 Alternative from South Atlantic Boulevard to Findlay Avenue;
- General support for Washington Alternative from communities, business groups and employers along the alignment; and
- Concerns raised over environmental justice and equal consideration for undergrounding in

lower-income areas of the county.

Alternative Solution with the Withdrawal of the SR 60 and Combined Alternatives

The Eastside Transit Corridor studies to date recognize the mobility challenges that exist along the SR 60 Freeway corridor and within the San Gabriel Valley and the need to connect to Metro's regional transit network. The route has been analyzed and reevaluated through several studies since 2007. Stakeholders and communities along the corridor have shown a vested commitment to the project. If the Board approves the withdrawal of the SR 60 and Combined Alternative from the Project's environmental study, the staff recommendation is that Metro should continue to work with the corridor cities, key stakeholders and the communities to prepare a feasibility study that would identify short and long term solutions to evaluate options to serve the mobility needs in the San Gabriel Valley and along the SR 60 Freeway. The short- and long-term plan will include financial review of the Measure R and M commitments. The anticipated duration of the feasibility study would take approximately 18 months to complete. The development of the scope of work for technical services and outreach would commence immediately upon Board approval. Metro staff will report back in six months on the progress of the feasibility study.

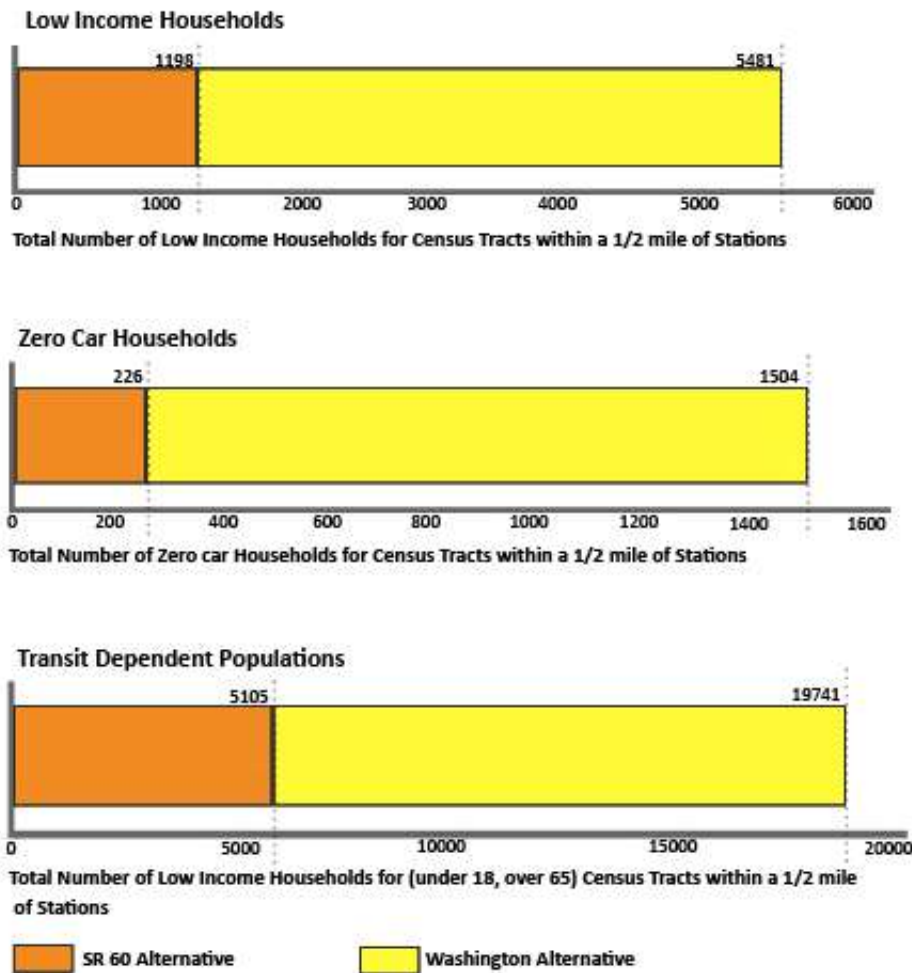
Equity Platform

The Project is aimed at providing a more reliable and high-quality transit alternative to the communities of the eastern Los Angeles County that will help to solve the mobility challenges in the Project area and meet the mobility needs of the area's residents and businesses. In the further development of the Equity Platform, the Draft 2020 LRTP includes frameworks that help address the first two Equity Platform pillars (Define and Measure and Listen and Learn).

The equity-focused community (EFC) definition identifies two demographic factors that have historically been determinants of disinvestment and disenfranchisement: household income and race/ethnicity. Households with low vehicle ownership also present an opportunity to target new mobility investments in neighborhoods with a higher propensity to take 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. The 2017 baseline year demographic data was used to understand communities' social, demographic, and geographic information.

The communities along the SR 60 Alternative, when compared to the county average, have lower densities, fewer communities with non-English speaking population, and fewer communities living below the federal poverty level. Full EFC mapping analysis and framework are described in Attachment A.

The TOC and FLM analysis also evaluated low-income households, zero-car households, and transit-dependent population data within a half-mile of the station areas for the SR 60 and Washington Alternatives. The SR 60 Alternative stations serve substantially fewer low-income, transit-dependent, and zero-car households. The chart below compares the low-income and transit-dependent population data for the SR 60 and Washington Alternatives.



Title VI Service Equity Analysis Findings

Title VI Service Equity Analysis is required to support the identification of a Locally Preferred Alternative for a potential new transit service as part of the proposed Eastside Transit Corridor Phase 2 Project. The analysis was conducted pursuant to Metro’s Title VI thresholds and FTA’s Circular 4702.1B, which require that the service change be analyzed to determine whether the proposed service will have a disproportionate burden or disparate impact on minority and low-income populations relative to the non-low-income and minority populations.

The analysis utilized income and ethnicity demographic data to assess the characteristics of each alternative’s service area and evaluate if the low-income and minority populations would be affected by the proposed Project. Based on the percentage analysis conducted, it was found that there was no disproportionate burden as it relates to low-income populations along the alternatives. The percentage of minority populations along the new transit service were higher than Metro’s service area as a whole. Since the new transit service would be considered a benefit to the corridor cities, providing an additional transportation option and increased accessibility, the analysis determined that the minority populations along the corridor cities would benefit from the project. In summary, this Title

VI Service Equity Analysis concludes that each alternative would prove beneficial and would not impose a disproportionate burden or disparate impact. The analysis and results are detailed in Attachment B.

DETERMINATION OF SAFETY IMPACT

These actions will not have any impact on safety of our customers and/or employees because this Project is at the study phase and no capital or operational impacts result from this Board action.

FINANCIAL IMPACT

The FY20 budget does not include funding for the proposed feasibility study. Should the Board approve the recommended action, staff would work to identify funding sources from Cost Center 4310 and fund a new project in FY20 in the anticipated amount of \$250,000 for professional services. Since this is a multi-year program, the Cost Center Manager and Chief Planning Officer will be responsible for budgeting in future years.

Impact to Budget

Along with discontinuing NEPA, federal funds will be removed from this project. The new funding sources will be local admin funds, which are not eligible for bus and/or rail operating and capital expenses.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project supports the goals outlined in the Metro Vision 2028 Strategic Plan. More specifically, the Project supports Goal #3 - *Enhance Communities through Mobility and Enhanced Access to Opportunity*, as it will connect communities to the regional Metro rail network, which will expand access to jobs, major activity centers, including educational and medical institutions, and recreational opportunities within the project area and across the Los Angeles region.

ALTERNATIVES CONSIDERED

The Board could decide not to withdraw from the NEPA process. This is not recommended because it extends the Project's environmental schedule with an anticipated final environmental clearance in 2023 placing the Project at risk of not meeting acceleration goals. Allocated federal funds for this Project are marginal and could be reallocated with state and local funding.

The Board could decide not to approve the recommended withdrawal of the SR 60 and Combined Alternatives to be carried forward into the environmental study. These alternatives are not recommended, as this would impact the Project's environmental clearance schedule and would not consider the updated technical findings. The narrowing of the alternatives will ensure the Project remains on schedule and will also support the Project's acceleration goals.

Washington Alternative is a viable option with less constraints in contrast to the SR 60 Alternative. Cooperating Agencies had less concerns regarding the Washington Alternative. More importantly, it avoids conflicts with Caltrans ROW and federally protected resources, and avoids major utility

conflicts that are more prominent along the SR 60 Alternative.

NEXT STEPS

Upon Board approval, staff will notify FTA of the decision to discontinue the NEPA environmental study and will continue to advance the environmental study pursuant to CEQA. The environmental study will evaluate the adopted project alternative, MSF options, and initial operating segments. An update to the Board is anticipated in summer/fall 2020.

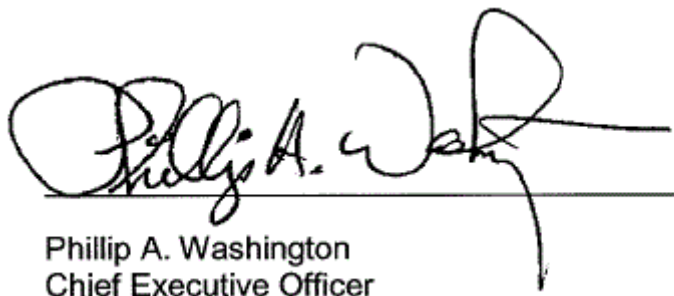
Upon Board approval of the feasibility study, a scope of work will be developed immediately for technical work and community engagement, and Metro staff will report back in six months on the progress of the feasibility study.

ATTACHMENTS

Attachment A - SR 60 and Combined Alternatives Issues and Constraints Report
Attachment B - Eastside Transit Corridor Phase 2 Title IV Service Equity Analysis

Prepared by: Jenny Cristales-Cevallos, Senior Manager, Countywide Planning & Development, (213) 418-3026
Lauren Cencic, Senior Director, Countywide Planning & Development, (213) 922-7417
David Mieger, SEO, Countywide Planning & Development, (213) 922-3040

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



Phillip A. Washington
Chief Executive Officer

SR 60 and Combined Alternatives Issues and Constraints Report

http://libraryarchives.metro.net/DB_Attachments/200131_T4%209%20ESP2%20Final%20SR%2060%20and%20Combined%20Alternatives%20Issues%20and%20Constraints%20Report.pdf

Eastside Phase 2 Transit Corridor Title VI Service Equity Analysis

http://libraryarchives.metro.net/DB_Attachments/200129%20Attachment%20B%20ESP2%20Final%20Title%20VI%20Service%20Equity%20Analysis_20200128.pdf

An illustration of a Metro Rail train stopped at a station. The train is yellow and black with 'Metro Rail' and 'Go Metro' written on it. In the background, there is a city street with a building, palm trees, and people walking and riding a bicycle. A large yellow tree trunk is on the left side of the image.

Next stop: further east.

EASTSIDE TRANSIT CORRIDOR PHASE 2



Planning and Programming Committee
February 19, 2020
Legistar File No. 2020-0027

Recommendations

Consider:

- Proceeding with the California Environmental Quality Act (CEQA) only for the project's environmental process;
- Withdrawing the SR 60 and Combined Alternatives from further consideration in the environmental study;
- Preparing a feasibility study independent from the Eastside Transit Corridor Phase 2 project to evaluate other options that better serve the needs of the San Gabriel Valley; and
- Approving the Eastside Transit Corridor Phase 2 Title VI Service Equity Analysis

SR 60 and Combined Alternatives Issues and Constraints

Federal Agency Impacts

- Superfund site
- Army Corps of Engineers

Caltrans Impacts

- Widening outside of ROW required
- Impacts to sensitive land uses
- Southern California Edison transmission lines

Maintenance Storage Facility Site

- Not an acceptable site

Adopted Metro Policies

- Less compatible with Metro adopted policies

Reasons for Making the Decision Now

- Washington Alternative is a viable alternative with fewer environmental and engineering impacts
- Both short and long terms solutions are needed for Cities along SR 60 Alternative, therefore, feasibility Study is recommended to commence

Title VI Service Equity Analysis

- Title VI Service Equity Analysis is required
- Assessed the demographic characteristics of each alternative's service area
- Washington Alternative would not impose a disparate impact or disproportionate burden

Next Steps

- Advance the environmental study pursuant California Environmental Quality Act (CEQA)
- Evaluate the adopted project alternative, Maintenance Storage Facility options, and initial operating segments
- Update to the Board in summer/fall 2020
- Develop a scope of work for the feasibility study including technical analysis and community engagement



Board Report

File #: 2020-0064, **File Type:** Program

Agenda Number: 9.

**PLANNING AND PROGRAMMING COMMITTEE
FEBRUARY 19, 2020**

SUBJECT: MEASURE M MULTI-YEAR SUBREGIONAL PROGRAM ANNUAL UPDATE - LAS VIRGENES/MALIBU SUBREGION

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

A. APPROVING:

1. Inter-program borrowing and programming of additional \$4,100,000 from the Las Virgenes/Malibu Subregion’s Measure M Multi-Year Subregional Program (MSP) Highway Efficiency Program to the Active Transportation/Transit/Tech Program, as shown in Attachment A;
2. Programming of additional \$7,000,000 within the capacity of Measure M MSP Highway Efficiency Program, as shown in Attachment B; and

B. AUTHORIZING the Chief Executive Officer or his designee to negotiate and execute all necessary agreements and/or amendments for approved projects.

ISSUE

Measure M MSPs are included in the Measure M Expenditure Plan. All MSP funds are limited to capital projects. The annual update approves additional eligible projects for funding and allows the Las Virgenes/Malibu Subregion and implementing agencies to revise scope of work, schedule and amend project budgets. This update includes changes to projects which have received prior Board approval and funding allocation for new projects. Funds are programmed through Fiscal Year (FY) 2022-23. The Board’s approval is required to program additional funds and the updated project lists serve as the basis for Metro to enter into agreements and/or amendments with the respective implementing agencies.

DISCUSSION

On January 2019, the Metro Board of Directors approved Las Virgenes/Malibu Subregion’s first MSP Five-Year Plan and programmed funds in: 1) Measure M MSP - Active Transportation/Transit/Tech Program (expenditure line 56); and 2) Measure M MSP - Highway Efficiency Program (expenditure

line 57).

Metro staff continued working closely with the Las Virgenes/Malibu Subregion Council of Governments (COG) and the implementing agencies on project eligibility reviews of the proposed projects for this annual update. Metro required, during staff review, a detailed project scope of work to confirm eligibility and establish the program nexus, i.e. project location and limits, length, elements, phase(s), total expenses and funding request, and schedule, etc. This level of detail will ensure timeliness of the execution of the project Funding Agreements once the Metro Board approves the projects. For those proposed projects that will have programming of funds in FY 2021-22 and beyond, Metro accepted high level (but focused and relevant) project scope of work during the review process. Metro staff will work on the details with the COG and the implementing agencies on the details through a future annual update process. Those projects will receive conditional approval as part of this approval process. However, final approval of funds for those projects shall be contingent upon the implementing agency demonstrating the eligibility of each project as required in the Measure M Master Guidelines.

The changes in this annual update include \$11,100,000 in additional programming for two new and three existing projects.

Active Transportation/Transit/Tech Program (expenditure line 56)

This update includes funding adjustments to three existing projects as follows:

Calabasas

- Program an additional \$1,500,000 in FY 22 and FY23 for MM4401.02 - Citywide Green Streets - Malibu Hills Road, Calabasas Road, Old Town Calabasas, Las Virgenes Road and Parkway Calabasas. The funds will be used to complete the Plans Specification and Estimates (PS&E) and construction phases of the project.
- Program an additional \$2,500,000 in FY 23 for MM4401.11 - Mulholland Highway Gap Closure - Old Topanga Canyon Road to City Limits. This project was previously approved as part of MM4401.03. Metro and the City agreed to split MM4401.03 project into two phases, MM4401.11 as the second phase. The funds will be used to complete the PS&E and construction phases of the project.

Westlake Village

- Program an additional \$100,000 in FY 20 for MM4401.07 - Lindero Linear Park - Lindero Canyon Blvd. from Agoura Rd. to Foxfield Dr. The funds will be used to complete the construction phase of the project.

Highway Efficiency Program (expenditure line 57)

This update includes two new projects as follows:

Agoura Hills

- Program \$2,500,000 in FY 21 for MM5503.07 - Kana Road - Thousand Oaks Blvd. to Canwood Street. The funds will be used to complete the PS&E and construction phases of the project.

Calabasas

- Program \$4,500,000 in FYs 21, 22 and 23 for MM5503.08 - Calabasas Road Improvements. The funds will be used to complete PS&E and construction phases of the project.

Equity Platform

Consistent with Metro's Equity Platform, the MSP outreach effort recognizes and acknowledges the need to establish comprehensive, multiple forums to meaningfully engage the community to comment on the proposed projects under all Programs. The Las Virgenes/Malibu COG along with member agencies and adjacent unincorporated area of Los Angeles County undertook an extensive outreach effort and invited the general public to a series of public workshops and meetings. Metro will continue to work with the Subregion to seek opportunities to reach out to a broader constituency of stakeholders.

DETERMINATION OF SAFETY IMPACT

Programming of Measure M MSP funds to the Las Virgenes/Malibu Subregion projects will not have any adverse safety impacts on Metro's employees or patrons.

FINANCIAL IMPACT

In FY 2019-20, \$7.79 million is budgeted in Cost Center 0441 (Subsidies to Others) for the Active Transportation Program (Project #474401) and \$1.5 million is budgeted in Cost Center 0442 (Highway Subsidies) for the Highway Efficiency Program (Project #475503). Since these are multi-year projects, Cost Centers 0441 and 0442 will be responsible for budgeting the cost in future years.

Impact to Budget

The source of funds for these projects is Measure M Highway Construction 17% which is not eligible for Metro bus and rail operating and capital expenditures.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports the following goals of the Metro Vision 2028 Strategic Plan:

Goal 1: Provide high-quality mobility options that enable people to spend less time traveling by alleviating the current operational deficiencies and improving mobility along the projects.

Goal 4: Transform LA County through regional collaboration by partnering with the Council of Governments and the local jurisdictions to identify the needed improvements and take the lead in

development and implementation of their projects.

ALTERNATIVES CONSIDERED

The Board could elect not to approve the additional programming of funds for the Measure M MSP projects for the Las Virgenes/Malibu Subregion. This is not recommended as the proposed projects were developed by the Subregion in accordance with the Measure M Ordinance, Guidelines and the Administrative Procedures.

NEXT STEPS

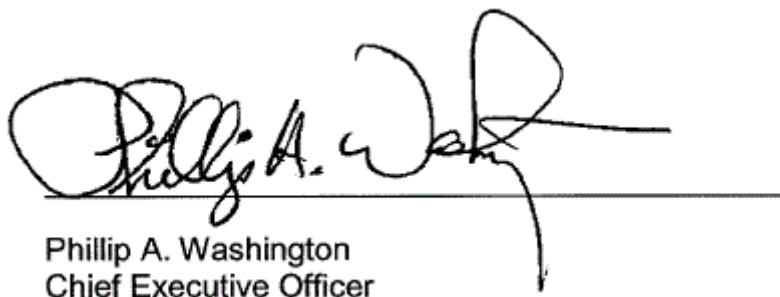
Metro staff will continue to work with the Subregion to identify and deliver projects. Program/Project updates will be provided to the Board on an annual basis.

ATTACHMENTS

Attachment A - Active Transportation/Transit/Tech Program Project List
Attachment B - Highway Efficiency Program Project List

Prepared by: Fanny Pan, DEO, Countywide Planning & Development, (213) 418-3433
Shawn Atlow, EO, Countywide Planning & Development, (213) 418-3327
Laurie Lombardi, SEO, Countywide Planning & Development, (213) 418-3251

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



Phillip A. Washington
Chief Executive Officer

Las Virgenes/Malibu Subregion

Measure M Multi-Year Subregional Plan - Active Transportation/Transit/Tech Program (Expenditure Line 56)

	Agency	Project ID No.	Project/Location	Funding Phases	Notes	Pror Alloc	Alloc Change	Current Alloc	Prior Year Prog	FY2019-20	FY2020-21	FY 2021-22	FY2022-23
1	Calabasas	MM4401.02	City-wide Green Streets - Malibu Hills Road, Calabasas Road, Old Town Calabasas, Las Virgenes Road and Parkway Calabasas	PS&E Construction	Chg	\$ 1,656,164	\$ 1,500,000	\$ 3,156,164	\$1,656,164			\$1,030,000	\$ 470,000
2	Calabasas	MM4401.03	Mulholland Highway Gap Closure - Old Topanga Canyon Road (Phase I)	PS&E Construction		2,200,000		2,200,000	450,200	1,750,000			
3	Calabasas	MM4401.04	Old Town Parkway Improvements - Park Granada to City Limits*	PS&E Construction		1,987,335		1,987,335				1,987,335	
4	Calabasas	MM4401.11	Mulholland Highway Gap Closure - Old Topanga Canyon Road to City Limits	PS&E Construction	Chg	4,013,250	2,500,000	6,513,250		1,422,765	2,590,285		2,500,000
5	Malibu	MM4401.05	Pedestrian/Bicyclist Crosswalk Improvements - PCH @ Big Rock Dr. & 20356 PCH	PS&E Construction		683,219		683,219		41,915	118,238	523,066	
6	Malibu	MM4401.06	Westward Beach Parking and Walkway Improvements	PS&E Construction		3,500,000		3,500,000	1,500,000	1,200,000	800,000		
7	Westlake Village	MM4401.07	Lindero Linear Park - Lindero Canyon Blvd from Agoura Rd to Foxfield Dr.	PS&E Construction	Chg	4,352,678	100,000	4,452,678	3,206,314	1,246,364			
8	Westlake Village	MM4401.08	Lindero Sidewalk Extension - Thousand Oaks Blvd to Via Colinas*	PS&E ROW		2,378,247		2,378,247			1,175,023	1,203,224	
9	LA County	MM4401.09	Malibu Canyon Road Bridge Replacement	PS&E Construction		875,000		875,000	100,000	100,000	175,000	500,000	
10	LA County	MM4401.10	Topanga Beach Shuttle Bus Stops Improvements (Metro Orange Line to Metro Expo Line in Downtown Santa Monica)	PS&E Construction		400,000		400,000	50,000	100,000	250,000		
Total Programming Amount						\$ 22,045,893	\$ 4,100,000	\$ 26,145,893	\$6,962,678	\$5,861,044	\$5,108,546	\$5,243,625	\$2,970,000

* Conditional programming approval as only high level scope of work was developed and reviewed. Future annual update process will reconfirm the programming.

Las Virgenes/Malibu Subregion
Measure M Multi-Year Subregional Plan - Highway Efficiency Program (Expenditure Line 57)

	Agency	Project ID No.	Project/Location	Funding Phases	Notes	Pror Alloc	Alloc Change	Current Alloc	Prior Year Prog	FY2019-20	FY2020-21	FY 2021-22	FY 2022-23
1	Agoura Hills	MM5503.01	U.S 101/Palo Comado Interchange - Chesebro Rd S to Driver Ave. & Chesebro Rd to N of interchange	PS&E Construction		\$ 8,195,436		\$ 8,195,436	\$5,393,212	\$2,802,224			
2	Agoura Hills	MM5503.02	Kanan Road Corridor from Thousand Oaks Blvd to Cornell Road *	Env PS&E		2,813,493		2,813,493			1,051,879	1,761,614	
3	Agoura Hills	MM5503.07	Kanan Road - Thousand Oaks Blvd to Canwood Street	PS&E Construction	New	-	2,500,000	2,500,000			2,500,000		
4	Hidden Hills	MM5503.03	Long Valley Road/Valley Circle/US-101 On-Ramp Improvements	PS&E, ROW Construction		1,215,652		1,215,652	468,006	243,169	249,247	255,230	
5	Malibu	MM5503.04	Malibu Park and Ride Lots	ROW		3,100,000		3,100,000	3,100,000				
6	Malibu	MM5503.05	Median Improvements PCH	PS&E Construction		2,000,000		2,000,000	150,000	150,000	1,000,000	700,000	
7	LA County	MM5503.06	Malibu Canyon Road Improvements - Malibu Canyon Rd @ Piuma Rd. & Las Virgenes Rd @ Las Virgenes Canyon Rd	PS&E ROW Construction		1,500,000		1,500,000	200,000	125,000	700,000	475,000	
8	Calabasas	MM5503.08	Calabasas Road Improvements	PS&E Construction	New	-	4,500,000	4,500,000			190,000	1,300,000	3,010,000
Total Programming Amount						\$ 18,824,581	\$ 7,000,000	\$ 25,824,581	\$9,311,218	\$3,320,393	\$5,691,126	\$4,491,844	\$3,010,000

* Conditional programming approval as only high level scope of work was developed and reviewed. Future annual update process will reconfirm the programming.



Board Report

File #: 2019-0865, File Type: Contract

Agenda Number: 29.

PLANNING & PROGRAMMING COMMITTEE
FEBRUARY 19, 2020
OPERATIONS, SAFETY & CUSTOMER EXPERIENCE COMMITTEE
FEBRUARY 20, 2020

SUBJECT: THE MICROTRANSIT PILOT PROJECT - PART B (IMPLEMENTATION)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 5 to firm fixed price Contract No. PS46292001 with RideCo., Inc. as a private partner and technology firm for operations in conjunction with the deployment areas outlined in Attachment F (Regional Readiness Operating Plan) and Attachment G (Map), in the amount of \$28,874,747.50, increasing the total Contract value from \$285,985.13 to \$29,160,732.63.
- B. AMEND the FY20 budget for the MicroTransit pilot project implementation positions and funding listed below:
 - 1. 80 Contract positions to operate the vehicles and 7 Contract positions to supervise the service; and
 - 2. \$7,750,000 for FY20 contractual and operational expenses

ISSUE

Metro staff seeks to implement innovation to both increase ridership of Metro’s family of services and provide an improved customer experience for existing riders by expanding the agency’s network through the testing and scaling of MicroTransit within LA County.

This new mode of public transit will offer shared rides which can be ordered through our regional call center, a new mobile application, and/or an internet browser. The suite of MicroTransit software tools for customers will offer real-time trip planning, booking, payment and fare system integration. Customers will also be able to pre-schedule trips or book repeat trips, as well as monitor the real-time status of trips for others under a linked account.

MicroTransit has been developed hand-in-hand to support implementation of the NextGen Bus Plan and the aspirational goal of a 10-minute maximum wait time per our strategic plan, Vision 2028.

According to our NextGen study findings, short trips (1-5 miles), which are being driven solo or with a private car service, are among the most important opportunities for the public sector to retain current ridership and to grow utilization among non-transit customers. Short trips are often to a local market, to pick up a child from daycare, to shuttle a child to an afterschool activity or for a medical appointment. Many of these trips are taken by students, older adults and parents of youth.

To help capture the more than 50% of short trips taking place in LA County today, MicroTransit will be introduced into our existing fixed-route network and provide continued opportunities for Metro to improve on managing customer demand at times when fewer customers are riding. This mixed fleet of vehicles (Transit 150, Transit 350, Grand Caravan, Metris and Sprinter) includes electric vehicles, which is in-line with operational testing on the Orange Line. For ease of use for the customer and personal space, most vehicles will be configured to carry 7-10 passengers.

MicroTransit will not only improve reliability and allow for guaranteed transfers across our multi-modal system but will also offer riders the opportunity to customize their experience by ordering a trip and linking to the next leg of their Metro journey. Metro staff anticipates up to two-thirds of the new trips generated by this mode will include transfers to other modes within Metro's family of services.

Customer and operator safety are critical to maintaining the highest standards of security and optimal service design for MicroTransit. To offer our customers the safest on-demand environment, the entire fleet of vehicles will be operated by our exclusive operating union, SMART-TD. The recommended software/technology platform, akin to Metro's current fixed-route operations, will achieve full integration with the TAP card and account system, and be connected to our Transit Watch network and operations centers for dispatch in the case of safety incidents.

Metro employee operators will undergo eight weeks of workforce training with a focus on customer service and safety. This new innovative training series developed in partnership with Human Capital and Development, the Office of Civil Rights and Operations will be the first of its kind in the nation and is being implemented in coordination with SMART-TD.

During the pilot phase of this operation, Metro staff recommends deploying MicroTransit into six identified areas where ridership can be retained and boosted. These service zones and their deployment schedule are as follows:

- Summer 2020: Watts/Willowbrook
- Fall 2020: Northwest San Fernando Valley
- Winter 2020: LAWA/Inglewood
- Spring 2021: Highland Park/Eagle Rock/Glendale
- Summer 2021: Altadena/Pasadena/Sierra Madre
- Fall 2021: UCLA/VA Medical Center/Century City

This service is recommended to be available 7 days a week with an initial soft launch (60 days) at a 12-hour service span per day. The background section on the following page, as well as Attachment F, details the factors utilized to identify these areas for operations.

This project is term-limited with up to three years of Revenue Service Operations, up to 120 days of

pre- launch and 30 days for final pilot evaluation. This operation will be evaluated to determine whether it should be incorporated as a permanent mode of the agency.

BACKGROUND

New and emerging technology has had a profound impact on how services are delivered. Among the most noteworthy trends has been the rise and growth of on-demand and customized services. In specific, the world of public transit has experienced a meaningful jolt resulting from these new on-demand economies. In California, this has amounted to the rise of Transportation Network Companies initially focused on replacing single-occupancy vehicles. However, in more recent months, this emerging sector has showcased a clear and intentional desire to replace trips traditionally served by public transit agencies.

Metro has continually monitored these changes and trends to better understand the strengths of these models, as well as the challenges in delivering equity. Metro's Office of Extraordinary Innovation (OEI) has engaged in this space by receiving and evaluating unsolicited proposals (including a proposal received in 2016 to test trip pooling technology), interviewing project managers and issuing findings. In partnership with the Eno Center for Transportation, Metro staff published the white paper, UpRouted, a compilation of findings on the early challenges to MicroTransit. Best practices as highlighted in the white paper were sourced from peers at Alameda-Contra Costa Transit District, Santa Clara Valley Transportation Authority and Kansas City Area Transportation Authority. More recently, Metro has funded a TNC partnership through OEI and managed directly by the private sector.

In 2017, under the direction of the Chief Executive Officer, Metro staff assembled an agency-wide team which to-date has drawn insights and expertise from more than 450 staff from all departments to design the new transit offering. This service has been built as a hybrid, merging the best of private technology with the experience of public operations to identify and respond to untapped mobility opportunities within LA County.

The concept was to set-up a multi-year pilot, which would test how an on-demand operation run by Metro employees using private sector technology and vehicles could integrate within Metro's family of services. This service would encourage current Metro customers to ride the system more regularly for a safe, comfortable, reliable, single-direction or round-trip ride.

By introducing and testing a new service focused on short trips in smaller vehicles, Metro would be able to flex its' operations to match the mode/vehicle to the customer. This new operation would tap into the growing momentum and expectation around new technology and tools to encourage ridesharing with Metro for short trips. This was the genesis of the agency's first Pre-Development Agreement Public Private Partnerships (PDA-P3s), which supports a two-part contract similar to a design-build contracting model.

In October 2017, the competitive Request for Proposal (RFP) was issued to procure services from qualified firms or Contractor Team(s) to partner with Metro for planning, designing, testing and evaluating a technology-based service for traveling short distances. The PDA-P3 was divided into two parts, Part A ("Planning and Design,) and Part B ("Implementation and Evaluation").

In April 2018, three PDA-P3 contracts were awarded for service feasibility studies to tech teams with transit planning firms (RideCo/Iteris, Via/Nelson/Nygaard and Transdev/AECOM). The Part A findings were set to serve as the foundation for implementation in Part B.

During the service design period, the three competitors worked with all departments at Metro to craft operations and identify service areas to support equity, network connectivity, economic mobility, congestion reduction and environmental goals. Findings were used to inform the Regional Reading Operating Plan (Attachment F). In September 2019, the three companies completed Part A (“Planning and Design”).

To best maximize efficiencies and utilize the vast in-house expertise available, implementation of this new MicroTransit service was shifted to Metro Operations for Part B (“Implementation and Evaluation”). Under the direction of Metro’s Chief Operations Officer, the agency has entered pre-revenue service operations as based upon the service feasibility studies (PDA-P3, Part A), the operational road map of the agency under the build outs identified in Measures R and M and the NextGen Bus Plan.

Metro staff recommends the MicroTransit Regional Readiness Operating Plan (Attachment F), in line with Proposed MicroTransit Service Zones displayed in the corresponding map (Attachment G).

DISCUSSION

Metro staff recommends the workforce outlined below to deliver a functional and successful operation:

Operators (SMART)

Metro employees will operate the MicroTransit vehicles under the signed side letter with our exclusive operating Union, SMART-TD, representing all new 80 employee operators for FY20.

Supervisors (AFSCME)

Metro employees will supervise the daily operations of MicroTransit Operators. Seven (7) transit operations supervisors (TOS) will provide on-street operations supervision, coordination, service monitoring and training for MicroTransit operators for FY20.

MicroTransit Project Team (Non-Contract)

The MicroTransit project oversight team will be responsible for, but not limited to, management of daily operations and contract administration; development of MicroTransit training specific to on-demand technology and operations; establishment of safety protocols and procedures for incident training, reporting and resolution; development and management of partnerships and coordination with local cities, municipal operators, local organizations and businesses; direct customer acquisition strategies (includes financial agreements with public and private funders); and analysis to optimize service delivery in order to compete in the marketplace. The five (5) non-contract project positions necessary for pre-launch, revenue service operations and evaluation of the pilot are listed as follows (see attachment D for details):

- 1 Director, Transportation Operations

- 2 Manager, Transportation Operations
- 1 Principal Transportation Planner
- 1 Sr. Administrative Analyst

These positions will report to the Sr. Director, Special Projects for MicroTransit. If MicroTransit becomes a permanent operation, Metro will retain the above positions (operators and project team) as permanent employees of the agency. The Non-Contract positions required to support this project will be allocated from agency-wide vacancies in FY20. Non-Contract positions required to support the project will be allocated from approved agency FY20 staffing levels. All Contract, Non-Contract positions, and all other resources needed in future fiscal years will be included in fiscal year annual budget requests.

Private Partner

Metro will partner with RideCo, Inc. who will be responsible for, but not limited to, the following:

- Create and maintain a software platform (includes multi-modal trip planning, booking, payment tools, etc.)
- Lease, maintain, clean, and fuel/electrify the mixed fleet
- Secure and manage the Reporting Locations (remote vehicle storage and office space for the operations)
- Conduct targeted communications campaigns within deployment areas

DETERMINATION OF SAFETY IMPACT

Customer and operator safety are core to maintaining the highest standards of security and the optimal service design for MicroTransit. Real-time information on vehicles and tools for customers will enhance communications for incident prevention as well as incident reporting. The MicroTransit technology platform will integrate with TransitWatch and related digital tools managed or used by local law enforcement, community health and homelessness advocates, community-based social networking and our transit operations control. The mission is to keep our drivers and customers safe by monitoring emergency, and security incidents, assessing risk, and identifying threats. The project team will work hand-in-hand with System Security and Law Enforcement (SSLE) to address issues such as sexual harassment and homelessness, resulting in enhanced safety on Metro's core transit system and building public trust. Close coordination with SSLE, law enforcement departments, civil rights and other internal Metro departments will ensure the best possible safety and security program for our system.

FINANCIAL IMPACT

Adoption of this pilot program has a FY20 total budget impact of \$7,750,000 (see MicroTransit Expenditure Plan in Attachment E). Therefore, a FY20 budget amendment in the amount of \$7,750,000 is required for pre-revenue and operational expenses. In addition, a FY20 budget amendment for 87 Contract positions is required. The five (5) Non-Contract project positions required to support the project will be allocated from approved agency FY20 staffing levels. Positions and all other resources required for this project will be reassessed and included in fiscal year annual budget requests.

Since this is a multi-year project, the program manager, cost center manager, and chief operations officer will ensure all project resources are budgeted in future fiscal years.

Impact to Budget

Funding for current and future years of the operations, will be included within Metro's annual Operations budget. Metro staff will continue to prioritize grant funding at local, state and federal levels as well as private financing opportunities as they become available.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports the following goals of the Metro Strategic Plan:

Goal 1: Provide high quality mobility options.

MicroTransit will provide a robust and high-quality mobility option for customers, particularly in communities where privately-funded technology is lacking and will allow customers to request on-demand service and connect to transit and destinations they would not otherwise be able to easily reach.

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

MicroTransit will vastly improve the customer experience for existing customers by reimagining the current trip planning tools and integrating with TransitWatch for smoother and safer trips. This service will increase the number of customers to the Metro system by offering more entry points to Metro's family of services.

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

In coordination with the NextGen restructure, MicroTransit will supplement the agency's bus service and ensure our customers maintain mobility and access to major trip generators including employment centers, health services, parks and schools across the County. Alignment and interoperability with the NextGen restructure will be critical to pilot success.

Goal 4: Transform LA County through collaboration and leadership.

Metro is a regional leader on New Mobility through MicroTransit. Metro staff is actively engaging and coordinating with stakeholders across the County to explore how technology can be used to harness transit benefits for all community members. Metro chairs the countywide On-Demand technology working group.

Equity Platform Framework

The agency's Equity Platform remains critical to the design and implementation of the MicroTransit operation. MicroTransit is being designed to address equity concerns head-on by accommodating customers that are not yet served well by core transit services or other on-demand transportation services operated by the private sector. Service areas including hours of operation and pick-up and drop-off locations are being designed with geographic and socio-economic equity in mind. Initiatives, policies, practices, and principles are being applied to the service design and implementation and will be iterated upon once the service is live on the street.

MicroTransit operations will also support Metro's commitment to protecting and preserving the natural environment by utilizing clean emissions vehicles (Transit 350s electric) as part of the mixed fleet of vehicles for this service.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the recommended action. This alternative would eliminate programming developed to supplement the Next Gen Bus Plan, void the negotiated side letter for our represented workforce with SMART-TD and purge one of the twenty-eight by 2028 projects as identified and approved by the Board of Directors.

NEXT STEPS

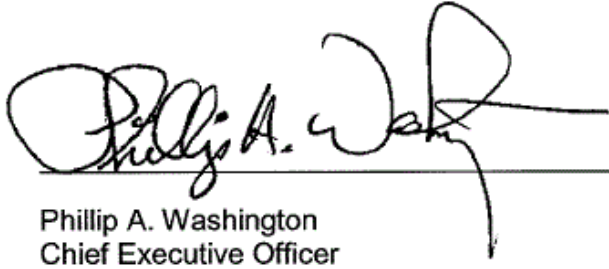
Per Attachment D, the MicroTransit Team Staffing Plan, Metro will launch recruitment of operators, management and support staff and provide training in policies and procedures unique to the MicroTransit operation. Metro staff will secure agreements with local partners/jurisdictions for pre-revenue service operations as per Attachment C, the Regional Readiness Operational Plan. The newly assembled project team will finalize trainings, policies, procedures and protocols including standard operating procedures, security protocols, the MicroTransit Operator Rulebook and Customer Code of Conduct. Outreach, marketing, and customer education on the new mode and connectivity to the Metro network will be critical to service adoption among transit customers new and existing. The private sector partner will support these efforts and finalize arrangements for reporting locations, vehicles and related hardware and software programming and retrofits.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary
Attachment D - MicroTransit Pilot Project Team Staffing Plan
Attachment E - MicroTransit Pilot Project Expenditure Plan
Attachment F - Regional Readiness Operating Plan
Attachment G - Proposed Service Zones Map

Prepared by: Rani Narula-Woods, Sr. Director of Special Projects, (213) 922-7414

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

MICROTRANSIT PILOT PROJECT / CONTRACT NO. PS46292001

1.	Contract Number: PS46292001		
2.	Contractor: RideCo, Inc.		
3.	Mod. Work Description: MicroTransit Pilot Project – PART B (Implementation)		
4.	Contract Work Description: To assist in the day-to-day performance of a new transit mode in areas of the County of Los Angeles as approved by Metro		
5.	The following data is current as of: January 3, 2020		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	04-26-2018	Contract Award Amount: \$219,650.26
	Notice to Proceed (NTP):	05-22-2018	Total of Modifications Approved: \$ 66,334.87
	Original Complete Date:	09-06-2019 (PART A)	Pending Modifications (including this action): \$ 28,874,747.50
	Current Est. Complete Date:	09-01-2022 (PART B)	Current Contract Value (with this action): \$ 29,160,732.63
7.	Contract Administrator: Roxane Marquez		Telephone Number: 213-922-4147
8.	Project Manager: Rani Narula-Woods		Telephone Number: 213-922-7414

A. Procurement Background

This Board Action is to approve Contract Modification No. 5 to implement Part B of MicroTransit Pilot Project (“Project”) issued in support of a new transportation service to extend the reach of Metro’s multi-modal network.

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy and the contract type is a firm fixed price. The period of performance for Part B is for two (2) years of Revenue Service Operations with 120 days of pre-Revenue Service Operations and 30 days for post-Revenue Service Operations for the final evaluation, totaling 29 months. The Contract includes a one-year option (month-to-month service, for up to 12 months) for a third and final Revenue Service Operations year of the Pilot.

The initial Request for Proposals (RFP) for this project was issued on October 25, 2017 and was solicited and awarded to be executed in two parts; Part A, the “Planning and Design” phase and Part B, the “Implementation and Evaluation” phase. This procurement tool served as the agency’s first Pre-Development Agreement Public Private Partnership (PDA-P3) procurement model.

On April 26, 2018, the Board awarded three (3) contracts to firms to perform Part A (Planning and Design) of the MicroTransit Pilot Project. The period of performance for Part A was 6 months. Part B was determined to be a future Board action depending on the feasibility results of Part A. The three firms awarded, and their respective award amounts, are as follows:

- RideCo, Inc., \$219,650.26
- NoMad (Via) LLC, \$348,684.69
- Transdev Services \$316,912.31

Refer to Attachment B, Contract Modification/Change Order Log for contract modifications issued to date.

On April 23, 2019, the RFP for Part B (Implementation and Evaluation) was issued to each of the three Contractors in accordance with Metro's Acquisition Policy and Procedures with a separate SBE/DVBE goal of 13% (SBE 10% and DVBE 3%). The Part B RFP provided all three firms with a Letter of Invitation to compete for Part B with a Statement of Work for Part B, an Evaluation Criteria on how their proposals were to be evaluated, and instructions for required documentation; thereby requesting competitive proposals for Part B based on their specific study and analysis.

Six (6) amendments were issued to the RFP Documents, amending documents as follows:

- Amendment No. 1, issued on June 26, 2019, clarified instructions to Proposers – Submittal Requirements (Part A) and extended the due date for both Part A Final Report and Part B proposal to August 16, 2019.
- Amendment No. 2, issued on July 12, 2019, clarified instructions to Proposers – Submittal Requirements (Part B) and extended the Part B proposal due date to August 23, 2019, provided a revised Exhibit B – Pricing Schedule and removed Exhibit 10 – Certification of Compliance with 59 CFP Part 655, Prevention of Alcohol Misuse and Prohibit Drug Use as this does not apply.
- Amendment No. 3, issued on July 31, 2019 extended the due date for Part A Final Report to August 30, 2019 and Part B proposal to September 6, 2019, provided a Supplemental Contract (Amended and Restated) for Part B; and provided for in-person Interviews and Oral Presentations for Part B of the Technical Proposal.
- Amendment No. 4, issued August 28, 2019, extended Part A Final Report due date to September 6, 2019 and extended Part B proposal due date to September 13, 2019.
- Amendment No. 5, issued December 16, 2019, provided a revised and amended Statement of Work (dated 12/16/19) and requested revised Technical Proposals for Part B to be due on December 30, 2019; provided a revised

Exhibit B – Pricing Schedule; provided a revised Exhibit C – Insurance Requirements, provided a revised Article VIII: Insurance; and revised GC-37 Liability and Indemnification.

- Amendment No. 6, issued December 24, 2019, provided a revised Statement of Work for Part B (dated 12/24/19) and extended the due date for Exhibit B – Pricing Schedule to January 2, 2020.

On September 6, 2019, the contracted firms submitted their Final Reports for Part A for the design, planning and development of this project. Final Reports for Part A were reviewed by the Project Manager to learn of their study and to determine the feasibility of this project. This concluded their performance to Part A of the contract for this two-part procurement.

On September 13, 2019, all three (3) firms submitted their Technical Proposal and Price Proposal for Part B based on their recommended design and development for the operation.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from the Office of Extraordinary Innovation, Operations, Policy, Communications, and Information Technology was convened and conducted a comprehensive technical evaluation of the proposals received for Part B.

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

1. Customer Experience	15 percent
2. Service Feasibility Study	15 percent
3. Communications Plan	12 percent
4. Performance Plan	12 percent
5. Business Plan	16 percent
6. Price Proposal – Part B	30 percent

Several factors were considered when developing these weights, giving the greatest importance to Price Proposal for implementing Part B.

On October 8, 2019, the Proposal Evaluation Team (PET) completed its independent evaluation of proposals. The PET determined that all three (3) teams were invited to an in-person Interview and Oral Presentation to answer questions, clarify Technical Proposals and approaches to service design and to present their Technical Proposal for implementing Part B.

The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the evaluation team's specific questions regarding Part B of their Technical Proposal. Each team also had an opportunity to present their findings and proposed plans under the five technical subject areas identified in the evaluation criteria. Each team summarized their unique approach to

launching a successful on-demand, technology-based transit operation. Also highlighted were staffing plans, work plans, key performance metrics including utilization and anticipated pilot project opportunities and constraints.

Qualifications Summary of Firms Interviewed:

RIDECO

RideCo, Inc. is a full-service, on-demand mobility firm with a breadth of experience developing, maintaining and managing the underlying software technology platforms to conduct MicroTransit operations. RideCo has worked closely with public and private sector partners on the integration of MicroTransit into service offerings in the United States and globally. RideCo is headquartered in Waterloo/Ontario, Canada.

RideCo's Part B Technical Proposal and oral presentation demonstrated thorough expertise in emerging on-demand technologies, strong analysis of zones, and experience with launching on-demand services with partners to support fixed-route network integration. Project personnel demonstrated a deep understanding of Metro's potential for market positioning of MicroTransit in the evolving field of transportation technology. NextGen transit competitiveness research was clearly and explicitly utilized to support the planning work conducted by RideCo.

The Technical Proposal and oral presentation demonstrated RideCo's experience in all required tasks for Part A including pre-launch planning, deployment planning and service design that would most effectively assist the agency in achieving the aspirational goals and performance outcomes reflected in Vision 2028, Metro's Strategic Plan.

RideCo's detailed analysis and modeling supports operational feasibility of this new service offering. Additionally, the showcase of RideCo's technical skill combined with their understanding of the Statement of Work reinforces the team's ability to perform in-line with Metro's performance standards and, at peak performance, to exceed operational and financial targets for this service. The utilization and ridership modeled will allow for the agency to set attainable cost recovery goals and expectations.

RideCo effectively proposed to partner with Metro to build a service which supports the backbone of public transit (the Agency's bus and rail network). The Part B Technical Proposal was comprehensive, thorough in approach, and aligned with Metro's goals and needs of customers both current and future. RideCo illustrated a detailed strategy to achieve the performance standards and utilization required to achieve project success as outlined in the Statement of Work. The maintenance plan offered extensive consideration of safety for both Metro operators and customers. Of equal importance, the Technical Proposal included detailed attention and approach to meet and exceed the unique needs of customers with varying levels of mobility.

Most notably unique to RideCo's expertise as witnessed in their oral presentation is their advanced ability to leverage data and analytics to model and implement operations which can bolster the core product of their respective client.

RideCo's team for Part B consists of the industry's top performers in the field of MicroTransit including specialists in software development, modeling and analytics, vehicle procurement and on-demand marketing and high-touch customer acquisition and outreach techniques.

NOMAD TRANSIT LLC (Via)

NoMad Transit LLC ("Via"), is a wholly-owned subsidiary of Via Transportation, Inc. headquartered in New York City. Via is registered in California as a Transportation Network Company and is focused on providing on-demand technology and subsidized support services to the public sector. The firm directly manages private operations in numerous cities in the United States.

The firm's Technical Proposal offered a software technology platform which distinctly featured improved user experience attributes combined with neatly managed look and user design. The suite of technology tools emphasized ease of use and tied into the proposed market positioning of MicroTransit. Overall, the Technical Proposal offered generally sound analysis with a comprehensive approach to data collection.

The Technical Proposal and oral presentation however, reflected limited understanding of Metro's expectations for a new mode of transportation within Metro's family of services. Metrics for success, including utilization, were not aligned with agency performance goals and yet to be realized improvements per NextGen bus restructure. The firm's Maintenance plan was generally limited in approach and oversight for hybrid P3 operation. Market positioning relied too heavily on positioning transit service as a private ride and leveraging company's brand rather than focusing on the conversion of core transit customers to Metro on-demand riders. The Technical Proposal did not identify and communicate how Metro could best leverage Metro's resources and assets for a Metro operation. The proposed team consisted of a number of specialists including communications experts.

TRANSDEV

Transdev, formerly Veolia Transdev, is a French-based international transport operator, with operations in 19 countries. Transdev also has a Maryland-based corporation.

Transdev's Technical Proposal and oral presentation displayed expertise in a broad range of disciplines, including a strong working knowledge of bus rapid transit, shuttles, fleet maintenance and multimodal services. The firm's Technical Proposal and presentation demonstrated an experienced project team in the fields of transportation technology, operations and service planning.

However, plans and responses to clarifications during oral presentation affirmed a number of critical missing details pertaining to vision and execution of the operation. Transdev did not submit incentives or deductions worksheets and, as such, failed to identify or project Key Performance Metrics that are critical to evaluate pilot project success. Performance measurement was inadequate and, as such, the approach failed to execute on the aspirational goals as identified and reflected in Vision 2028.

On October 4, 2019, the PET completed its evaluation of the above-mentioned proposals after oral interviews and presentations were held. As a result of evaluations, Transdev was determined to be outside the competitive range and was no longer considered for further evaluation.

Upon further development of the NextGen bus restructure and labor rules pertaining to this operation, staff became aware of new requirements for launching and operating MicroTransit. As such, Metro determined that a revised Statement of Work for Part B was required to incorporate clarifications, identify new requirements, and changes to hardware. Most notably, the side letter for the new operators (drivers) and the expectation for Reporting Locations with facilities, office space and parking for Metro employees. Metro also learned that a larger vehicle fleet was required to support integration of MicroTransit within the system-wide build out of the NextGen bus system.

Given these new requirements, Amendment No. 5 was issued on December 16, 2019 with a revised Statement of Work to the two (2) firms deemed within the competitive range after Interviews and Oral Presentations. These firms are listed in alphabetical order:

- NoMad, LLC (Via)
- RideCo, Inc.

Both firms were required to submit a revised Technical Proposal and updated Price Proposal based upon a revised Statement of Work for Part B.

The PET reconvened to evaluate each firms' revised Technical Proposals based upon new requirements presented in the revised Statement of Work. On December 31, 2019, the PET completed its independent evaluation of the technical proposals. As a result, the firms earned the following final scores with RideCo, Inc. ranked as the highest firm to perform Part B, project implementation.

		Average Score	Factor Weight	Weighted Average Score	Rank
1	Firm				
2	RideCo				

3	Customer Experience	88.00	15.00%	13.20	1	
4	Service Feasibility Study	94.00	15.00%	14.10		
5	Communications Plan	79.00	12.00%	9.48		
6	Performance Plan	89.60	12.00%	10.75		
7	Business Plan	80.25	16.00%	12.84		
8	Price Proposal	88.15	30.00%	26.45		
9	Total		100.00%	86.82		
10	NoMad Transit LLC					2
11	Customer Experience	69.67	15.00%	10.45		
12	Service Feasibility Study	54.33	15.00%	8.15		
13	Communications Plan	62.50	12.00%	7.50		
14	Performance Plan	56.60	12.00%	6.79		
15	Business Plan	60.50	16.00%	9.68		
16	Price Proposal	100.00	30.00%	30.00		
17	Total		100.00%	72.57		

C. Price Analysis

The recommended price of \$28,874,748 by RideCo has been determined to be fair and reasonable based upon an independent cost estimate (ICE), competition, price analysis, technical evaluation, clarifications and negotiations.

Proposer	Proposal Amount	Negotiated Amount	Metro ICE
NoMad (Via)	\$25,909,721	N/A	\$28,500,000
RideCo	\$29,391,260	\$28,874,748	

CONTRACT MODIFICATION/CHANGE ORDER LOG

MICROTRANSIT PILOT PROJECT

CONTRACT NO. PS46292001

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	Period of Performance Extension	Approved	09-04-2018	\$ 0.00
2	Period of Performance Extension	Approved	12-19-2018	\$ 0.00
3	Revised Statement of Work to increase Work to be Performed	Approved	05-23-2019	\$ 66,334.87
4	Period of Performance Extension	Approved	10-31-2019	\$ 0.00
5	Part B (Implementation) of MicroTransit Pilot Project	Pending	Pending	\$ 28,874,747.50
	Modifications Total:			\$ 28,941,082.37
	Original Contract:		04-26-2018	\$ 219,650.26
	Total:			\$29,160,732.63

DEOD SUMMARY

MICROTRANSIT PILOT PROJECT / CONTRACT NO. PS46292001

A. Small Business Participation – Part A (Planning & Design)

RideCo, Inc. made a 28.59% Small Business Enterprise (SBE) and 3.64% Disabled Veteran Business Enterprise (DVBE) commitment. Part A of the project is 100% complete and RideCo, Inc. exceeded their SBE commitment with 29.52% SBE participation and met their DVBE commitment with 3.64% participation.

SMALL BUSINESS COMMITMENT	28.59% SBE 3.64% DVBE	SMALL BUSINESS PARTICIPATION	29.52% SBE 3.64% DVBE
----------------------------------	----------------------------------	-------------------------------------	----------------------------------

	SBE Subcontractors	% SBE Commitment	% Current Participation
1.	Civic Projects Incorporated	9.40%	7.97%
2.	Arellano Associates	19.19%	21.55%
	Total Commitment	28.59%	29.52%

	DVBE Subcontractor	% DVBE Commitment	% Current Participation
1.	DVE Global Marketing, Inc.	3.64%	3.64%
	Total Commitment	3.64%	3.64%

B. Small Business Participation – Part B (Implementation)

The Diversity and Economic Opportunity Department (DEOD) established a 10% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for Part B of this project. RideCo, Inc. exceeded the goal by making a 10.23% SBE and 3.20% DVBE commitment.

SMALL BUSINESS GOAL	10% SBE 3% DVBE	SMALL BUSINESS COMMITMENT	10.23% SBE 3.20% DVBE
----------------------------	----------------------------	----------------------------------	----------------------------------

	Name of Subcontractors	% SBE Commitment	% DVBE Commitment
1.	Design Studios, Inc. (SBE)	8.04%	
2.	Arellano Associates (SBE)	2.19%	
3.	DVE Global Marketing, Inc. (DVBE)		3.20%
	Total Commitment	10.23%	3.20%

C. Living Wage and Service Contract Worker Retention Policy Applicability

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

D. Prevailing Wage Applicability

Prevailing Wage is not applicable to this modification.

E. Project Labor Agreement/Construction Careers Policy

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

MicroTransit Operations Project Team Staffing Plan

Fiscal Year Additions

Union	Position	Total # of FTEs	FY20	FY21
SMART	Operators	180	80	100
AFSCME	Transit Operations Supervisors	7	7	
Represented Employees		187	87	100

ALLOCATION FROM AGENCY BUDGET		Total # of FTEs	FY20	FY21
NC	Director, Transportation Operations	1	1	
NC	Manager, Transportation Operations	2	2	
NC	Principal Transportation Planner	1	1	
NC	Sr. Administrative Analyst	1	1	
Non-Represented Project Employees		5	5	0
Grand Total		192	92	100

**MicroTransit Pilot Project - Expenditure Plan
(Estimate)**

Rough Order of Magnitude/Uses of Funds	FY20 Budget (Existing)	FY20 Amendment	FY21	FY22	FY23	Total
Contract & Leased Vehicles		\$ 5,100,000	\$ 13,400,000	\$ 8,800,000	\$ 1,574,748	\$ 28,874,748
Temporary Staff Labor (As-Needed & Interns)	\$ 187,500	\$ 82,500	TBD	TBD	TBD	TBD
Operational Expenses, Training, Computer Supplies & Admin	\$ 844,000	\$ 2,567,500	TBD	TBD	TBD	TBD
Estimated Pilot Expenses	\$ 1,031,500	\$ 7,750,000	\$ 13,400,000	\$ 8,800,000	\$ 1,574,748	\$ 28,874,748
<i>Estimated Represented Employee Annual Expense</i>		\$ 3,504,625	\$ 15,728,868	\$ 17,393,976	\$ 8,673,945	\$ 45,301,414
<i>Estimated Non-Represented Employee Annual Expense</i>		\$ 725,320	\$ 1,523,171	\$ 1,576,482	\$ 1,631,659	\$ 5,456,631



The funding sources under this pilot are currently sufficient to award the contract base of this recommendation.

**These figures are subject to change at any time based on the pilot needs.*

MicroTransit Regional Readiness Operating Plan

What is MicroTransit?

- More than 50% of all trips in Los Angeles County are short (1-5 mile), solo trips using a private car service or driven alone.
- Metro captures few of these trips today.
- To increase ridership, Metro seeks to pair the best of public operations with the best of private technology.
- This new service will maximize new technology to improve the customer experience of Metro's current customers and support the use of Metro's existing suite of services.

	 VIA	 Metro
On-demand Ridesharing	✓	✓
Mobile Application	✓	✓
First/Last Mile	✓	✓
End to End Trips		✓
Metro Call Center		✓
40% Wheelchair Accessible Vehicles		✓
TAP Integration		✓
Transit Watch Integration		✓
Feasibility Studies Completed		✓
SMART Operators with Specialized Training		✓
Staff On-Location		✓

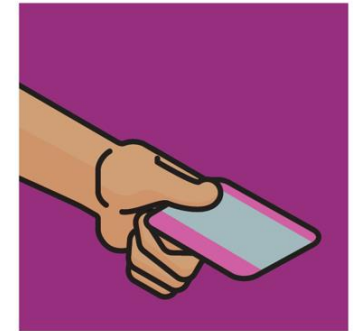
How does MicroTransit Work?

- Shared rides ordered through a regional call center, booked with a mobile application, and/or arranged using an internet browser.
- All MicroTransit operators are Metro employees.
- Service supplements the NextGen Bus Plan.
- Offers quick boards at priority transit stations and stops.
- Five types of vehicles are featured in mixed fleet: Transit 150, Transit 350 (electric), Grand Caravan, Metris and Sprinter.
- Provides customized features for individuals and families with all levels of mobility.

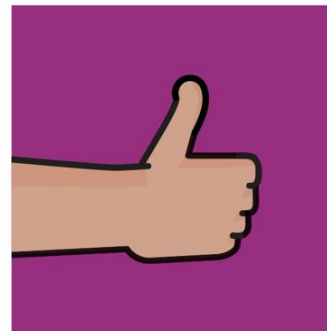
It's reliable.



It's affordable.



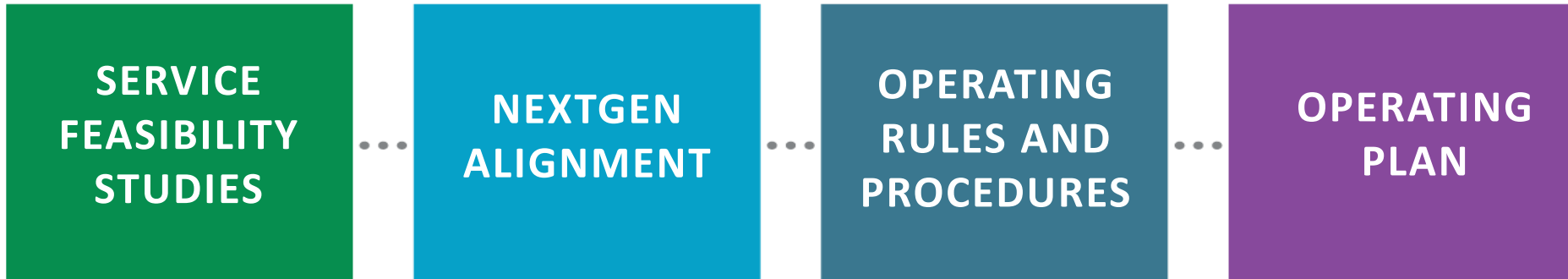
It's safe.



It's customer-driven
and customer-focused.



MicroTransit Roadmap



Prioritizing Safety First



- Metro employee operators will be vetted and trained with an emphasis on customer service and security.
- Up to 10 weeks of in-person operator training created in coordination with:
 - Women & Girls Governing Council
 - Government Alliance on Racial Equity
 - Office of Civil Rights
 - Access Services
 - Understanding How Women Travel Study Team
 - The Equity Platform Project Leads
- Real-time data on vehicle locations, drop offs and pick-up times.
- Security technology with live monitoring of vehicles.

Factors for Identifying Pilot Locations

Network Connectivity:

up to 2/3 of trips will be transfers to other public operations

Economic Mobility:

increases access to jobs, educational resources/institutions

Major Trip Generators:

supports employment centers, hospitals, universities, schools

Priority Use Cases:

medical, students, retail, commuting, child care pick-ups

Customer Demand:

can achieve moving 10 people an hour per vehicle

Shared Usage:

can achieve 70% shared rides

Geographic Equity:

tests variety of unique neighborhoods, communities

Vehicle Miles Traveled:

reduces solo occupancy short trips within the County

Community Partnerships:

has engaged businesses, cities, community based organizations

MicroTransit Operated by Metro

Service available 7 days a week
Initial soft launch (60 days) at 12 hour service span per day

Summer 2020	Watts/Willowbrook
Fall 2020	Northwest San Fernando Valley
Winter 2020	LAWA/Inglewood
Spring 2021	Highland Park/Eagle Rock/Glendale
Summer 2021	Altadena/Pasadena/Sierra Madre
Fall 2021	UCLA/VA Medical Center/Century City

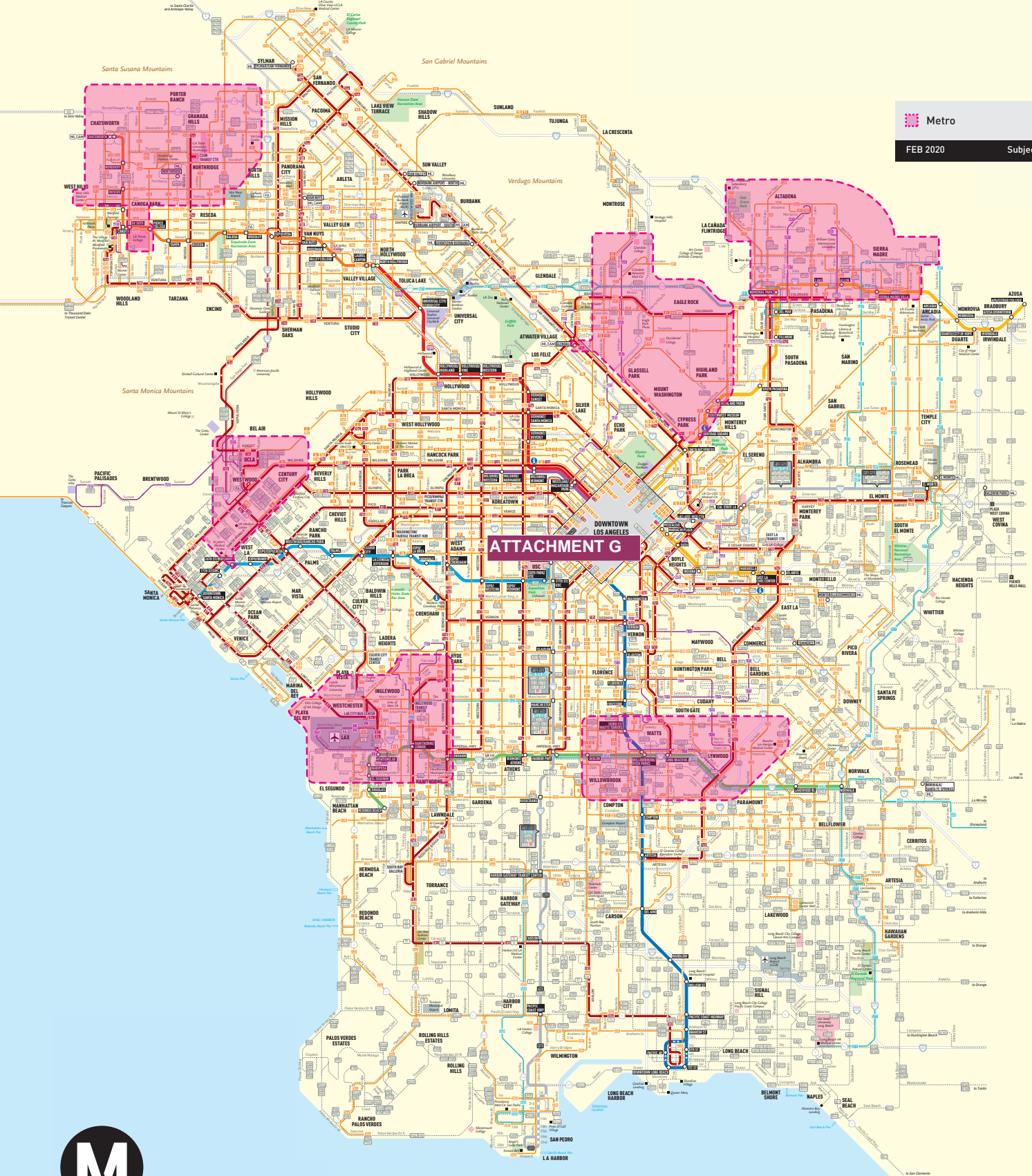
Pilot recommendation allows for three years of Revenue Service Operations. The zones as identified on the map in pink are the anticipated maximum scale of the six service areas.

Proposed Metro MicroTransit Service Zones



Source: ©2020 Metro

Proposed Metro MicroTransit Service Zones



Metro®



Board Report

File #: 2019-0865, File Type: Contract

Agenda Number: 29.

PLANNING & PROGRAMMING COMMITTEE
FEBRUARY 19, 2020
OPERATIONS, SAFETY & CUSTOMER EXPERIENCE COMMITTEE
FEBRUARY 20, 2020

SUBJECT: THE MICROTRANSIT PILOT PROJECT - PART B (IMPLEMENTATION)

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 5 to firm fixed price Contract No. PS46292001 with RideCo., Inc. as a private partner and technology firm for operations in conjunction with the deployment areas outlined in Attachment F (Regional Readiness Operating Plan) and Attachment G (Map), in the amount of \$28,874,747.50, increasing the total Contract value from \$285,985.13 to \$29,160,732.63.
- B. AMEND the FY20 budget for the MicroTransit pilot project implementation positions and funding listed below:
 - 1. 80 Contract positions to operate the vehicles and 7 Contract positions to supervise the service; and
 - 2. \$7,750,000 for FY20 contractual and operational expenses

ISSUE

Metro staff seeks to implement innovation to both increase ridership of Metro’s family of services and provide an improved customer experience for existing riders by expanding the agency’s network through the testing and scaling of MicroTransit within LA County.

This new mode of public transit will offer shared rides which can be ordered through our regional call center, a new mobile application, and/or an internet browser. The suite of MicroTransit software tools for customers will offer real-time trip planning, booking, payment and fare system integration. Customers will also be able to pre-schedule trips or book repeat trips, as well as monitor the real-time status of trips for others under a linked account.

MicroTransit has been developed hand-in-hand to support implementation of the NextGen Bus Plan and the aspirational goal of a 10-minute maximum wait time per our strategic plan, Vision 2028.

According to our NextGen study findings, short trips (1-5 miles), which are being driven solo or with a private car service, are among the most important opportunities for the public sector to retain current ridership and to grow utilization among non-transit customers. Short trips are often to a local market, to pick up a child from daycare, to shuttle a child to an afterschool activity or for a medical appointment. Many of these trips are taken by students, older adults and parents of youth.

To help capture the more than 50% of short trips taking place in LA County today, MicroTransit will be introduced into our existing fixed-route network and provide continued opportunities for Metro to improve on managing customer demand at times when fewer customers are riding. This mixed fleet of vehicles (Transit 150, Transit 350, Grand Caravan, Metris and Sprinter) includes electric vehicles, which is in-line with operational testing on the Orange Line. For ease of use for the customer and personal space, most vehicles will be configured to carry 7-10 passengers.

MicroTransit will not only improve reliability and allow for guaranteed transfers across our multi-modal system but will also offer riders the opportunity to customize their experience by ordering a trip and linking to the next leg of their Metro journey. Metro staff anticipates up to two-thirds of the new trips generated by this mode will include transfers to other modes within Metro's family of services.

Customer and operator safety are critical to maintaining the highest standards of security and optimal service design for MicroTransit. To offer our customers the safest on-demand environment, the entire fleet of vehicles will be operated by our exclusive operating union, SMART-TD. The recommended software/technology platform, akin to Metro's current fixed-route operations, will achieve full integration with the TAP card and account system, and be connected to our Transit Watch network and operations centers for dispatch in the case of safety incidents.

Metro employee operators will undergo eight weeks of workforce training with a focus on customer service and safety. This new innovative training series developed in partnership with Human Capital and Development, the Office of Civil Rights and Operations will be the first of its kind in the nation and is being implemented in coordination with SMART-TD.

During the pilot phase of this operation, Metro staff recommends deploying MicroTransit into six identified areas where ridership can be retained and boosted. These service zones and their deployment schedule are as follows:

- Summer 2020: Watts/Willowbrook
- Fall 2020: Northwest San Fernando Valley
- Winter 2020: LAWA/Inglewood
- Spring 2021: Highland Park/Eagle Rock/Glendale
- Summer 2021: Altadena/Pasadena/Sierra Madre
- Fall 2021: UCLA/VA Medical Center/Century City

This service is recommended to be available 7 days a week with an initial soft launch (60 days) at a 12-hour service span per day. The background section on the following page, as well as Attachment F, details the factors utilized to identify these areas for operations.

This project is term-limited with up to three years of Revenue Service Operations, up to 120 days of

pre- launch and 30 days for final pilot evaluation. This operation will be evaluated to determine whether it should be incorporated as a permanent mode of the agency.

BACKGROUND

New and emerging technology has had a profound impact on how services are delivered. Among the most noteworthy trends has been the rise and growth of on-demand and customized services. In specific, the world of public transit has experienced a meaningful jolt resulting from these new on-demand economies. In California, this has amounted to the rise of Transportation Network Companies initially focused on replacing single-occupancy vehicles. However, in more recent months, this emerging sector has showcased a clear and intentional desire to replace trips traditionally served by public transit agencies.

Metro has continually monitored these changes and trends to better understand the strengths of these models, as well as the challenges in delivering equity. Metro's Office of Extraordinary Innovation (OEI) has engaged in this space by receiving and evaluating unsolicited proposals (including a proposal received in 2016 to test trip pooling technology), interviewing project managers and issuing findings. In partnership with the Eno Center for Transportation, Metro staff published the white paper, UpRouted, a compilation of findings on the early challenges to MicroTransit. Best practices as highlighted in the white paper were sourced from peers at Alameda-Contra Costa Transit District, Santa Clara Valley Transportation Authority and Kansas City Area Transportation Authority. More recently, Metro has funded a TNC partnership through OEI and managed directly by the private sector.

In 2017, under the direction of the Chief Executive Officer, Metro staff assembled an agency-wide team which to-date has drawn insights and expertise from more than 450 staff from all departments to design the new transit offering. This service has been built as a hybrid, merging the best of private technology with the experience of public operations to identify and respond to untapped mobility opportunities within LA County.

The concept was to set-up a multi-year pilot, which would test how an on-demand operation run by Metro employees using private sector technology and vehicles could integrate within Metro's family of services. This service would encourage current Metro customers to ride the system more regularly for a safe, comfortable, reliable, single-direction or round-trip ride.

By introducing and testing a new service focused on short trips in smaller vehicles, Metro would be able to flex its' operations to match the mode/vehicle to the customer. This new operation would tap into the growing momentum and expectation around new technology and tools to encourage ridesharing with Metro for short trips. This was the genesis of the agency's first Pre-Development Agreement Public Private Partnerships (PDA-P3s), which supports a two-part contract similar to a design-build contracting model.

In October 2017, the competitive Request for Proposal (RFP) was issued to procure services from qualified firms or Contractor Team(s) to partner with Metro for planning, designing, testing and evaluating a technology-based service for traveling short distances. The PDA-P3 was divided into two parts, Part A ("Planning and Design,) and Part B ("Implementation and Evaluation").

In April 2018, three PDA-P3 contracts were awarded for service feasibility studies to tech teams with transit planning firms (RideCo/Iteris, Via/Nelson/Nygaard and Transdev/AECOM). The Part A findings were set to serve as the foundation for implementation in Part B.

During the service design period, the three competitors worked with all departments at Metro to craft operations and identify service areas to support equity, network connectivity, economic mobility, congestion reduction and environmental goals. Findings were used to inform the Regional Reading Operating Plan (Attachment F). In September 2019, the three companies completed Part A (“Planning and Design”).

To best maximize efficiencies and utilize the vast in-house expertise available, implementation of this new MicroTransit service was shifted to Metro Operations for Part B (“Implementation and Evaluation”). Under the direction of Metro’s Chief Operations Officer, the agency has entered pre-revenue service operations as based upon the service feasibility studies (PDA-P3, Part A), the operational road map of the agency under the build outs identified in Measures R and M and the NextGen Bus Plan.

Metro staff recommends the MicroTransit Regional Readiness Operating Plan (Attachment F), in line with Proposed MicroTransit Service Zones displayed in the corresponding map (Attachment G).

DISCUSSION

Metro staff recommends the workforce outlined below to deliver a functional and successful operation:

Operators (SMART)

Metro employees will operate the MicroTransit vehicles under the signed side letter with our exclusive operating Union, SMART-TD, representing all new 80 employee operators for FY20.

Supervisors (AFSCME)

Metro employees will supervise the daily operations of MicroTransit Operators. Seven (7) transit operations supervisors (TOS) will provide on-street operations supervision, coordination, service monitoring and training for MicroTransit operators for FY20.

MicroTransit Project Team (Non-Contract)

The MicroTransit project oversight team will be responsible for, but not limited to, management of daily operations and contract administration; development of MicroTransit training specific to on-demand technology and operations; establishment of safety protocols and procedures for incident training, reporting and resolution; development and management of partnerships and coordination with local cities, municipal operators, local organizations and businesses; direct customer acquisition strategies (includes financial agreements with public and private funders); and analysis to optimize service delivery in order to compete in the marketplace. The five (5) non-contract project positions necessary for pre-launch, revenue service operations and evaluation of the pilot are listed as follows (see attachment D for details):

- 1 Director, Transportation Operations

- 2 Manager, Transportation Operations
- 1 Principal Transportation Planner
- 1 Sr. Administrative Analyst

These positions will report to the Sr. Director, Special Projects for MicroTransit. If MicroTransit becomes a permanent operation, Metro will retain the above positions (operators and project team) as permanent employees of the agency. The Non-Contract positions required to support this project will be allocated from agency-wide vacancies in FY20. Non-Contract positions required to support the project will be allocated from approved agency FY20 staffing levels. All Contract, Non-Contract positions, and all other resources needed in future fiscal years will be included in fiscal year annual budget requests.

Private Partner

Metro will partner with RideCo, Inc. who will be responsible for, but not limited to, the following:

- Create and maintain a software platform (includes multi-modal trip planning, booking, payment tools, etc.)
- Lease, maintain, clean, and fuel/electrify the mixed fleet
- Secure and manage the Reporting Locations (remote vehicle storage and office space for the operations)
- Conduct targeted communications campaigns within deployment areas

DETERMINATION OF SAFETY IMPACT

Customer and operator safety are core to maintaining the highest standards of security and the optimal service design for MicroTransit. Real-time information on vehicles and tools for customers will enhance communications for incident prevention as well as incident reporting. The MicroTransit technology platform will integrate with TransitWatch and related digital tools managed or used by local law enforcement, community health and homelessness advocates, community-based social networking and our transit operations control. The mission is to keep our drivers and customers safe by monitoring emergency, and security incidents, assessing risk, and identifying threats. The project team will work hand-in-hand with System Security and Law Enforcement (SSLE) to address issues such as sexual harassment and homelessness, resulting in enhanced safety on Metro's core transit system and building public trust. Close coordination with SSLE, law enforcement departments, civil rights and other internal Metro departments will ensure the best possible safety and security program for our system.

FINANCIAL IMPACT

Adoption of this pilot program has a FY20 total budget impact of \$7,750,000 (see MicroTransit Expenditure Plan in Attachment E). Therefore, a FY20 budget amendment in the amount of \$7,750,000 is required for pre-revenue and operational expenses. In addition, a FY20 budget amendment for 87 Contract positions is required. The five (5) Non-Contract project positions required to support the project will be allocated from approved agency FY20 staffing levels. Positions and all other resources required for this project will be reassessed and included in fiscal year annual budget requests.

Since this is a multi-year project, the program manager, cost center manager, and chief operations officer will ensure all project resources are budgeted in future fiscal years.

Impact to Budget

Funding for current and future years of the operations, will be included within Metro's annual Operations budget. Metro staff will continue to prioritize grant funding at local, state and federal levels as well as private financing opportunities as they become available.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This recommendation supports the following goals of the Metro Strategic Plan:

Goal 1: Provide high quality mobility options.

MicroTransit will provide a robust and high-quality mobility option for customers, particularly in communities where privately-funded technology is lacking and will allow customers to request on-demand service and connect to transit and destinations they would not otherwise be able to easily reach.

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

MicroTransit will vastly improve the customer experience for existing customers by reimagining the current trip planning tools and integrating with TransitWatch for smoother and safer trips. This service will increase the number of customers to the Metro system by offering more entry points to Metro's family of services.

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

In coordination with the NextGen restructure, MicroTransit will supplement the agency's bus service and ensure our customers maintain mobility and access to major trip generators including employment centers, health services, parks and schools across the County. Alignment and interoperability with the NextGen restructure will be critical to pilot success.

Goal 4: Transform LA County through collaboration and leadership.

Metro is a regional leader on New Mobility through MicroTransit. Metro staff is actively engaging and coordinating with stakeholders across the County to explore how technology can be used to harness transit benefits for all community members. Metro chairs the countywide On-Demand technology working group.

Equity Platform Framework

The agency's Equity Platform remains critical to the design and implementation of the MicroTransit operation. MicroTransit is being designed to address equity concerns head-on by accommodating customers that are not yet served well by core transit services or other on-demand transportation services operated by the private sector. Service areas including hours of operation and pick-up and drop-off locations are being designed with geographic and socio-economic equity in mind. Initiatives, policies, practices, and principles are being applied to the service design and implementation and will be iterated upon once the service is live on the street.

MicroTransit operations will also support Metro's commitment to protecting and preserving the natural environment by utilizing clean emissions vehicles (Transit 350s electric) as part of the mixed fleet of vehicles for this service.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the recommended action. This alternative would eliminate programming developed to supplement the Next Gen Bus Plan, void the negotiated side letter for our represented workforce with SMART-TD and purge one of the twenty-eight by 2028 projects as identified and approved by the Board of Directors.

NEXT STEPS

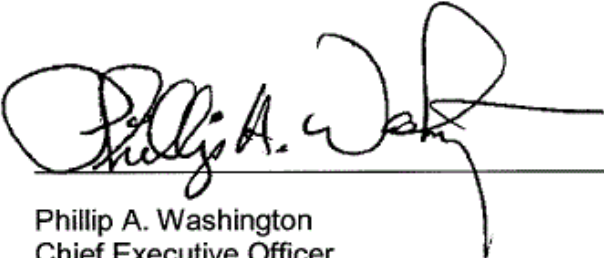
Per Attachment D, the MicroTransit Team Staffing Plan, Metro will launch recruitment of operators, management and support staff and provide training in policies and procedures unique to the MicroTransit operation. Metro staff will secure agreements with local partners/jurisdictions for pre-revenue service operations as per Attachment C, the Regional Readiness Operational Plan. The newly assembled project team will finalize trainings, policies, procedures and protocols including standard operating procedures, security protocols, the MicroTransit Operator Rulebook and Customer Code of Conduct. Outreach, marketing, and customer education on the new mode and connectivity to the Metro network will be critical to service adoption among transit customers new and existing. The private sector partner will support these efforts and finalize arrangements for reporting locations, vehicles and related hardware and software programming and retrofits.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary
Attachment D - MicroTransit Pilot Project Team Staffing Plan
Attachment E - MicroTransit Pilot Project Expenditure Plan
Attachment F - Regional Readiness Operating Plan
Attachment G - Proposed Service Zones Map

Prepared by: Rani Narula-Woods, Sr. Director of Special Projects, (213) 922-7414

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer