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Agenda - Final

Thursday, June 24, 2021

10:00 AM

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Board of Directors - Regular Board Meeting

*Eric Garcetti, Chair
Hilda L. Solis, 1st Vice Chair
Ara Najarian, 2nd Vice Chair
Kathryn Barger
Mike Bonin
James Butts
Jacquelyn Dupont-Walker
Fernando Dutra
Janice Hahn
Paul Krekorian
Sheila Kuehl
Holly Mitchell
Tim Sandoval
Tony Tavares, non-voting member*

Stephanie Wiggins, Chief Executive Officer

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

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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.

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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.

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x3 *中文 (Chinese)*

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The Board Meeting begins at 10:00 AM Pacific Time on June 24, 2021; you may join the call 5 minutes prior to the start of the meeting.

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

La Reunion de la Junta comienza a las 10:00 AM, hora del Pacifico, el 24 de Junio de 2021. Puedes unirse a la llamada 5 minutos antes del comienzo de la junta.

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Please include the Item # in your comment.

Email: BoardClerk@metro.net

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Board Administration

One Gateway Plaza

MS: 99-3-1

Los Angeles, CA 90012

CALL TO ORDER

ROLL CALL

1. APPROVE Consent Calendar Items: 2, 5, 6, 7, 8, 9, 10, 12, 13, 15, 18, 19, 20, 21, 22, 23, 27, 28, 30, 31, 33, 34, 35, 36, 38**, 39, 40, 44**, 46, 48, and 49.

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

** ITEM REQUIRES 2/3 VOTE OF THE BOARD

CONSENT CALENDAR

2. **SUBJECT: MINUTES** [2021-0440](#)

RECOMMENDATION

APPROVE Minutes of the Regular Board Meeting held May 27, 2021.

Attachments: [Regular Board Meeting MINUTES - May 27, 2021 RBM](#)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

5. **SUBJECT: REAL ESTATE AGREEMENTS WITH THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (MWD) FOR SECURITY IMPROVEMENTS AROUND MWD COURTYARD AND HEADQUARTERS BUILDING AT UNION STATION** [2021-0285](#)

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) or their designee to execute an easement to The Metropolitan Water District of Southern California (MWD) in which the Los Angeles County Metropolitan Transportation Authority (LACMTA) agrees to grant to MWD, and take all necessary steps to record, certain "Real Estate Interests" in the LACMTA-owned property located at the southernmost end of Union Station adjacent to MWD-owned property ("Permanent Easement"); and
- B. AUTHORIZING the CEO or their designee to execute a Second Amendment to the Agreement and Declaration of Covenants, Conditions, and Restrictions (CC&Rs) recorded on May 31, 1996 between MWD and

Catellus Development Corporation.

Attachments: [Attachment A - Fencing Plan & Alternatives- Final](#)
[Attachment B - Fence Design and Bollard Look](#)
[Attachment C - Design Plan](#)
[Attachment D - Proposed Easement Map](#)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 6. SUBJECT: LOCAL RETURN PROPOSITION A, PROPOSITION C, MEASURE R AND MEASURE M CAPITAL RESERVE**

[2021-0284](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and execute all necessary agreements between Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities for their Capital Reserve Account(s) as detailed in Attachment A by:

- A. AMENDING the termination date of the Proposition A and Proposition C Local Return funded Capital Reserve Accounts for the City of Arcadia;
- B. AMENDING the termination date of the Proposition C Local Return funded Capital Reserve Account for the City of Bell;
- C. AMENDING the Proposition C Local Return funded Capital Reserve Account for the City of Beverly Hills by adding \$750,000 to the already approved \$2 million to a total of \$2.75 million; and
- D. ESTABLISHING new Local Return funded Capital Reserve Account for the Cities of Beverly Hills (Proposition A, Measure R), Bradbury (Measure M and Measure R), El Segundo (Proposition C and Measure R), Hermosa Beach (Proposition C), Lomita, (Proposition C), Norwalk (Proposition C), Pomona (Proposition C), and San Marino (Proposition C).

Attachments: [Attachment A - Project Summary 2021 for Proposed New Capital Reserve Accts](#)

**FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING
RECOMMENDATION (4-0):**

**7. SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE
8 FUND PROGRAM**

[2021-0269](#)

RECOMMENDATION

ADOPT:

- A. Findings and Recommendations (Attachment A) for allocating FY22 Transportation Development Act (TDA) Article 8 funds estimated at \$29,346,452 as follows:
1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$169,483 may be used for street and road projects, or transit projects, as described in Attachment A;
 2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$6,975,098 and \$6,761,056 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
 3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$9,573,328 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$5,867,487 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and
- B. A resolution (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the

Metro service area.

- Attachments:**
- [Attachment A - FY22 Proposed Findings and Recommendations](#)
 - [Attachment B - TDA 8 Apportionments FY21-22](#)
 - [Attachment C - FY2021-22 TD Article 8 Resolution](#)
 - [Attachment D - History and Definitions TDA 8](#)
 - [Attachment E - FY22 TDA Article 8 Public Hearing process](#)
 - [Attachment F - FY21 Summary of the Comments\(1\)](#)
 - [Attachment G - Summary of Recommendations and Actions Taken FY22](#)
 - [Attachment H - Proposed Recommendation of SSTAC](#)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

8. SUBJECT: FISCAL YEAR 2021-22 TRANSIT FUND ALLOCATIONS

[2021-0277](#)

RECOMMENDATION

CONSIDER:

- A. APPROVING \$2.34 billion in FY 2021-22 (FY22) Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations as shown in Attachment A. These allocations comply with federal, state, and local regulations and LACMTA Board approved policies and guidelines.
- B. APPROVING fund exchanges in the estimated amount of \$1,467,453 of Metro's TDA Article 4 allocation with Municipal Operators' shares of Low Carbon Transit Operations Program. Funding will be adjusted based on LCTOP actual allocations.
- C. APPROVING fund exchanges in the estimated amount of \$332,916 of Metro's Prop C 40% allocation with Antelope Valley and Santa Clarita's shares of Low Carbon Transit Operations Program. Funding will be adjusted based on LCTOP actual allocations.
- D. APPROVING Two-year lag funding for \$420,856 to Torrance Transit and Commerce Transit for the transitioned services from Metro as follows:
 - 1. The transfer of Metro Line 256 to City of Commerce Municipal Bus Lines consisting of 56,682 Revenue Miles and corresponding funding in the amount of \$80,496.
 - 2. The transfer of Metro Line 130 to Torrance Transit consisting of

239,789 Revenue Miles and corresponding funding in the amount of \$346,360.

- E. APPROVING base funding increase from \$6.0 million to \$6.8 million in FY22 for Tier 2 Operators to accommodate local fund exchanges of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) Funding as approved by the LACMTA Board of Directors.
- F. APPROVING the execution of local fund exchanges as appropriate in order to implement the Board approved CRRSAA allocations.
- G. APPROVING fund exchange of Federal Section 5307 discretionary fund awarded to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit in the amount of \$330,000 with Metro's TDA Article 4 allocation.
- H. APPROVING fund exchanges in the amount totaling \$13.2 million of Metro's Federal Section 5307 share with Municipal Operators' shares of Federal Sections 5337 and 5339.
- I. APPROVING fund exchanges in the amount of \$1,429,026 of Metro's TDA Article 4 allocation with the city of La Mirada's shares of FY2016 Federal Section 5307 discretionary fund.
- J. AUTHORIZING the Chief Executive Officer to adjust FY22 Federal Section 5307 (Urbanized Formula), Section 5339 (Bus and Bus Facilities) and Section 5337 (State of Good Repair) allocations upon receipt of final apportionments from the Federal Transit Authority and amend FY22 budget as necessary to reflect the aforementioned adjustment.
- K. AUTHORIZING a \$1.26 million allocation to LIFE Program Administrators, FAME Assistance Corporation (FAME) and the International Institute of Los Angeles (IILA) to fund the FY22 Taxi Voucher component of the LIFE Program.
- L. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.
- M. ADOPTING a resolution designating Transportation Development Act (TDA) and State Transit Assistance (STA) fund allocations are in compliance with the terms and conditions of the allocations (Attachment B).

Attachments: [Attachment A - FY2022 Transit Fund Allocations Proposed](#)
 [Attachment B - Resolution](#)
 [Attachment C - Summary of Significant Information](#)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 9. SUBJECT: ACCESS SERVICES PROPOSED FISCAL YEAR 2022 BUDGET**

[2021-0324](#)

RECOMMENDATION

CONSIDER:

- A. APPROVING local funding request for Access Services (Access) in an amount not to exceed \$122,582,419 for FY22. This amount includes:
- Local funds for operating and capital expenses in the amount of \$120,217,213;
 - Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of \$2,365,206; and
- B. AUTHORIZING the Chief Executive Officer (CEO) to negotiate and execute all necessary agreements to implement the above funding programs.

Attachments: [Attachment A - FY22 Access Services ADA Program Presentation](#)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 10. SUBJECT: MANAGEMENT AUDIT SERVICES FY 2021 THIRD QUARTER REPORT; AND FY 2022 AUDIT PLAN**

[2021-0242](#)

RECOMMENDATION

CONSIDER:

- A. RECEIVING AND FILING the Management Audit Services (MAS) quarterly report for the period ending March 31, 2021; and
- B. APPROVING the FY 2022 Audit Plan.

Attachments: [Attachment A - Management Audit Services Third Quarterly FY 2021 Report](#)
[Attachment B - FY 2022 Audit Plan](#)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):

12. SUBJECT: EXCESS LIABILITY INSURANCE PROGRAM

[2021-0048](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and purchase Public Entity excess liability policies with up to \$300 million in limits at a cost not to exceed \$18.9 million for the 12-month period effective August 1, 2021 to August 1, 2022.

Attachments: [Attachment A - Options Premiums and Loss History](#)
[Attachment B - Proposed Public Entity Carriers and Program Structure](#)

PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

13. SUBJECT: 1ST & LORENA JOINT DEVELOPMENT

[2021-0271](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute an amendment to the Joint Development Agreement (JDA) with A Community of Friends (Developer) and fund \$1,460,037 into an escrow account to be repaid by the Developer at construction closing in order to facilitate the reabandonment of an oil well on Metro-owned property at the northeast corner of 1st and Lorena Streets in Boyle Heights (Site).

Attachments: [Presentation](#)

PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

15. SUBJECT: JOINT DEVELOPMENT POLICY UPDATE

[2021-0192](#)

RECOMMENDATION

ADOPT updated Joint Development Policy (Attachment A).

Attachments: [Attachment A - Joint Development Policy](#)
[Attachment B - Joint Development Policy Matrix of Changes](#)
[Attachment C - Policy Paper](#)
[Attachment D - Stakeholder Feedback Summary](#)
[Presentation](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING
RECOMMENDATION (4-0):**

- 18. SUBJECT: OPEN AND SLOW STREETS GRANT PROGRAM CYCLE
FOUR**

[2020-0224](#)

RECOMMENDATION

AUTHORIZE:

- A. The revised Metro Open and Slow Streets Grant Program Cycle Four Application Package and Guidelines; and
- B. Staff to administratively release Application and Guidelines Packages in the future cycles of the Open Streets Grant Program to Los Angeles County jurisdictions in anticipation of returning to the Board for funding recommendation approval.

Attachments:

[Attachment A - June 27, 2013 Board Motion #72](#)
[Attachment B - Open and Slow Streets Cycle Four Program Application and Gu](#)
[Attachment C - Metro Open Streets Grant Program Evaluation Study](#)
[Attachment D - May 28, 2020 Board Motion 2020-0375](#)
[Presentation](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING
RECOMMENDATION (3-0):**

- 19. SUBJECT: METRO FREEWAY SERVICE PATROL**

[2021-0307](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. INCREASE Contract Modification Authority (CMA) to 27 existing Freeway Service Patrol (FSP) contracts as delineated below for an aggregate amount of \$5,580,000, thereby increasing the CMA amount from \$28,919,130 to \$34,499,130 and extend the periods of performance as follows:
- Beat no. 3: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$245,000 for up to 9 months
 - Beat no. 5: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$455,000 for up to 9 months
 - Beat no. 6: Neighborhood Towing 4 U Contract No. FSP3469600B6, for \$320,000 for up to 9 months
 - Beat no. 7: Girard & Peterson Contract No. FSP3469900B7/11, for \$195,000 for up to 9 months

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- Beat no. 10: Neighborhood Towing 4 U Contract No. FSP3848100FSP1410, for up to 4 months
 - Beat no. 11: Girard & Peterson Contract No. FSP3469900B7/11, for \$195,000 for up to 9 months
 - Beat no. 12: Tip Top Tow Contract No. FSP2826700FSP14, for \$140,000 for up to 4 months
 - Beat no. 17: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$265,000 for up to 9 months
 - Beat no. 18: Bob & Dave's Towing, Inc. Contract No. FSP2690300FSP1418, for \$365,000 for up to 9 months
 - Beat no. 20: Bob's Towing Contract No. FSP2836600FSP1420, for \$340,000 for up to 9 months
 - Beat no. 21: Bob's Towing Contract No. FSP2839000FSP1421, for \$25,000 for up to 4 months
 - Beat no. 24: T.G. Towing, Inc. Contract No. FSP2833200FSP1424, for \$130,000 for up to 9 months
 - Beat no. 27: Hovanwil, Inc. dba Jon's Towing Contract No. FSP3470400B27/39, for \$440,000 for up to 9 months
 - Beat no. 28: Hadley Tow Contract No. FSP3847300FSP1428, for \$80,000 for up to 9 months
 - Beat no. 29: Platinum Tow & Transport, Inc. Contract No. FSP3470600B29, for \$175,000 for up to 9 months
 - Beat no. 31: Navarro's Towing Contract No. FSP3470700B31/50, for \$110,000 for up to 9 months
 - Beat no. 33: Mid Valley Towing Contract No. FSP2851900FSP1433, for \$280,000 for up to 9 months
 - Beat no. 34: South Coast Towing, Inc. Contract No. FSP2839600FSP1434, for \$170,000 for up to 4 months
 - Beat no. 36: Hadley Tow Contract No. FSP2841400FSP1436, for \$235,000 for up to 9 months
 - Beat no. 37: Reliable Delivery Service Contract No. FSP3696000FSP1437, for \$210,000 for up to 9 months
 - Beat no. 38: Steve's Towing Contract No. FSP38468001438, for \$205,000 for up to 9 months
 - Beat no. 39: Hovanwil, Inc. dba Jon's Towing Contract No. FSP5966400FSPB39, for \$335,000 for up to 9 months
 - Beat no. 42: Platinum Tow & Transport Contract No. FSP2842100FSP1442, for \$205,000 for up to 9 months
 - Beat no. 43: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$250,000 for up to 9 months
 - Beat no. 50: Navarro's Towing Contract No. FSP3470700B31/50, for \$130,000 for up to 9 months
 - Beat no. 70: Tip Top Tow Contract No. FSP3471300B70, for \$30,000 for up to 4 months
 - Beat no. 71: Bob & Dave's Towing, Inc. Contract No.

FSP3471500B71, for \$50,000 for up to 4 months

- Attachments:** [Attachment A - Procurement Summary](#)
[Attachment B - Contract Modification Authority \(CMA\) Summary](#)
[Attachment C - Contract Modification/Change Order Log](#)
[Attachment D - FSF BEAT Map](#)
[Attachment E - DEOD Summary](#)

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

- 20. SUBJECT: MEMBERSHIP ON METRO'S REGIONAL SERVICE COUNCILS** [2021-0108](#)

RECOMMENDATION

APPROVE nominees for membership on Metro's Gateway Cities, San Fernando Valley, San Gabriel Valley, South Bay Cities and Westside Central Service Councils.

- Attachments:** [Attachment A - Listing of Qualifications 6-2021](#)
[Attachment B - Nomination Letters 6-2021](#)

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

- 21. SUBJECT: HERBICIDE APPLICATION SERVICES** [2021-0274](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP1788370008370, to Conejo Crest Landscape Inc., dba Conejo Crest Landscape Management, the lowest responsive and responsible bidder, to provide weed abatement using herbicide application services. The contract not-to-exceed amount is \$639,701 for the three-year base, and \$459,975 for the one, two-year option, for a combined not-to-exceed amount of \$1,099,676, effective December 1, 2021, subject to resolution of protests(s), if any.

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

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

- 22. SUBJECT: FIRE-LIFE SAFETY SYSTEMS TESTING, REPAIR AND CERTIFICATION SERVICES**

[2021-0275](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP72918000 to Link-Nilsen Corp, to provide Fire-Life Safety systems testing, repair and certification services. The contract not-to-exceed amount is \$3,911,744 for the three-year base period, and \$1,990,280 for the one, two-year option, for a combined not-to-exceed amount of \$5,902,024, effective September 16, 2021.

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

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

- 23. SUBJECT: UNLEADED FUEL**

[2021-0292](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a 36 month, Indefinite Delivery/Indefinite Quantity Contract No. FY75015000 for unleaded fuel to Mansfield Oil Company of Gainesville, Inc., the lowest responsive and responsible bidder, for a two year base, inclusive of sales tax, for a not-to-exceed amount of \$6,128,473, and one one-year option for a not-to-exceed amount of \$3,083,094, for a total not-to-exceed contract amount of \$9,211,567, subject to resolution of protest(s), if any.

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

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 27. SUBJECT: ELEVATOR AND ESCALATOR MAINTENANCE SERVICES**

[2021-0276](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 10 to Contract No. OP710100003367 with Mitsubishi Electric USA, Inc. (MEUS), to continue performing comprehensive preventative maintenance, inspections and repairs of elevators and escalators along with their associated systems and equipment. Modification No. 10 is to exercise the one, two-year option in the amount of \$32,592,290, increasing the total contract value from

\$76,732,083.65 to \$109,324,373.65 and extending the period of performance from November 1, 2021 to October 31, 2023.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - Contract Modification_Change Order](#)
 [Attachment C - DEOD Summary](#)
 [Presentation](#)

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

28. SUBJECT: INFRASTRUCTURE PROTECTION SERVICES [2021-0357](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 8 to Contract No.PS560810024798 with RMI International, Inc. (RMI) to continue providing existing infrastructure protection services, increase the not-to-exceed contract value by \$15,000,000 from \$105,453,758 to \$120,453,758, and extend the period of performance from October 1, 2021 to March 31, 2022.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - Contract Modification/Change Order Log](#)
 [Attachment C - DEOD Summary](#)

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

30. SUBJECT: CONSTRUCTION SUPPORT SERVICES FOR [2021-0279](#)
SOUNDWALL CONSTRUCTION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE a cost-plus fixed fee Contract No. PS68345MC079 with Prescience Corporation to provide Construction Support Services for I-210 Soundwall Package 10 and I-710 Soundwall Packages 2 and 3, in an amount Not-to-Exceed \$6,614,868 for a period of performance of 3 years, plus two (2) one-year options (\$826,000 each year) that may be exercised in the future subject to resolution of properly submitted protest(s); and

- B. NEGOTIATE and execute individual Contract Work Orders and Contract Modifications up to the authorized Not-to-Exceed amount.

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

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 31. SUBJECT: METRO PILOT CRENSHAW/LAX TRANSIT PROJECT BUSINESS SOLUTION CENTER** [2021-0325](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 4 to Contract No. PS2890900 with Del Richardson & Associates, Inc. (DRA) for the continuation of professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for twelve months, inclusive of two, 3-month option periods, in an amount not to exceed \$219,070 (\$110,723 for the base six (6) months; \$56,835 for Option Period 1, and \$51,512 for Option Period 2), increasing the total contract value from \$1,531,125 to \$1,750,195; and
- B. INCREASE the Contract Modification Authority (CMA) specific to Contract No. PS2890900 in the amount of \$100,000 increasing the total CMA amount from \$100,000 to \$ 200,000 for additional support services related to BSC implementation.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment B - Contract Modification Change Order Log](#)
 [Attachment C - DEOD Summary](#)

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 33. SUBJECT: NEW ENHANCEMENTS TO METRO'S MEDIUM-SIZE BUSINESS ENTERPRISE PROGRAM AND SMALL BUSINESS ENTERPRISE PROGRAM** [2021-0355](#)

RECOMMENDATION

APPROVE:

- A. New Medium Size Business Program Enhancements;
- B. Increase of Small Business Prime limits for competitively negotiated procurements;
- C. Community Level Contracting Program Concept; and
- D. Pursuit of Letters of Agreement with the County of Los Angeles, Los Angeles Community College District, the City of Los Angeles, Los Angeles

Unified School District, Metrolink, and Los Angeles World Airports for them to officially accept Metro’s SBE Certification and pursue reciprocity agreements with BART and VTA since they have similar requirements for certification.

Attachments: [Attachment A - New MSZ & SBE Enhancement Implementation Timeline](#)
[Attachment B - Motion 51](#)

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 34. SUBJECT: FEDERAL TRANSIT ADMINISTRATION OVERALL [2021-0356](#)**
DISADVANTAGED BUSINESS ENTERPRISE GOAL

RECOMMENDATION

APPROVE 28% Disadvantaged Business Enterprise (DBE) overall goal for Federal Fiscal Years (FFY) 2022 - 2024 for contracts funded, in whole or in part with Federal Transit Administration (FTA) funds.

Attachments: [Attachment A - Overall DBE Goal Methodology Report FF 2022-2024](#)
[Attachment B - Overall DBE Goal Presentation](#)

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):

- 35. SUBJECT: ENVIRONMENTAL ENGINEERING SERVICES [2020-0768](#)**

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) to award and execute a five (5) year contract, Contract No. EN66937, with Kleinfelder, Inc. for Environmental Engineering and Consulting services on Task Orders for a total amount not-to-exceed \$48,000,000 inclusive of three base years with an initial amount not-to-exceed \$37,000,000; with two one-year options; and

- B. AUTHORIZING Contract Modification Authority (CMA) in the amount of \$4,800,000 (10% of the not-to-exceed contract amount) and authorizing the CEO to award and execute individual task order changes and/or modifications within the CMA amount.

Attachments: [Attachment A - Procurement Summary](#)
[Attachment B - Types and Total Value Estimates of Projects – FY21 to FY25](#)
[Attachment C - DEOD Summary](#)

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):

- 36. SUBJECT: ENVIRONMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED CONSTRUCTION SERVICES** [2021-0410](#)

RECOMMENDATION

AUTHORIZE:

- A. An increase to the total authorized funding for Contract No. PS20655 with TRC Solutions Inc. for Environmental Waste Handling and Environmentally Related Construction Services in the Not-to-Exceed amount of \$19,759,809, increasing the total authorized funding from \$74,800,000 to \$94,559,809, extending the contract term an additional six months; and
- B. The Chief Executive Officer (CEO) to execute all individual Task Orders and changes within the new Board approved contract funding amount.

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

CONSTRUCTION COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

- 38. SUBJECT: I-105 EXPRESSLANES PROJECT** [2021-0306](#)

RECOMMENDATION

CONSIDER:

- A. FINDING that the use of a construction manager/general contractor (CM/GC) project delivery method for the I-105 ExpressLanes Project, pursuant to Public Utilities Code Sections 130242, to achieve certain private sector efficiencies by an integrated project delivery team is appropriate; and
- B. APPROVING a competitive solicitation of a CM/GC contract(s) to qualified proposers, pursuant to Public Utilities Code Section 130242, whose proposals will be evaluated by utilizing appropriate evaluation criteria (including price) set forth in the solicitation documents.

(REQUIRES 2/3 VOTE OF THE BOARD)

- C. FINDING that the use of a Design/Build/Operate/Maintain (DBOM) project delivery method for a separate solicitation for the Roadside Toll Collection System (RTCS) for the I-105 ExpressLanes Project, pursuant to Public Utilities Code Section 130242, to achieve certain private sector

efficiencies by an integrated project delivery team is appropriate; and

- D. APPROVING a separate competitive solicitation of a DBOM contract(s) to qualified proposers, pursuant to Public Utilities Code Section 130242, whose proposals will be evaluated by utilizing appropriate evaluation criteria (including price) set forth in the solicitation documents.

(REQUIRES 2/3 VOTE OF THE BOARD)

FINANCE, BUDGET, AND AUDIT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):

39. SUBJECT: UNION STATION LIFE OF PROJECT BUDGETS

[2021-0113](#)

RECOMMENDATION

CONSIDER:

- A. APPROVING an increase in Life of Project (LOP) budgets by a total of \$2,700,000 for three Union Station capital projects #210157, #210159, and #210161;
- B. AMENDING the FY22 budget for Union Station capital projects to include \$2,700,000 for the Union Station capital projects; and
- C. AUTHORIZING LOP budget for certain prior year Union Station capital improvements totaling \$4,237,415.

EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

40. SUBJECT: TRANSPORTATION NETWORK COMPANIES ACCESS FOR ALL PROGRAM FUND ADMINISTRATOR FOR LOS ANGELES COUNTY

[2021-0270](#)

RECOMMENDATION

CONSIDER:

- A. ADOPTING a resolution (Attachment A) authorizing Metro to serve as the Los Angeles County Local Access Fund Administrator (LAFA) of revenue generated by the Access for All Program of the California Public Utilities Commission (CPUC) to support on-demand wheelchair accessible vehicle (WAV) service; and
- B. AUTHORIZING the Chief Executive Officer or their designee to submit an application to pursue a designated status as the LAFA for Los Angeles County of revenue generated from the fee that Senate Bill 1376 requires for each trip originating in our region that Transportation Network Companies

(TNCs) provide.

Attachments: [Attachment A - Resolution Authorizing to Serve as the LAFA for LA County Presentation](#)

EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

44. SUBJECT: CHARGING INFRASTRUCTURE LIFE OF PROJECT BUDGET ADOPTION [2021-0193](#)

RECOMMENDATION

- A. APPROVE Life of Project (LOP) budget of \$50.0M commencing FY22 for Phase 1 for the Charging Infrastructure Program alongside the J Line (Silver) supporting the Zero Emission Bus Program;
- B. APPROVE amending the FY22 Budget for \$34.0M for charging infrastructure; and
- C. CONSIDER finding that authorization of the use of alternative delivery methods pursuant to Public Utilities Code Section 130242 will achieve integration of design, project works, and other components in an efficient manner at Metro bus facilities.

(REQUIRES 2/3 VOTE OF THE BOARD)

Attachments: [Presentation](#)

EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

46. SUBJECT: COORDINATED PUBLIC TRANSIT - HUMAN SERVICES TRANSPORTATION PLAN FOR LOS ANGELES COUNTY [2021-0216](#)

RECOMMENDATION

CONSIDER adopting the locally developed 2021-2024 Coordinated Public Transit - Human Services Plan for Los Angeles County to comply with the requirements of the federal Moving Ahead for Progress in the 21st Century Act (MAP-21) as reauthorized by the Fixing America's Surface Transportation Act (FAST Act) of 2015.

Attachments: [Coordinated Public Transit - Human Services Transportation Plan 2021-2024](#)

EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (5-0):

48. SUBJECT: SUBREGIONAL EQUITY PROGRAM

[2021-0435](#)

RECOMMENDATION

APPROVE Motion by Directors Hahn, Garcetti, Solis, Butts, Dutra, and Najarian that the Board of Directors direct the Chief Executive Officer to initiate a process with the Gateway Cities, South Bay, and other eligible Subregions to program their Subregional Equity Program funds starting no later than FY22-23, in accordance with project or program readiness and the following provisions:

1. To the extent that Measure M cash-flow may be unavailable for the SEP, Subregions may access SEP funds through a combination of inter-fund borrowing, exchanging with other programs and projects in their Subregions, Metro Measure M bonding capacity, or other discretionary funds designated for their Subregions;
2. Subregions will identify and determine their projects or programs to be funded with SEP, with Metro staff involvement limited to ensuring statutory and regulatory compliance, and with funds programmed and allocated in five-year increments;
3. Availability of SEP will not negatively impact the funding of other Measures R and M projects and programs or the overall funding committed by Measures R and M to each Subregion across all projects and programs; and,
4. SEP funding availability will be inflation-adjusted from 2015, consistent with the inflation adjustments provision in the Measure M Ordinance, all other MSPs and projects in the Measure M Expenditure Plan, and the June 2016 Board action that created the Subregional Equity Program and Motion 36.1 from July 2019 (Board File 2019-0598).

WE FURTHER MOVE that, henceforth, the “Measure R and Measure M Unified Cost Management Policy” is amended to eliminate the Subregional Equity Program from consideration to address project funding shortfalls during construction. Subregions may still choose to make SEP eligible for selected Measure M projects before they enter the construction phase.

EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (6-0):

49. SUBJECT: LA RIVER BIKE PATH PROJECT DELIVERY

[2021-0436](#)

RECOMMENDATION

APPROVE Motion by Directors Garcetti, Solis, Kuehl, Krekorian, and Najarian that the Board of Directors direct the Chief Executive Officer to assume and maintain the following roles in the delivery of each section of LA River Bike Path currently in development and to report back within 90 days on the status of each project, including funding plans, Sustainability, and Equity Assessments, milestone schedules, and execution of agreements with partner agencies:

- A. For the LA Riverway in the San Fernando Valley, Metro shall act as the funding agency administering Measure M and coordinating and supporting the pursuit of additional funds.
- B. For the LA River Path through Downtown Los Angeles, Metro shall act as the funding agency administering Measure M and coordinating and pursuing additional funds, the agency of record for environmental clearance, the constructing agency, and a partner in operating and maintaining the completed project.
- C. For the Lower LA River Bike Path, Metro shall act as the funding agency administering Measure M and coordinating and pursuing additional funds, and shall provide resources to perform the environmental clearance to LACDPW.

NON-CONSENT

3. SUBJECT: REMARKS BY THE CHAIR

[2021-0390](#)

RECOMMENDATION

RECEIVE remarks by the Chair.

4. SUBJECT: REPORT BY THE CHIEF EXECUTIVE OFFICER

[2021-0391](#)

RECOMMENDATION

RECEIVE report by the Chief Executive Officer.

FINANCE, BUDGET, AND AUDIT COMMITTEE FORWARDED THE FOLLOWING DUE TO CONFLICTS AND ABSENCES:

11. **SUBJECT: REAL ESTATE ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT BENCH** [2021-0289](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. APPROVE the establishment of 11 contract agreements for professional services under the Real Estate Acquisition, Relocation, and Property Management Bench, with the contractors recommended in Attachment "A-1" for a five-year base period (\$85,000,000) with five, one-year options (\$1,000,000 each), with a funding amount not to exceed cumulative total of \$90,000,000, subject to resolution of protest(s) if any.
- B. AWARD task orders within the approved not-to-exceed cumulative total value of \$85,000,000.

Attachments: [Attachment A - Procurement Summary](#)
 [Attachment A-1 - Recommended Firms](#)
 [Attachment B - DEOD Summary](#)

PLANNING AND PROGRAMMING COMMITTEE FORWARDED THE FOLLOWING:

16. **SUBJECT: COMMUNITY BASED ORGANIZATION PARTNERING STRATEGY** [2021-0367](#)

RECOMMENDATION

RECEIVE AND FILE status report on Community Based Organization Partnering Strategy: Elements for Successful Partnering in Professional Services (Attachment A).

Attachments: [Attachment A – CBO Partnering Strategy](#)

PLANNING AND PROGRAMMING COMMITTEE FORWARDED THE FOLLOWING WITHOUT RECOMMENDATION:

17. **SUBJECT: MODERNIZING THE METRO HIGHWAY PROGRAM** [2021-0291](#)

RECOMMENDATION

ADOPT:

- 1) REVISED Measure R Highway Program Criteria - Project Eligibility for Highway Operational Improvements and Ramp/Interchange Improvements (Attachment A), and

-
- 2) REVISED Measure M Guidelines, Section X - Multi-Year Programs (Highway Subfunds) (Attachment B)

Attachments: [Attachment A - Revised Measure R Highway Program Criteria](#)
[Attachment B - Revised Measure M Guidelines, Section X - Multi-Year Program](#)
[Attachment C - Summary Table of Comment Letters](#)

CONSTRUCTION COMMITTEE FORWARDED THE FOLLOWING DUE TO CONFLICTS AND ABSENCES:

37. **SUBJECT: SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICE CONTRACT** [2021-0288](#)

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXERCISE a one-year option for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for the Engineering Design of Rail and Highway Transportation Projects, extending the period of performance from June 22, 2021 through June 22, 2022;
- B. INCREASE the total authorized contract value for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for Engineering Design for Rail and Highway Transportation Projects in an amount not-to-exceed \$5,000,000 increasing the total contract value from \$17,500,000 to \$22,500,000. Work will only be authorized by specific task orders, funded by specific project budgets; and
- C. NEGOTIATE and EXECUTE Task Orders and modifications within the Board approved funding amount.

Attachments: [Attachment A - Procurement Summary AE36687](#)
[Attachment B - Contract Task Orders and Modifications Log AE36687](#)
[Attachment C - DEOD Summary](#)

EXECUTIVE MANAGEMENT COMMITTEE FORWARDED THE FOLLOWING:

42. **SUBJECT: FARELESS SYSTEM INITIATIVE (FSI) UPDATE JUNE 2021** [2021-0432](#)

RECOMMENDATION

RECEIVE oral report on Fareless System Initiative (FSI) Update.

Attachments: [Attachment A – File # 2021-0372 Approved Motion on FSI May 2021 Presentation](#)

50. SUBJECT: FARELESS SYSTEMS INITIATIVE NEXT STEPS

[2021-0452](#)

RECOMMENDATION

RECEIVE AND FILE a status report in response to Board Motion 45 by Directors Garcetti, Mitchell, Krekorian, Hahn, Bonin, and Solis at the May 2021 Board Meeting.

Attachments: [Attachment A – File # 2021-0372 Board Motion on FSI Presentation](#)

51. SUBJECT: LA AERIAL RAPID TRANSIT PROJECT

[2021-0456](#)

RECOMMENDATION

APPROVE Motion by Directors Solis, Kuehl, Mitchell, Butts, Sandoval, and Garcetti that the Board of Directors direct the Chief Executive Officer to report back in July 2021 with an update via Board Box and again in August 2021 with a final report that includes the following:

- A. Analysis of Metro’s duties and available authority to impose conditions when acting as the lead agency for non-Metro projects with regards to environmental clearance;
- B. Recommendations for community benefits developed in collaboration with the project owner to be included as part of the project scope. Recommendations should consider, but not be limited to:
 - Mitigations for potential parking impacts
 - Local job creation
 - Workforce training
 - Small business support and partnerships
 - Affordable housing, and
 - Housing/business preservation.
- C. Any completed studies that can be made publicly available as part of the LA ART Project, including any preliminary traffic analyses and demand modeling that estimate how many car trips will be taken off the street as a result of the Project; and
- D. List of all public agencies that must provide approvals for the LA ART Project as well as a map detailing right-of-way needs and properties owned by public agencies.

52. SUBJECT: DOROTHY PEYTON GRAY TRANSPORTATION LIBRARY AND ARCHIVE

[2021-0455](#)

RECOMMENDATION

APPROVE Motion by Directors Garcetti, Najarian, Barger, Butts, and Sandoval that the Board of Directors direct the Chief Executive Officer to:

- A. Develop a comprehensive assessment and action plan for the Dorothy Peyton Gray Transportation Library and Archive, including but not limited to recommendations for Board action on:
 - 1. Short-, mid-, and long-term goals for the library to improve accessibility to its materials and grow its community presence;
 - 2. Appropriate permanent staffing and other investment to ensure achieving and maintaining an exceptional level of service and prestige;
 - 3. A permanent home within the Metro organization consistent with Metro's enabling legislation;
 - 4. Potential strategic partnerships to help the library grow its reach;
 - 5. Benchmarks against peer agencies and libraries;
 - 6. Any other relevant opportunities related to the library's mission, services, and standing; and
- B. Report back to the October 2021 Executive Management Committee with an update on all the above.

53. SUBJECT: BOARD OFFICERS

[2021-0389](#)

RECOMMENDATION

ELECTION of 2nd Vice Chair.

54. SUBJECT: LINK UNION STATION PROJECT

[2021-0331](#)

RECOMMENDATION

CONSIDER:

- A. HOLDING a public hearing on the proposed Resolution of Necessity; and
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire APN: 5173-019-006 in fee simple and the non-movable assets, otherwise known as improvements pertaining to the realty or fixtures and equipment, located at 801 East Commercial

Street, Los Angeles, CA 90012 (hereinafter called the "Property Interests" as shown in Attachment A).

(REQUIRES 2/3 VOTE OF THE BOARD)

Attachments: [Attachment A - Staff Report](#)
 [Attachment B - Resolution of Necessity](#)

55. SUBJECT: LINK US PROJECT - PBR REALTY, LLC [2021-0332](#)

RECOMMENDATION

CONSIDER:

- A. HOLDING a public hearing on the proposed Resolution of Necessity; and
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire APNs: 5173-003-012 and 5173-018-001 and in fee simple located at 621 and 703 Commercial Street, Los Angeles, CA 90012 (hereinafter called the "Property" as identified in Attachment A).

(REQUIRES 2/3 VOTE OF THE BOARD)

Attachments: [Attachment A - Staff Report](#)
 [Attachment B - Resolution of Necessity](#)

END OF NON-CONSENT ITEMS

SUBJECT: GENERAL PUBLIC COMMENT [2021-0392](#)

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 #: 2021-0440, **File Type:** Minutes

Agenda Number: 2.

**REGULAR BOARD MEETING
JUNE 24, 2021**

SUBJECT: MINUTES

RECOMMENDATION

APPROVE Minutes of the Regular Board Meeting held May 27, 2021.



Virtual Online Meeting

MINUTES

Thursday, May 27, 2021

11:00 AM

Board of Directors - Regular Board Meeting

DIRECTORS PRESENT:

Eric Garcetti, Chair
Hilda L. Solis, 1st Vice Chair
Ara Najarian, 2nd Vice Chair
Kathryn Barger
Mike Bonin
James Butts
Jacquelyn Dupont-Walker
Fernando Dutra
Janice Hahn
Paul Krekorian
Sheila Kuehl
Holly Mitchell
Tim Sandoval
Tony Tavares, non-voting member

Phillip A. Washington, Chief Executive Officer

CALLED TO ORDER AT: 11:01 A.M.

ROLL CALL

1. APPROVED Consent Calendar Items: 2, 5, 6, 8.1, 9, 11, 14, 15, 17, 18, 18.1, 19, 20, 24, 30, 31, 32, 33, 34, 35, 36, 38, 42*, and 43.

Consent Calendar items were approved by one motion except item 32 which was held by a Director for discussion and/or separate action.

*Item required 2/3 vote.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y

2. **SUBJECT: MINUTES** **2021-0349**

APPROVED Minutes of the Regular Board Meeting held April 22, 2021.

3. **SUBJECT: REMARKS BY THE CHAIR** **2021-0350**

RECEIVED remarks by the **Chair**.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
P	P	P	P	P	P	P	P	P	P	P	P	P

4. **SUBJECT: REPORT BY THE CHIEF EXECUTIVE OFFICER** **2021-0351**

RECEIVED report by the **Chief Executive Officer**.

- Special Presentation by the CEO

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
P	P	P	P	P	P	P	P	P	P	P	P	P

PK = P. Krekorian	JB = J. Butts	JDW = J. Dupont-Walker	FD = F. Dutra
JH = J. Hahn	EG = E. Garcetti	AN = A. Najarian	
MB = M. Bonin	SK = S. Kuehl	HM = H. Mitchell	
HS = H. Solis	KB = K. Barger	TS = T. Sandoval	

LEGEND: Y = YES, N = NO, C = CONFLICT, ABS = ABSTAIN, A = ABSENT, P = PRESENT

5. SUBJECT: CONSOLIDATED AUDIT FOR FISCAL YEARS 2021-25 2021-0178

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to:

- A. AWARD a five-year, firm fixed price Contract No. PS71091000, to Vasquez and Company, LLP (Vasquez) to perform Consolidated Financial and Compliance Audit of the programs, jurisdictions and agencies listed in Attachment C (Package A) for fiscal years (FY) 2021 - 2025 in the amount of \$2,506,618.26, effective July 1, 2021, subject to resolution of protest(s) if any; and
- B. AWARD a five-year, firm fixed price Contract No. PS71091001, to Simpson and Simpson, LLP (Simpson) to perform Consolidated Financial and Compliance Audit of the programs, jurisdictions and agencies listed in Attachment D (Package B) for fiscal years (FY) 2021 -2025 in the amount of \$2,955,150, effective July 1, 2021, subject to resolution of protest(s), if any.

6. SUBJECT: WORKERS' COMPENSATION UTILIZATION AND PEER REVIEW SERVICES 2021-0045

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to award an eight-year, firm fixed unit price Contract No. PS73428000, to Genex Services, LLC to provide workers' compensation utilization review, peer review, physician consulting and expedited review services in an amount not-to-exceed \$400,000 for the four-year base term, effective July 1, 2021 through June 30, 2025, plus \$418,180, for the two (2), two-year options, for a total not-to-exceed amount of \$818,180 subject to resolution of protest(s), if any.

7. SUBJECT: FY22 METRO BUDGET EQUITY ASSESSMENT 2021-0239

RECEIVED AND FILED update on FY22 Metro Budget Equity Assessment.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
P	P	P	P	P	P	P	P	P	P	P	P	P

8. SUBJECT: FISCAL YEAR 2022 (FY22) BUDGET

2021-0208

APPROVED AS AMENDED

A. ADOPTING the proposed FY22 Budget as presented in the budget document (provided in a separate transmittal and posted on metro.net);

1. AUTHORIZING \$8.0 billion annual consolidated expenditures to achieve goals and objectives set forth by the Board adopted mission and goals; and
2. AUTHORIZING a total of 10,347 FTEs with 8,630 Represented FTEs and 1,717 Non-Represented FTEs (see Attachment E); and
3. AUTHORIZING an average 3.5% performance-based merit increase for Non-Represented employees. The wage increase for Represented employees, in accordance with the pre-negotiated Collective Bargaining Agreements, is an average 5%; and
4. AUTHORIZING a 2.0% adjustment to current Non-Represented job pay grade levels to reflect best practice. There is minimal impact to the budget and current employees' salaries (see Attachment D); and
5. APPROVING the Life of Project (LOP) budgets for new capital projects; new capital projects with LOP exceeding \$5.0 million are presented in Attachment A; and
6. AMENDING the proposed budget to include any Board approved actions currently under consideration such as the Fareless System Initiative, from now to end of fiscal year (June 30, 2021); and

B. APPROVING the Reimbursement Resolution declaring Metro's intention to issue debt in FY22 for capital projects, as shown in Attachment B, with the provision that actual debt issuance will require separate Board approval.

BONIN AMENDMENT:

2021-0397

1. In the future, when referencing Revenue Service Hours, calculate and include the impact of relative speeds on actual passenger service (i.e. Revenue Service Miles);
2. When considering how to spend future federal funds to prioritize increasing Revenue Service Hours and achieving NextGen's "Future Funding" goals; and
3. Report back with a more thorough and participatory public and legislative process for future budgets and midyear budget adjustments, including a board meeting that considers the budget exclusively

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y

8.1. SUBJECT: AMENDMENT TO PROPOSED FY22 METRO BUDGET 2021-0343

APPROVED ON CONSENT CALENDAR Motion by Directors Butts, Solis, Najarian, Dupont-Walker, and Dutra that the proposed FY 22 Budget be amended to reflect the addition of three (3) FTEs for Grants Management reflecting a total of four (4) FTEs for the Grants Management Team.

9. SUBJECT: FY 2021-22 METROLINK REHABILITATION AND CAPITAL PROGRAM 2021-0219

APPROVED ON CONSENT CALENDAR:

- A. programming the Los Angeles County Metropolitan Transportation Authority's ("Metro") share of the Southern California Regional Rail Authority's (SCRRA operated as "Metrolink") FY 2021-22 Rehabilitation and Capital Budget in the amount of \$33,349,794 as detailed in Attachment A;
- B. EXTENDING the lapsing dates for funds previously allocated to Metrolink for the Rehabilitation and Renovation Program and Capital projects as follows:
 - FY 2013-14 extended from June 30, 2020 to June 30, 2022 - \$13,991
 - FY 2014-15 extended from June 30, 2020 to June 30, 2023 - \$3,423
 - FY 2016-17 extended from June 30, 2020 to June 30, 2023 - \$586,002
 - FY 2017-18 extended from June 30, 2021 to June 30, 2024 - \$2,975,013
 - MRROTEMSET extended from June 30, 2020 to June 30, 2026 - \$7,041,544
 - 94-DORANSCRRA extended from June 30, 2020 to June 30, 2022 - \$161,492
 - 94SCRRAMRLUS extended from June 30, 2020 to June 30, 2022 - \$73,848
 - MRTVMLACTY extended from June 30, 2020 to June 30, 2023 - \$2,417,002
 - MRBRIGHTRX extended from June 30, 2020 to June 30, 2022 - \$271,974;
- C. APPROVING Funding Agreement Time Extension to December 31, 2022 for City of Palmdale Rancho Vista Grade Separation Project;

(Continued on next page)

(Item 9 – continued from previous page)

- D. APPROVING the FY22 Transfers to Other Operators payment rate of \$1.10 per boarding to Metro and an EZ Pass reimbursement cap to Metro of \$5,592,000; and)
- E. APPROVING Funding Agreement for Track and Signal mobilization cost of \$1,548,164; and
- F. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements between Metro and the SCRRA for the approved funding.

10. SUBJECT: MEASURE R BONDS

2021-0123

ADOPTED:

A. a Resolution, Attachment A, that:

- 1. Authorizes the negotiated sale and issuance of up to \$850 million in aggregate principal amount of Measure R Senior Sales Tax Revenue Bonds in one or more series, to finance capital projects; and refinance outstanding commercial paper notes.
- 2. Approves the forms of the Supplemental Trust Agreement, Continuing Disclosure Certificate, Preliminary Official Statement, Bond Purchase Contract and such other documents as required for the issuance of the bonds, and approves related documents on file with the Board Secretary as set forth in the resolution subject to modification as set forth in the Resolution;
- 3. Authorizes taking all action necessary to achieve the foregoing, including, without limitation, the further development and execution of bond documentation associated with the issuance of the Measure R Senior Sales Tax Revenue Bonds, Series 2021-A (the “Bonds”).

(REQUIRED SEPARATE, SIMPLE MAJORITY BOARD VOTE.)

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

**11. SUBJECT: MEASURE M MULTI-YEAR SUBREGIONAL PROGRAM - 2021-0149
SAN GABRIEL VALLEY SUBREGION**

AUTHORIZED ON CONSENT CALENDAR:

- A. REPROGRAMMING of projects in the following Programs:
 - 1. Measure M Multi-Year Subregional Program (MSP) - Bus System Improvement Program, as shown in Attachment A;
 - 2. Measure M MSP - Active Transportation Program, as shown in Attachment B;
 - 3. Measure M MSP - First/Last Mile and Complete Streets, as shown in Attachment C;
- B. DELEGATING the Chief Executive Officer (CEO) or their designee the authority to:
 - 1. Amend Measure M MSP funding agreements to modify the scope of work of projects and project development phases consistent with eligibility requirements;
 - 2. Administratively extend funding agreement lapse dates for Measure M MSP funding agreements to meet environmental, design, right-of-way and construction time frames; and
- C. AUTHORIZING the CEO or their designee to negotiate and execute all necessary agreements and/or amendments for approved projects.

14. SUBJECT: CESAR E. CHAVEZ & SOTO JOINT DEVELOPMENT 2021-0186

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute and enter into a ground lease (“Ground Lease”) and other related documents with La Veranda, L.P. (the “Developer”), an affiliate of Abode Communities, for the construction and operation of a mixed-use, affordable housing project (the “Project”) on Metro-owned property located near the corner of Cesar E. Chavez Avenue and Soto Street in Boyle Heights (the “Site”) in accordance with the Key Terms and Conditions approved by the Board at its November 30, 2017 meeting as amended by the terms and conditions set forth in the Discussion section of this Board report.

15. SUBJECT: NORTH HOLLYWOOD TO PASADENA BUS RAPID TRANSIT CORRIDOR PROJECT **2021-0103**

APPROVED ON CONSENT CALENDAR:

- A. the Proposed Project with recommended refinements for the North Hollywood to Pasadena Bus Rapid Transit Corridor Project; and
- B. the Project’s Title VI Service Equity Analysis in accordance with Title VI of the Civil Rights Act of 1964.

17. SUBJECT: FIRST/LAST MILE GUIDELINES **2020-0365**

ADOPTED ON CONSENT CALENDAR the First/Last Mile Guidelines (Attachment B).

18. SUBJECT: METRO EXPRESSLANES PROGRAM MANAGEMENT SUPPORT CONTRACT MODIFICATION **2021-0224**

AUTHORIZED ON CONSENT CALENDAR

- A. the Chief Executive Officer to execute Modification No. 8 to Contract No. AE275020011497 for ExpressLanes Program Management Support services with WSP USA, Inc. to prepare Plans, Specifications, and Estimates (PS&E) for the I-405 to Central Avenue segment of the I-105 ExpressLanes project in the amount of \$18,788,594, inclusive of one optional task to provide post-PS&E support in the amount of \$1,413,641, increasing the Total Contract Value from \$14,147,001 to \$32,935,595.
- B. INCREASE Contract Modification Authority (CMA) specific to Contract No. AE275020011497 in the amount of \$2,000,000 increasing the total CMA amount from \$770,000 to \$2,770,000 to support potential additional services needed to complete the PS&E for the I-405 to Central Avenue segment of the I-105 ExpressLanes project.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
C								C		C		

18.1.SUBJECT: I-105 EXPRESSLANES PROJECT

2021-0341

APPROVED ON CONSENT CALENDAR Motion by Directors Hahn, Garcetti, Mitchell, Butts, and Dutra that the Board direct the Chief Executive Officer to report back in September 2021 with recommendations to fully fund the I-105 ExpressLanes with funding sources that minimize the use of the corridor's future net toll revenues, in order to maximize available resources from the project for future capital improvements to the Metro Green Line.

19. SUBJECT: FENCE REPAIR AND MAINTENANCE SERVICES

2021-0167

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to award a firm fixed unit rate Contract No. OP1788370008370, to Deco Fence Company, the lowest responsive and responsible bidder, to provide fence repair and maintenance services. The contract not-to-exceed amount is \$2,290,068 for the three-year base, and \$1,654,560 for the one, two-year option, for a combined not-to-exceed amount of \$3,944,628, effective July 1, 2021, subject to resolution of protests(s), if any.

20. SUBJECT: TRANSMISSION INTEGRAL COOLER

2021-0169

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to award a two-year, firm fixed price Contract No. MA73599-2000 to Muncie Transit Supply, the lowest responsive and responsible bidder for transmission coolers. The Contract one-year base amount is \$969,414 inclusive of sales tax, and the one-year option amount is \$998,497, inclusive of sales tax, for a total contract amount of \$1,967,911, subject to resolution of protest(s), if any.

24. SUBJECT: BETTER BUS PROGRAM FUNDING AND IMPLEMENTATION STRATEGY

2021-0245

ADOPTED ON CONSENT CALENDAR:

1. the Better Bus Program as a major component of Metro's portfolio of improvements.
2. APPROVING the Better Bus investments Plan and pursue the five-year funding and implementation strategy (Included as Attachment B), including additional staffing, and report progress to the Operations, Safety, and Customer Experience Committee every six months.

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3. APPROVING the inclusion of Better Bus program investments and expenditures in each annual budget and in future updates to the Short Range Transportation Plan and Long Range Transportation Plan.
4. APPROVING, by mid-year, the addition of 14 new project FTEs, in Operations (5), Communications and Government Relations (7), and Grants Management, Planning and Programming (2), to the FY22 staffing budget, dedicated exclusively to the funding and implementation of the Better Bus Program.

**30. SUBJECT: EAST SAN FERNANDO VALLEY LIGHT RAIL TRANSIT - 2021-0101
GEOTECHNICAL EXPLORATION**

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer (CEO) to execute Modification No. 18 to Contract No. AE58083E0129 with Gannet Fleming, Inc. for the East San Fernando Valley Transit Corridor Project, for geotechnical exploration along Van Nuys Blvd. (Oxnard St. to San Fernando Rd.), in the amount of \$987,531 increasing the total Contract value from \$71,062,041 to \$72,049,572.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
		C						C		C		

31. SUBJECT: WESTSIDE PURPLE LINE EXTENSION SECTION 1 PROJECT 2021-0222

AUTHORIZED ON CONSENT CALENDAR:

AMENDING the Life-of-Project (LOP) budget by \$150,000,000 for the Westside Purple Line Extension Section 1 Project (Project) from \$2,978,879,593 to \$3,128,879,593 using the fund sources as summarized in Attachment A, consistent with the provisions of the Board-adopted Measure R and Measure M Unified Cost Management Policy (Attachment B).

32. SUBJECT: PROGRAM MANAGEMENT SUPPORT SERVICES 2021-0250

APPROVED RECOMMENDATION A AND C AS AMENDED:

- A. An increase in authorized funding for Contract No. AE35279 with Kal Krishnan Consulting Services/Triunity Engineering and Management Joint Venture (KTJV), for pending and future Contract Work Orders to provide Program Management Support Services (PMSS) in an amount not-to-exceed \$10,296,886, increasing the current authorized funding limit for the base contract from \$63,347,705 to \$73,644,591 through FY22;

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- C. The CEO or designee to execute individual Contract Work Orders (CWOs) and Contract Modifications within the Board authorized contract funding amount.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	C	Y	Y	Y	Y	Y	Y	C	Y	Y	Y	Y

THE FOLLOWING RECOMMENDATION HAS BEEN TABLED:

- B. The exercise of the two-year option in the amount not-to-exceed \$27,461,365, increasing the authorized funding limit from \$73,644,591 to \$101,105,956 for FY23 and FY24; and

NAJARIAN AMENDMENT:

2021-0442

That the Board look back at the performance success of the contractors and give a report before extending a 2 year option, one year ahead of its extension date. The contract should be audited, as quickly as possible so it does not delay our ability to exercise the option to extend. It's good board policy if there is a large contract, that has an option, before that option is extended, we should get a report back to hear how well the original contract was performed.

33. SUBJECT: QUALITY MANAGEMENT CONSULTANT

2021-0119

AUTHORIZED ON CONSENT CALENDAR:

- A. An increase to the total authorized funding for Contract No. PS54007 with PQM, Inc, for pending and future Task Orders to provide Quality Management Consulting services in the amount of \$19,947,286 increasing the authorized funding limit from \$5,378,518 to \$25,325,804 through FY22 and FY23; and
- B. The Chief Executive Officer or their designee to execute individual Task Orders and Contract Modifications changes within the Board approved funding limit.

34. SUBJECT: ACTIVE TRANSPORTATION PROJECTS CONSTRUCTION MANAGEMENT SUPPORT SERVICES 2021-0251

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to:

- A. Execute a four-year cost plus fixed fee Contract No. AE71435MC080 with the most qualified firm, Ramos Consulting Services, Inc., after successful negotiations, to provide Construction Management Support Services for Metro Active Transportation Projects, in an amount Not-To-Exceed base year of \$15,896,000, plus two (2) one-year

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options (\$1,987,000 each year) that may be exercised in the future, subject to resolution of any properly submitted protest; and

- B. Negotiate and execute individual Contract Work Orders and Contract Modifications up to the authorized Not-to-Exceed amount.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
	C				C			C	C		C	

35. SUBJECT: CALTRANS UPDATE 2021-0304

RECEIVED ON CONSENT CALENDAR report by the Caltrans District Director on Delivery of Projects on I-5.

36. SUBJECT: LOCUS LICENSE PURCHASE 2021-0124

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to award a one-year, sole-source, firm-fixed price Contract No. PS74047000 to Cambridge Systematics, Inc. for the purchase of Locus software license and maintenance in the amount of \$650,000 on behalf of the Regional Integration of Intelligent Transportation Systems (RIITS).

37. SUBJECT: STATE AND FEDERAL REPORT 2021-0246

RECEIVED AND FILED May 2021 State and Federal Legislative Report.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
P	P	P	P	P	P	P	P	P	P	A	P	P

**38. SUBJECT: CALIFORNIA STATE TRANSPORTATION AGENCY - 2021-0203
CLIMATE ACTION PLAN FOR TRANSPORTATION
INFRASTRUCTURE**

AUTHORIZED ON CONSENT CALENDAR transmitting Climate Action Plan for Transportation Infrastructure (CAPTI) comment letter (Attachment A) to the California State Transportation Agency.

41. SUBJECT: MICROTRANSIT OPERATIONS FARE STRUCTURE AND SERVICE ZONES **2021-0228**

APPROVED AS AMENDED:

- A. the proposed MicroTransit Fare Structure with the introductory rate of \$1 for the remainder of calendar year 2021 and adopt the \$2.50 full fare effective January 1, 2022 for zones 1-8. Additional zones will be set to full fare once the first six months of Revenue Service Operations has concluded.
- B. the service maps for MicroTransit Zones (6-8)

KUEHL AMENDMENT: **2021-0401**

Report back in June 2021 Operations Committee and monthly reports on Microtransit driver hiring.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y

42. SUBJECT: EXECUTE CONTRACT WITH SOUTHERN CALIFORNIA EDISON (SCE) TO UPGRADE UTILITIES AT DIVISION 9 & EL MONTE TRANSIT CENTER, EXECUTE CONTRACT MODIFICATION WITH BYD FOR DIVISION 9 (D9) DEPOT CHARGERS, AND GRANT DESIGN-BUILD AUTHORITY FOR CHARGING INFRASTRUCTURE **2020-0062**

AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to:

- A. NEGOTIATE AND EXECUTE a cost reimbursable Contract with SoCal Edison (SCE) to upgrade Division 9 (D9) and EL Monte Bus Depot utilities to support the full electrification of Battery Electric Buses procured from BYD, for an amount Not-To-Exceed \$19,565,853.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
	C	C				C		C	C			

- B. EXECUTE Modification No. 7 to BYD Coach & Bus, LLC (BYD), to add forty-four (44) Heliox Depot Chargers, software licenses, installation and commissioning support, and twelve (12) year warranty service and support for D9 charging infrastructure at the Firm Fixed price of \$22,938,872 increasing the Contract Value from \$48,528,900 to \$71,467,772.
- C. INCREASE the Contract Modification Authority amount from \$4,777,472 to \$30,778,325 to incorporate upgrades to the charging infrastructure and for vehicle configuration changes for Contract OP28367-002, with BYD Coach & Bus, LLC.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
	C											

(Continued on next page)

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AUTHORIZED:

- D. awarding a design-build delivery method authority, pursuant to Public Utilities Code Section 130242(b), will achieve for Metro certain private sector efficiencies through the integration of design, project work and components.

Approval required a two-thirds affirmative vote.

- E. Approve the hiring of an initial five (5) new, non-contract full-time employees as a part of the FY22 midyear budget process to ensure the successful delivery of the ZEB program.

43. SUBJECT: AMEND THE METRO ADMINISTRATIVE CODE TO REFER 2021-0345 TO THE BOARD SECRETARY AS BOARD CLERK

APPROVED ON CONSENT CALENDAR Motion by Directors Garcetti, Solis, and Najarian that the Board of Directors amend the Metro Administrative Code Section 2-10-010 to refer to the Board Secretary as the Board Clerk.

From:

2-10-010 Appointment of Board Secretary

The Board of Directors shall appoint a Board Secretary who shall be a full time officer of the MTA.

To:

2-10-010 Appointment of Board Secretary

The Board of Directors shall appoint a Board Secretary who shall be a full time officer of the MTA and be referred to as Board Clerk.

WE FURTHER MOVE that the Board of Directors direct the Board Clerk to prepare a strategic plan, including but not limited to:

1. Delivering continuous improvement to encourage meaningful public engagement and improve accessibility of Board meetings, materials, and public comments; and
2. Continuation of effective public engagement options developed as Metro and L.A. County jurisdictions responded to the pandemic and its recovery process.

44. SUBJECT: TAP UPDATE

2021-0371

RECEIVED oral report on TAP Update.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
P	P	P	P	P	P	P	P	P	P	A	P	P

45. SUBJECT: FARELESS SYSTEM INITIATIVE

2021-0372

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

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

Administrative Coordination

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

Funding

- C. In partnership with implementation partners and key stakeholders, pursue and support federal and state opportunities and legislation to fund the Fareless System Initiative, both the pilot phase and any permanent program (should the Board decide to continue past the proposed pilot period), including but not limited to the federal Freedom to Move Act;
- D. Pursue reasonable cost-sharing agreements with school districts;
 - 1. Seek to take advantage and leverage any existing student transportation fee programs (e.g., student-approved LACCD fees);

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2. Seek to preserve existing funding agreements between school districts and transit operators;
 - a. Wherever municipal operators have existing fareless agreements with community college districts, consider accepting muni student transit passes on Metro for the duration of the pilot;
 3. Seek new funding agreements for districts without any existing discounted or fareless student pass programs (e.g., U-Pass);
- E. Consider pursuing private funding opportunities, including but not limited to philanthropic partnerships;

Follow-Up

- F. Report to the Board monthly on the development, launch, and performance of the Fareless System Initiative. The first update should include:
1. A mission statement and goals for the FSI pilot;
 2. Lists of interested municipal operators, school districts, and community college districts;
 3. An update on the refined FSI financial plan; and
 4. Identification of a cross-departmental implementation team.

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

1. Municipal and local operators that choose to participate will be fully included and provided the same type of fare subsidy as Metro transit operations, in order to ensure a seamless rider experience regardless of geographic location or transit provider;
2. The initiative is funded without reducing existing transit operations or state of good repair expenditures or by using regional funding typically committed to bus and rail transit operations or intended for the capital program;

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3. Opportunities to expand or adjust existing fare subsidy programs to maximize community benefit have been studied and presented to the Board; and,

4. An initiative can be scaled and/or targeted in a manner that best aligns with Metro’s Equity Platform, adopted by the Board in March 2018.

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

BONIN AMENDMENT:

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

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

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	Y	Y

46. SUBJECT: FARELESS SYSTEM INITIATIVE

2021-0364

WITHDRAWN:

APPROVE Motion by Directors Hahn, Solis, Najarian, Butts, Sandoval, and Dutra that the Board direct the Chief Executive Officer to:

(Continued on next page)

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Postpone the implementation of any Fareless System Initiative until the conditions provided below have been met to the Board's satisfaction:

1. Municipal operators that choose to participate will be fully included and provided the same type of fare subsidy as Metro transit operations, in order to ensure a seamless rider experience regardless of geographic location or transit provider;
2. The initiative is funded without reducing existing transit operations or state of good repair expenditures or by using regional funding typically committed to bus and rail transit operations or intended for the capital program;
3. Opportunities to expand or adjust existing fare subsidy programs to maximize community benefit have been studied and presented to the Board; and,
4. An 18-month initiative can be scaled and/or targeted in a manner that best aligns with Metro's Equity Platform, adopted by the Board in March 2018.

47. SUBJECT: 710 SOUTH CORRIDOR PROJECT

2021-0368

APPROVED Motion by Directors Solis, Sandoval, Butts, Garcetti, and Mitchell that direct the Chief Executive Officer to:

1. Immediately ~~cease~~ suspend further work to advance the current 710 South Corridor Project EIR/EIS;
2. Evaluate all improvements included in the EIR/EIS that can be advanced separately from mainline 710 South infrastructure improvements including, but not limited to, projects related to active transportation, operational improvements, clean truck infrastructure, and community health;
3. Identify additional locally-supported projects that can be advanced to enhance mobility along the 710 South Corridor and complement the non-freeway projects mentioned above, including but not limited to the West Santa Ana Branch, the LA River/Rio Hondo Confluence Station, LA River Master Plan, Rail to River and the Atlantic Boulevard Bus Rapid Transit;

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4. Collaborate with corridor cities, local stakeholders, community based organizations, the Ports of Los Angeles and Long Beach, and the Gateway Council of Governments to conduct outreach and develop a funding plan in order to advance a revised Early Action Program that includes projects identified in Directives 2 and 3. The revised Early Action Program should emphasize shovel ready projects and prioritize partnerships with labor to advance Metro’s Project Labor Agreement and Construction Careers Policy;
5. Report back on all directives in September 2021.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y

48. SUBJECT: I-710 SOUTH CORRIDOR PROJECT

2021-0365

APPROVED Motion by Directors Hahn, Solis, Butts, and Dutra that the Board direct the Chief Executive Officer to report back to the Board in July 2021 on:

1. Why the EPA concluded the project does not meet conformity requirements and why Caltrans Director Toks Omishakin stated that Caltrans cannot support the Project “in its current format”;
2. Identify what elements of the Project can either be moved forward or modified in order to get State and Federal support, including but not limited to: price-managed freeway lanes, zero emissions-only truck lanes, short- and long-haul rail, Atlantic Avenue bus rapid transit, Metrolink capital and service improvements, and State and Federal funding for near-zero and zero-emissions goods movement investments earmarked for the I-710 South Corridor;
3. If inclusion of some or all of the elements in Directive 2 above will be enough to get State and Federal support for the Project or if it needs to be reimagined entirely; and,
4. A plan for re-engaging cities and stakeholders along the corridor.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	A	Y	A	Y	Y

49. SUBJECT: WESTSIDE PURPLE LINE EXTENSION SECTION 3 PROJECT

2021-0221

AUTHORIZED:

- A. Holding a public hearing on the proposed Resolution of Necessity; and
- B. Adopting the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire the exclusive subsurface easements from the properties identified as Parcels W-4001-1, W-4001-2, W-4001-3 (APN: 4319-003-066) and W-4002-1 (APN: 4319-003-063), acquire a 6-month temporary construction easement from the property identified as Parcel W-4001-7, and acquire a 12-month access area for installation and monitoring of liquid level gauge devices (APN: 4319-003-066). The properties listed above are herein referred to as “the Property.”

REQUIRED 2/3 VOTE

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

50. SUBJECT: WESTSIDE PURPLE LINE EXTENSION SECTION 3 PROJECT

2021-0240

AUTHORIZED:

- A. HOLDING a public hearing on the proposed Resolution of Necessity.
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire a portion of the leasehold interests, related leasehold improvements, and related improvements pertaining to APN: 4363-023-032 (hereinafter called the “Property Interests”) as shown in Attachment C.

REQUIRED 2/3 VOTE

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

51. SUBJECT: CLOSED SESSION

2021-0359

A. Conference with Real Estate Negotiator - G.C. 54956.8

- 1. Property Description: 800 N. Alameda Street, Los Angeles, CA 90012
 Agency Negotiator: Holly Rockwell or designee
 Negotiating Party: Spirited Group, LLC, dba Imperial Western Beer Company
 Under Negotiation: Price and terms

Authorized real estate negotiator to negotiate lease terms for locations within Union Station. The terms of each lease will be made publicly available after execution by the parties of the lease agreements.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	Y	A	Y	A	Y	A

- 2. Property Description: 800 N. Alameda Street, Los Angeles, CA 90012
 Agency Negotiator: Holly Rockwell or designee
 Negotiating Party: Starbucks Corporation
 Under Negotiation: Price and terms

Authorized real estate negotiator to negotiate lease terms for locations within Union Station. The terms of each lease will be made publicly available after execution by the parties of the lease agreements.

TS	HM	FD	JDW	MB	EG	HS	AN	KB	JB	PK	JH	SK
Y	Y	Y	Y	Y	Y	Y	A	A	Y	A	Y	A

ADJOURNED AT 5:45 P.M.

Prepared by: Jessica Vasquez Gamez
Administrative Analyst, Board Administration



Christina Goins, Interim Board Clerk



Board Report

File #: 2021-0285, **File Type:** Agreement

Agenda Number: 5.

**FINANCE, BUDGET, AND AUDIT COMMITTEE
JUNE 16, 2021**

SUBJECT: REAL ESTATE AGREEMENTS WITH THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (MWD) FOR SECURITY IMPROVEMENTS AROUND MWD COURTYARD AND HEADQUARTERS BUILDING AT UNION STATION

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) or their designee to execute an easement to The Metropolitan Water District of Southern California (MWD) in which the Los Angeles County Metropolitan Transportation Authority (LACMTA) agrees to grant to MWD, and take all necessary steps to record, certain “Real Estate Interests” in the LACMTA-owned property located at the southernmost end of Union Station adjacent to MWD-owned property (“Permanent Easement”); and
- B. AUTHORIZING the CEO or their designee to execute a Second Amendment to the Agreement and Declaration of Covenants, Conditions, and Restrictions (CC&Rs) recorded on May 31, 1996 between MWD and Catellus Development Corporation.

ISSUE

In February 2018, MWD’s Board authorized final design of the physical security improvements to MWD headquarters. To expedite completion of the most critical upgrades, the upgrade work was prioritized and staged. Stage 1 upgrades improved exterior surfaces. Stage 2 upgrades enhanced access control and interior security protection. Stage 3 improvements will enhance perimeter security.

For MWD to move forward with stage 3 of MWD headquarter physical security improvements, MWD requires LACMTA to grant a Permanent Easement and amend the current CC&Rs for Union Station.

BACKGROUND

MWD acquired its headquarters site in 1996, which predates LACMTA’s acquisition in 2011. In 1996 easements were granted to MWD for the roadway, utility, north sewer and storm drain. During the

same year, CC&Rs were established between Catellus Development Corporation and MWD to ensure that the properties were developed, used and maintained as a high quality, unified development and to establish certain reciprocal rights for uses of common areas.

The MWD Headquarters Building is a 522,682 square-foot, concrete-frame structure consisting of a 12-story high-rise tower attached to a five-story wing. The building is located next to the Union Station transportation hub. The business functions located in this building are critical for maintaining the continuity of MWD's day-to-day operations. The Headquarters Building includes office space for approximately 840 MWD staff and meeting space for the Board of Directors and members of the public. MWD began occupying the Headquarters Building in 1998.

A threat and physical security assessment of the Headquarters Building was completed by MWD consultants in 2016. This assessment recommended the addition of several physical features to enhance the building's perimeter security, access control, and interior security protection systems. These recommendations are in conformity with best security practices for government buildings as stated in guidelines provided by the U.S. Department of Homeland Security. The recommended features to be added in a multi-phased approach include additional cameras, sensors and barriers, improved access control, and improved communication systems. Stage 3 improvements will enhance perimeter security along the exterior of the MWD site and courtyard and require real property rights from LACMTA.

DISCUSSION

Temporary fencing was installed around the MWD courtyard in 2018. MWD is now finalizing phase 3 of their security project which includes permanent physical security enhancements to the MWD courtyard and front entrance to the MWD HQ building. Permanent fencing will eventually replace the current temporary fencing. The transition is expected to be seamless as temporary fencing will remain up until the new permanent fencing is installed.

The permanent fencing design proposed will include four gates total, three main access gates and one after-hours gate. All gates will remain opening during business hours, except during lunch hours. During lunch hours, visitors will still have access to MWD cafeteria and courtyard through the West Visitors' entrance. Gates will be closed and locked after business hours. In addition to fencing, 23 bollards (10 stationary, 13 removable) are proposed to be installed throughout the easement. All fencing and bollards are subject to LACMTA standard guidelines and LACMTA will be given a set of keys to unlock the new removable bollards. The location of the improvements is depicted as Option 1 on Attachment A and further depicted in Attachments B, C and D.

Permanent Easement

The above-described improvements require a permanent easement of 1,148 square feet for MWD to install, construct, maintain, repair, replace, reconstruct and operate fences, gates and bollards.

The easements are mutually beneficial and in conformity with best security practices for government buildings as stated in guidelines provided by the U.S. Department of Homeland Security. Staff proposes to provide them at no charge to MWD. The fees for temporary rights during construction were waived by LACMTA.

Description of Amendment to Union Station CC&Rs

A second amendment to the CC&Rs is required to allow the closure of MWD's courtyard during lunch hours and after business hours. Currently, the CC&Rs allow partial closure of the courtyard during lunch hours.

Equity Platform

This addresses LACMTA's equity platform by focusing and delivering improvements, management and organized use of MWD plaza on Union Station property for the safety of businesses and transit customers.

DETERMINATION OF SAFETY IMPACT

This project will increase safety throughout plaza areas at Union Station.

FINANCIAL IMPACT

There is no financial impact to LACMTA. All construction and maintenance costs for fence, gates and bollards shall be borne by MWD.

Impact to Budget

No impact to budget

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan Goal 2: Outstanding trip experience for all users of the transportation system. 2.1 Metro is committed to improving security. Action: Explore and implement prevention tactics, promote prevention as a first measure to reduce frequency and severity of crimes.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendations. This is not recommended as it will hamper safety and security improvements at the MWD Plaza.

NEXT STEPS

Once the easement is granted, recorded and the CC&Rs are updated, MWD will obtain its building permits to construct the MWD Project.

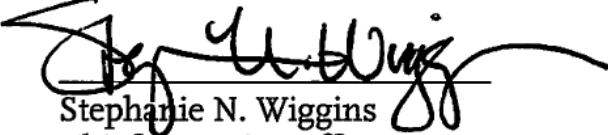
ATTACHMENTS

- Attachment A - Fencing Plan & Alternatives
- Attachment B - Fence Design and Bollard Look
- Attachment C - Design Plan
- Attachment D - Proposed Easement Map

Prepared by: Ken Pratt, DEO, Countywide Planning & Development, (213) 922-6288

John Potts, Executive Officer, Countywide Planning & Development, (213) 928-3397
Holly Rockwell, SEO - Real Estate, Transit Oriented Communities and Transportation
Demand Management, (213) 922-5585

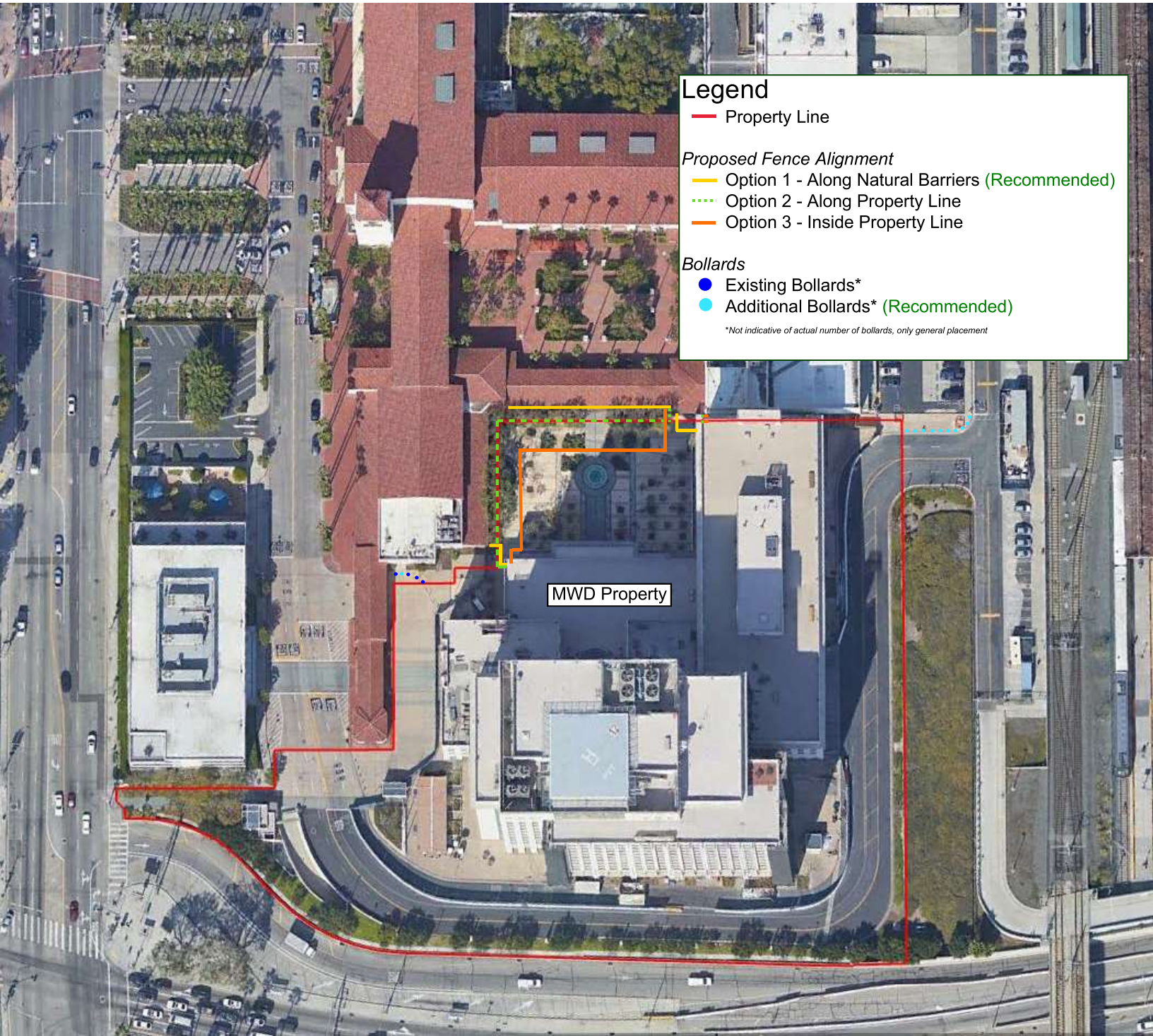
Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

Fencing Plan & Alternatives



Legend

— Property Line

Proposed Fence Alignment

— Option 1 - Along Natural Barriers (Recommended)

... Option 2 - Along Property Line

— Option 3 - Inside Property Line

Bollards

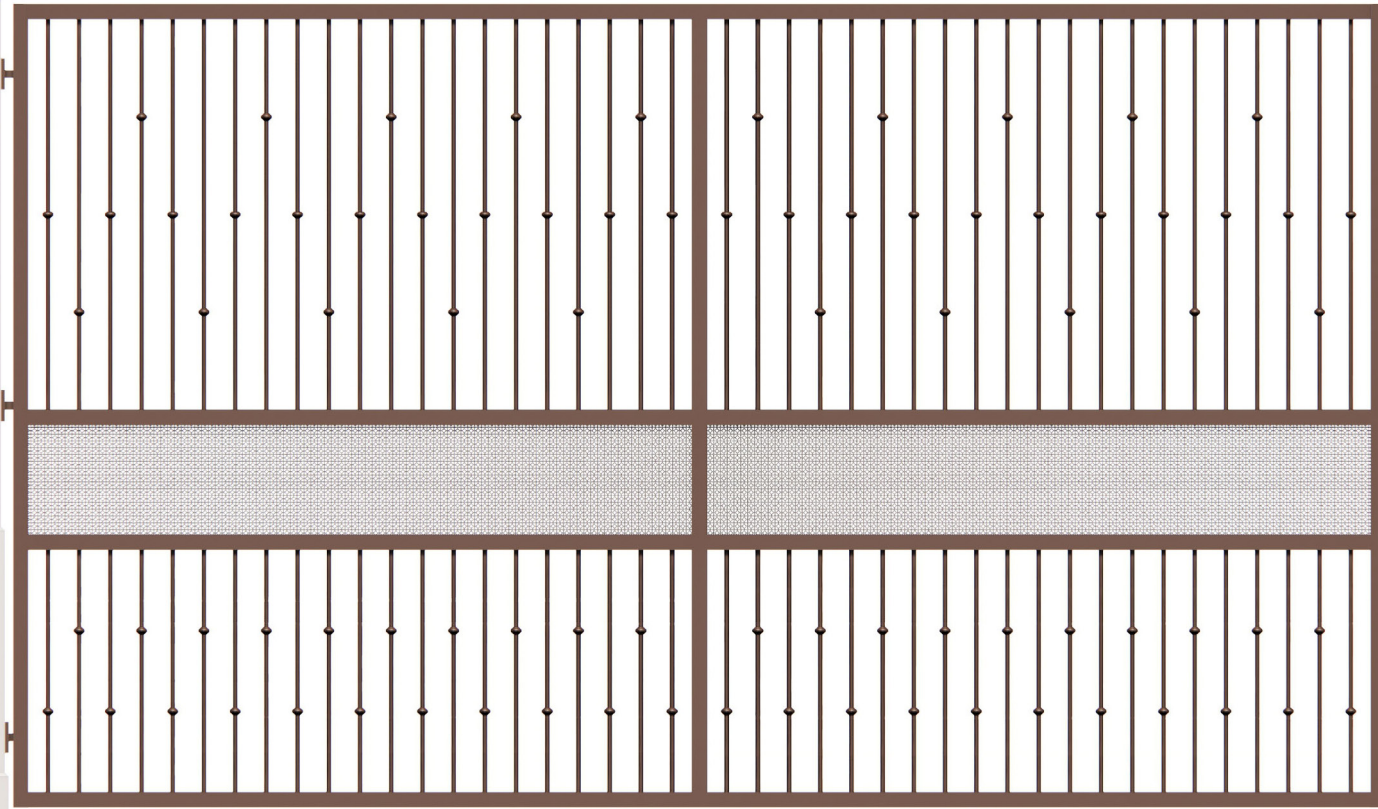
● Existing Bollards*

● Additional Bollards* (Recommended)

*Not indicative of actual number of bollards, only general placement

MWD Property

ATTACHMENT B
Fence Design and Bollard Look



Typical Fence Elevation at Arcade

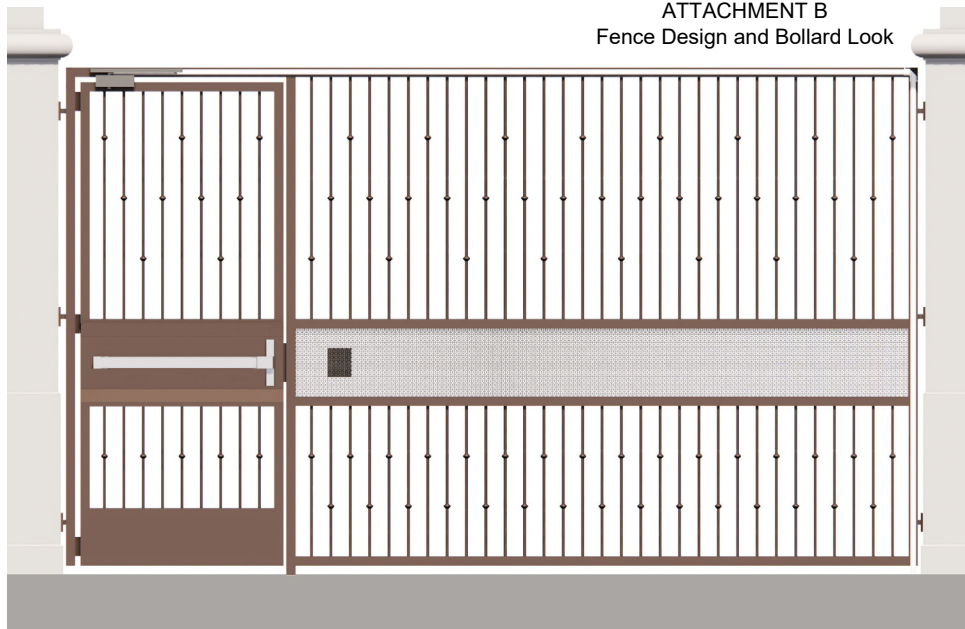
Ornamental Fence Design

Headquarters Building Exterior Physical Security Improvements
116535

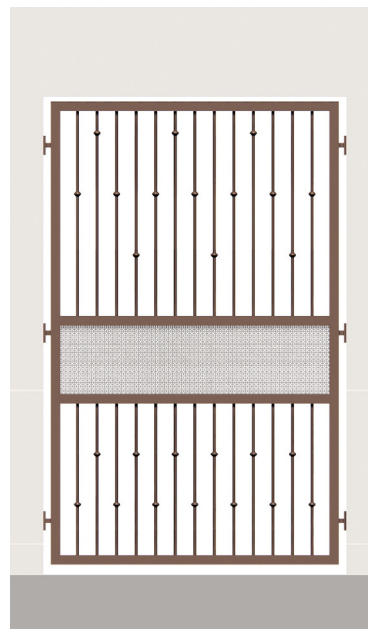
2021/01/28



ATTACHMENT B
Fence Design and Bollard Look



Single Gate Elevation



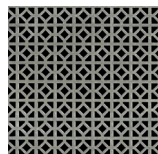
Short Fence Elevation



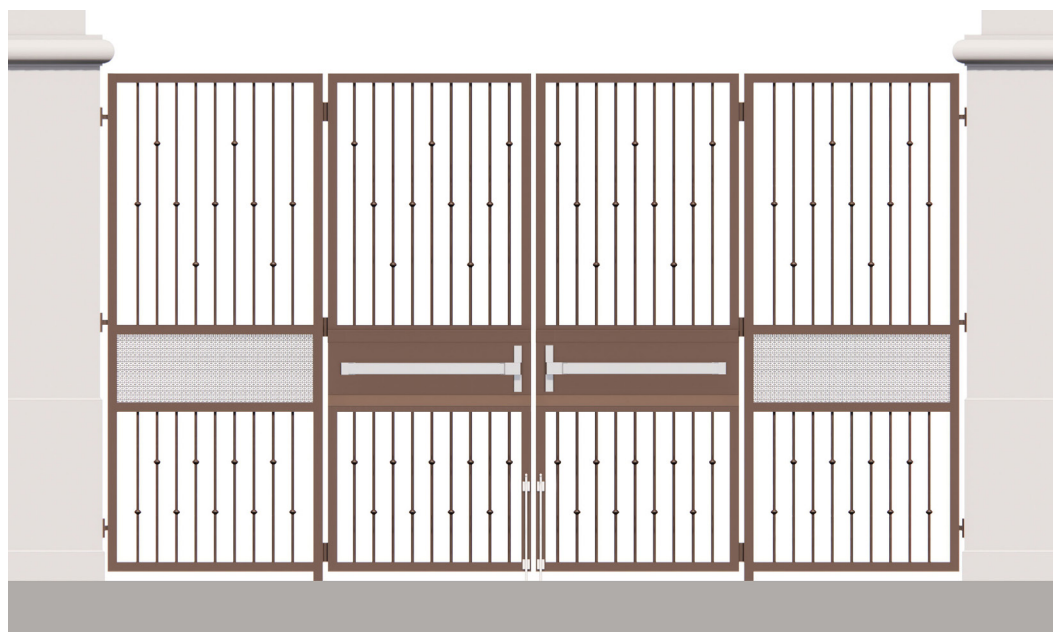
5/8" pickets



1-1/2"W x
1"H



Perforated
Metal Panel



Double Gate Elevation

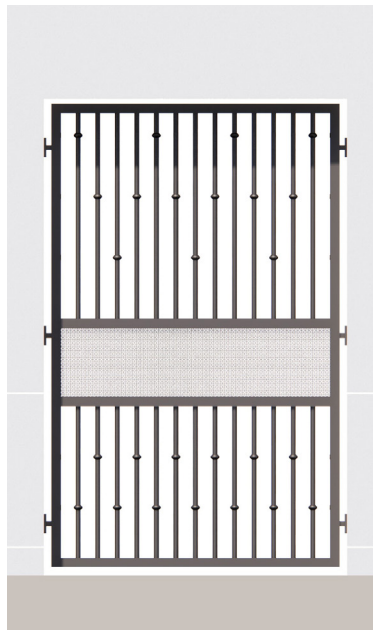
Ornamental Fence Design

Headquarters Building Exterior Physical Security Improvements
116535

2021/01/28



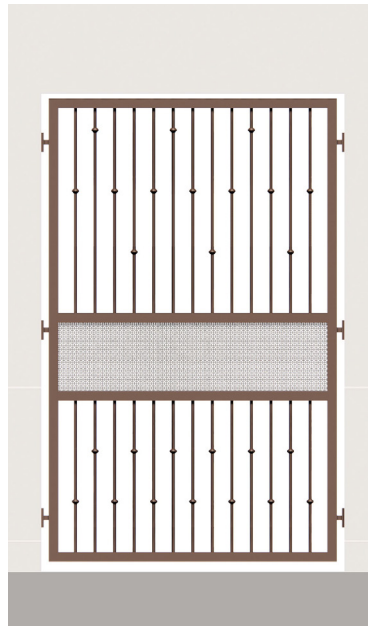
ATTACHMENT B
Fence Design and Bollard Look



Picket Design Option 2



Picket Design Option 3



**Combination
Fence Color: Brown
(Recommended)**

Ornamental Fence Design



Stainless Steel Bollard Designs



Domed Stainless Steel
(Recommended)



Modern Stainless Steel

ATTACHMENT C
Design Plan



IBI GROUP
100 Wilshire Boulevard, Suite 100-3100
Los Angeles, CA 90017, USA
Tel: 213 789 0011 Fax: 213 789 0016
ibigroup.com

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HEADQUARTERS BUILDING PHYSICAL SECURITY IMPROVEMENTS

PROJECT
HEADQUARTERS BUILDING
EXTERIOR
PHYSICAL SECURITY IMPROVEMENTS

SPECIFICATION NO.: 2003
PROJECT NUMBER: 105168
DRAWING NUMBER:
APPROVAL SHEET NO.:
ADDRESS:
700 N. ALAMEDA ST.
LOS ANGELES, CA 90012

REVISIONS:

DELTA	TITLE	DATE	BY
-------	-------	------	----

PROJECT TEAM

OWNER:
METROPOLITAN WATER DISTRICT
700 N. ALAMEDA STREET
LOS ANGELES, CA 90012
PHONE: (213) 217-7080
FAX: -
CONTACT: MIKE CLAISSE
PROJECT MANAGER

ARCHITECT:
IBI GROUP
315 W 9TH STREET
LOS ANGELES, CA 90015
PHONE: (213) 789-0011
FAX: (213) 789-0016
CONTACT: CRAIG ATKINSON
ARCHITECT OF RECORD

STRUCTURAL:
ABS CONSULTING
300 COMMERCE DRIVE, SUITE 150
IRVINE, CA 92602
PHONE: (714) 734-2583
FAX: -
CONTACT: TRACY RICH
PROJECT MANAGER

CONFIDENTIAL METROPOLITAN INFORMATION

PM: GENERAL
PE:
SENIOR TECH MGR.:
DRAWN BY: AO
SCALE:
DATE: 04/22/21
JOB NO.: 116535
SHEET TITLE:

COVER SHEET

SHEET NO.:

G0000

ATTACHMENT C Design Plan

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CONSTRUCTION**

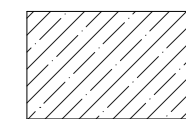
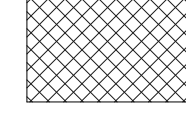
1000-GENERAL NOTES

1. PRIOR TO ANY UNDERGROUND SITE WORK, VERIFY LOCATION OF ALL EXISTING UTILITIES WITH UNDERGROUND SERVICE ALERT.
2. BOLLARDS SHALL BE SPACED EQUIDISTANTLY SO THAT THE CLEAR DISTANCE BETWEEN BOLLARDS DOES NOT EXCEED 40". CENTER OF BOLLARD SHALL BE NO MORE THAN 24" FROM CURB LINE AND INSTALLED SUCH THAT THE TOP SURFACE IS LEVEL.
3. MAINTAIN 3'-0" CLEAR AROUND ALL (E) FIRE HYDRANTS, TYP.

1000 - DEMOLITION KEYNOTES

- 1101 REMOVE (E) BOLLARD AND ALL ASSOCIATED FOOTINGS AND ANCHORS
- 1102 (E) SIGNAGE, REMOVE AND REPLACE AS REQUIRED FOR NEW WORK
- 1103 (E) FIRE HYDRANT TO REMAIN
- 1104 REMOVE (E) CONCRETE DOT MARKER
- 1105 REMOVE AND RELOCATE (E) MOVEABLE CONCRETE BOLLARD
- 1106 REMOVE AND RELOCATE (E) PLANTER, REFER TO SITE PLAN FOR NEW LOCATION
- 1107 (E) CONCRETE CURB TO REMAIN, SEE DETAILS 101A8002 AND 111A8002
- 1108 REMOVE (E) HARDSCAPE
- 1109 TRENCHING OF (E) LANDSCAPING FOR CONDUIT PLACEMENT

LEGEND

-  REMOVE (E) PAVEMENT, PATCH AND PREPARE FOR NEW WORK
-  TRENCHING OF (E) LANDSCAPING FOR CONDUIT PLACEMENT

PROJECT HEADQUARTERS BUILDING EXTERIOR PHYSICAL SECURITY IMPROVEMENTS

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LOS ANGELES, CA 90012

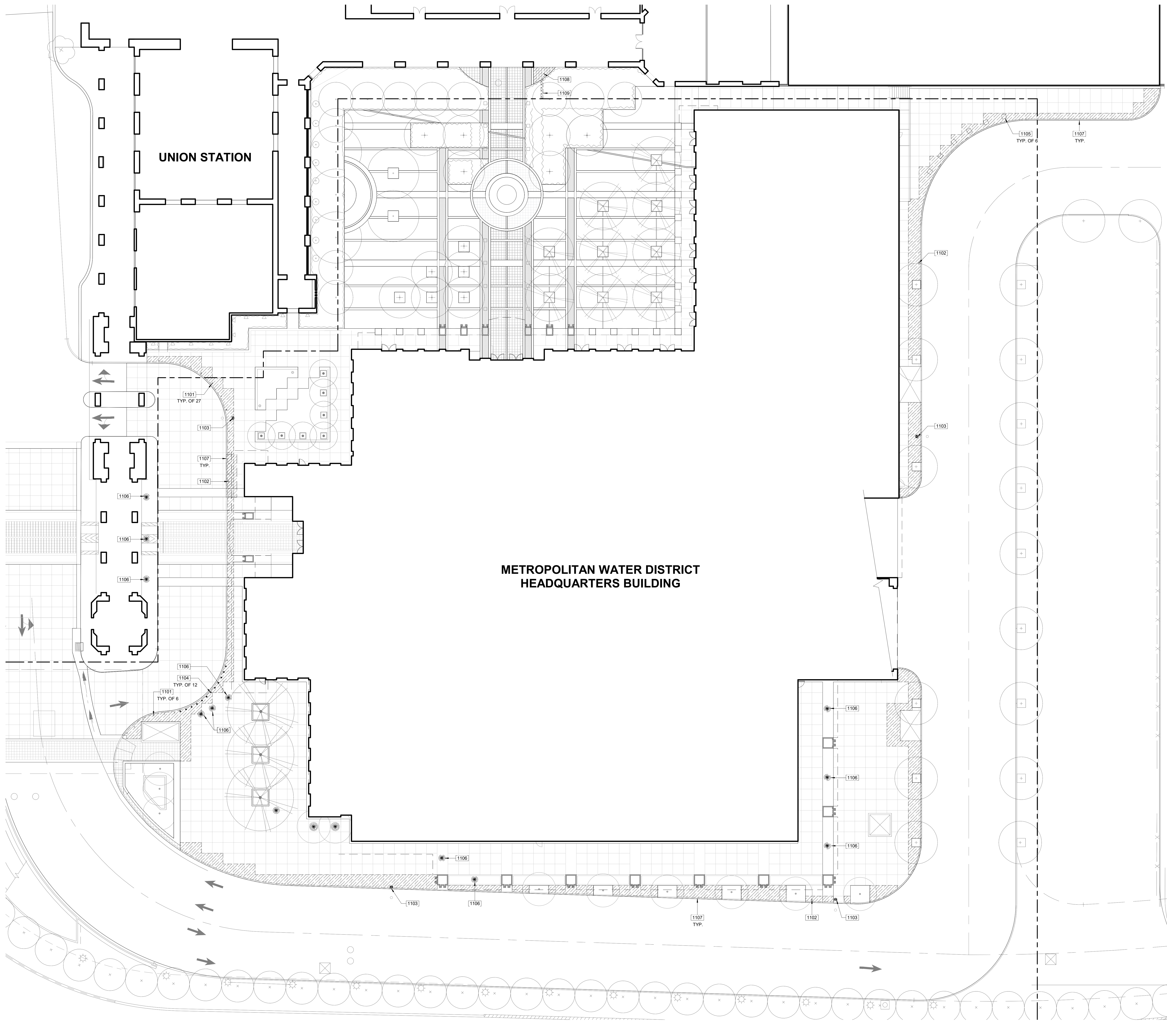
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DELTA	TITLE	DATE	BY
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PE:	
SENIOR TECH. MGR.:	AO
DRAWN BY:	As Indicated
DATE:	04/22/21
JOB NO.:	116535
SHEET TITLE:	SITE DEMOLITION PLAN

SHEET NO.:

A1000

CONFIDENTIAL METROPOLITAN INFORMATION



1 SITE DEMOLITION PLAN
A1000 Scale: 1/16" = 1'-0"

ATTACHMENT C Design Plan

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PROJECT
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SENIOR TECH. MGR.:	AO
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SCALE:	04/22/21
DATE:	116535
JOB NO.:	
SHEET TITLE:	

SITE PLAN

SHEET NO.:

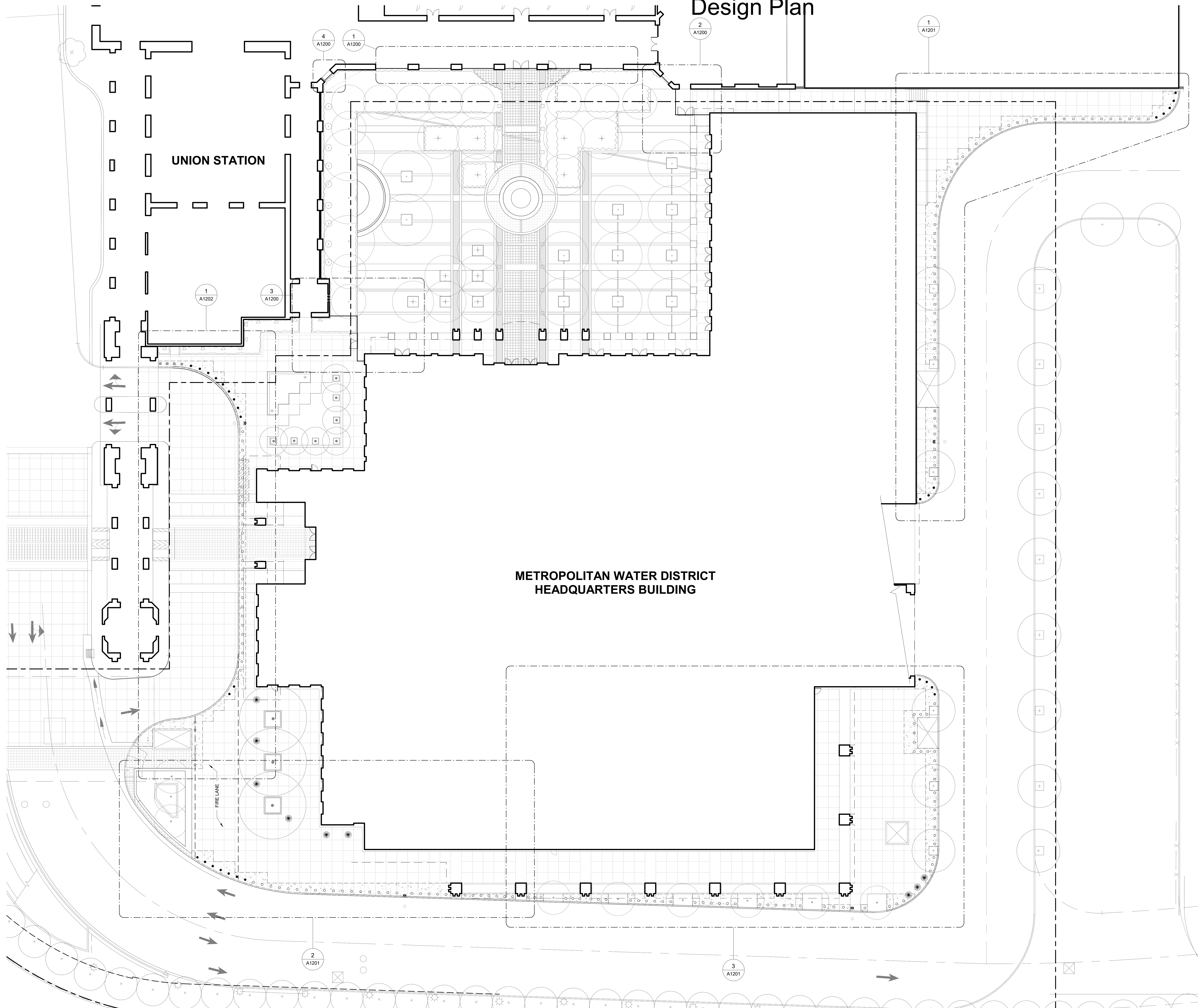
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1000-GENERAL NOTES

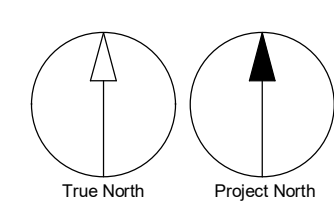
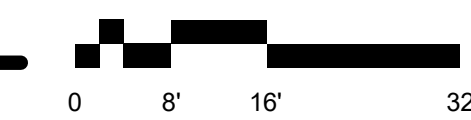
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- MAINTAIN 3'-0" CLEAR AROUND ALL (E) FIRE HYDRANTS, TYP.

LEGEND

-----	ORNAMENTAL FENCE
-----	PROPERTY LINE
-----	FIRE DEPARTMENT ACCESS, WIDTH 20'-0"
○	STAINLESS STEEL BOLLARD, SEE DETAIL 5/A8002
●	REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 7/A8002
●	REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 13/A8002
●	(E) RELOCATED PLANTER
■	PATCH AND REPAIR CONCRETE WALK TO NEAREST JOINT, SEE DETAIL 11/A8002
■	NATIVE SOIL BACKFILL O' CONDUIT TRENCH, SEE DETAIL 16/A8002



1 SITE PLAN
A1100 Scale: 1/16" = 1'-0"



CONFIDENTIAL METROPOLITAN INFORMATION

ATTACHMENT C Design Plan

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- MAINTAIN 3'-0" CLEAR AROUND ALL (E) FIRE HYDRANTS, TYP.

1100 - KEYNOTES

- 1210 CARD READER
1212 (E) CONCRETE COLUMN WITH PLASTER FINISH. PATCH AND REPAIR FINISH AS NECESSARY FOR NEW WORK
1215 ORNAMENTAL FENCE PER DETAIL 6/A8001
1216 ORNAMENTAL FENCE PER DETAIL 6/A8001
1221 (E) CONCRETE WALL WITH PLASTER FINISH. PATCH AND REPAIR FINISH AS NECESSARY FOR NEW WORK
1222 ELECTRICAL CONDUIT

LEGEND

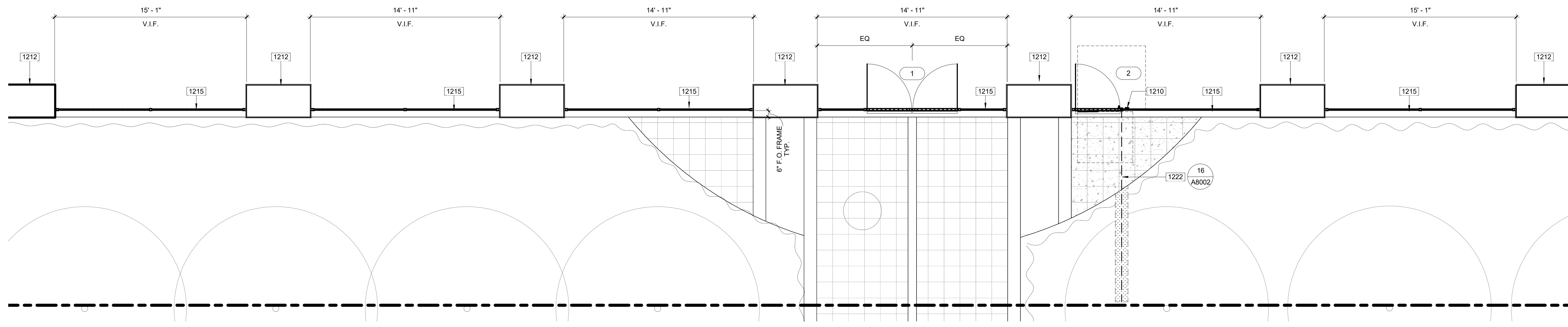
- ORNAMENTAL FENCE
- PROPERTY LINE
- FIRE DEPARTMENT ACCESS, WIDTH 20'-0"
- STAINLESS STEEL BOLLARD, SEE DETAIL 6/A8002
- REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 7/A8002
- REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 13/A8002
- (E) RELOCATED PLANTER
- PATCH AND REPAIR CONCRETE WALK TO NEAREST JOINT, SEE DETAIL 11/A8002
- NATIVE SOIL BACKFILL OF CONDUIT TRENCH, SEE DETAIL 16/A8002
- 60" DIA. ACCESSIBLE FLOOR SPACE LOCATION
- 30" X 48" ACCESSIBLE FLOOR SPACE LOCATION
- 60" X 60" ACCESSIBLE FLOOR SPACE LOCATION

PROJECT HEADQUARTERS BUILDING EXTERIOR PHYSICAL SECURITY IMPROVEMENTS

SPECIFICATION NO.: 2003
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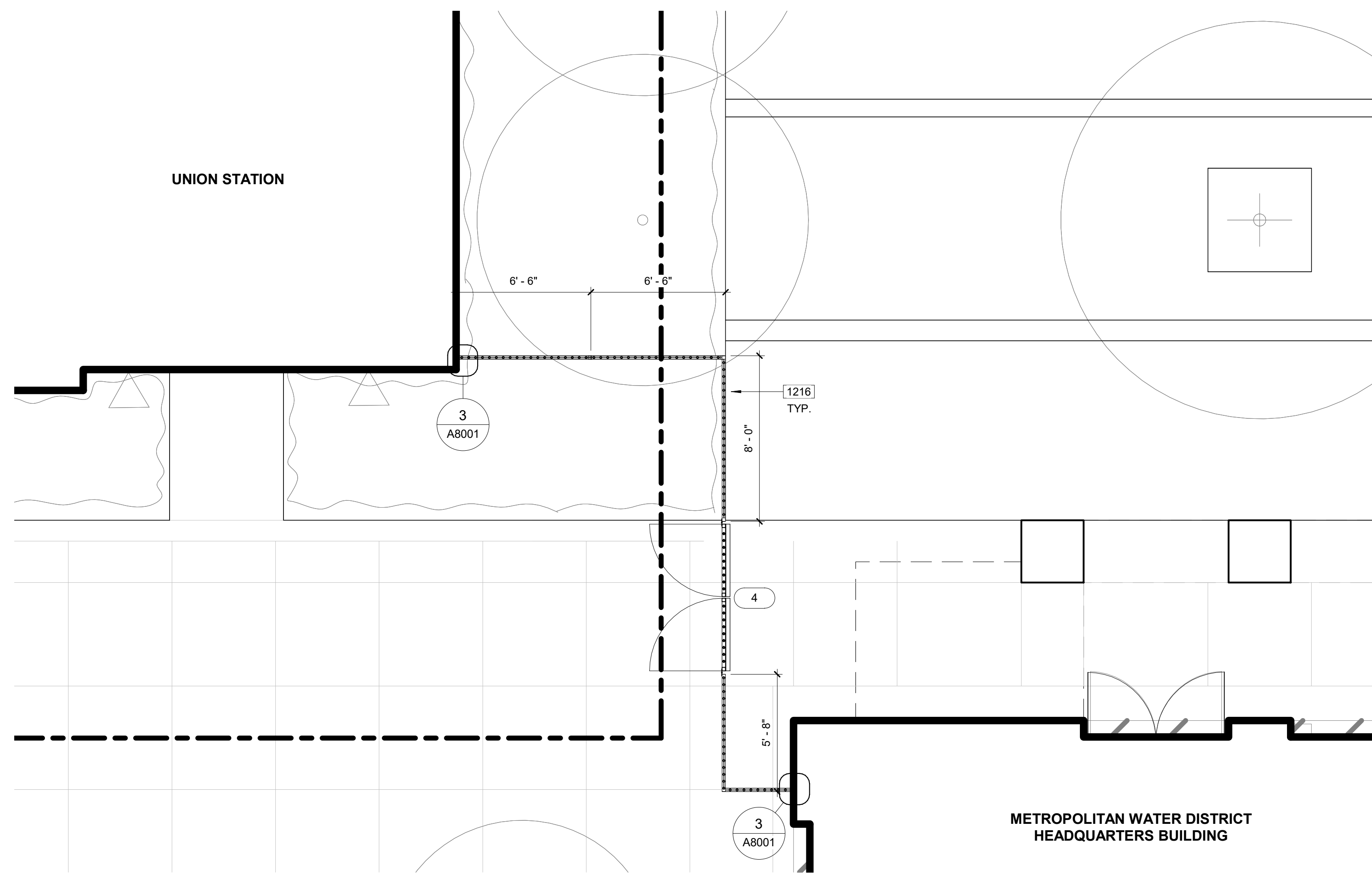
REVISIONS:

DELTA	TITLE	DATE	BY
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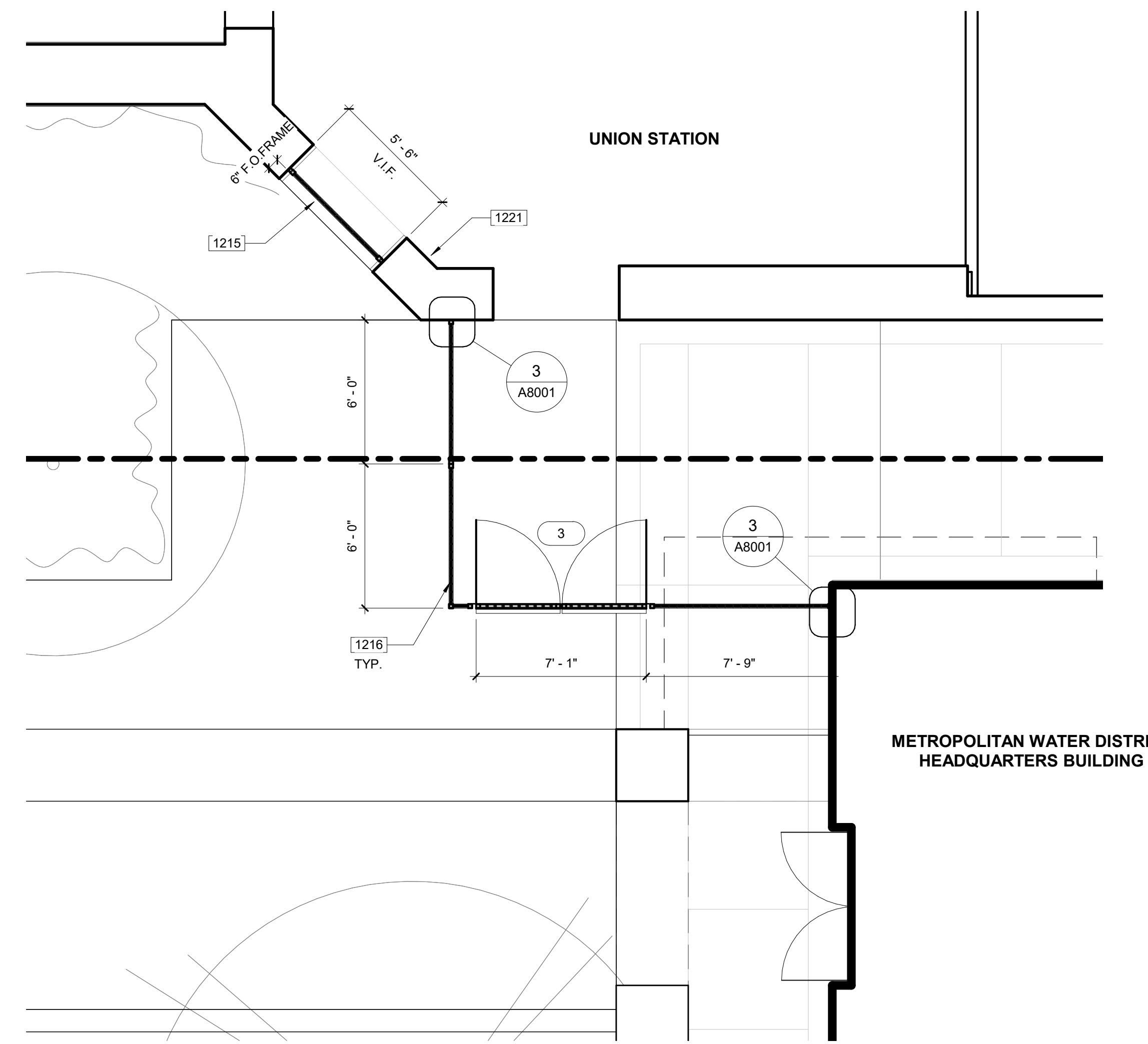
1 ENLARGED SITE PLAN - ORNAMENTAL FENCE NORTH

A1200 Scale: 1/4" = 1'-0"



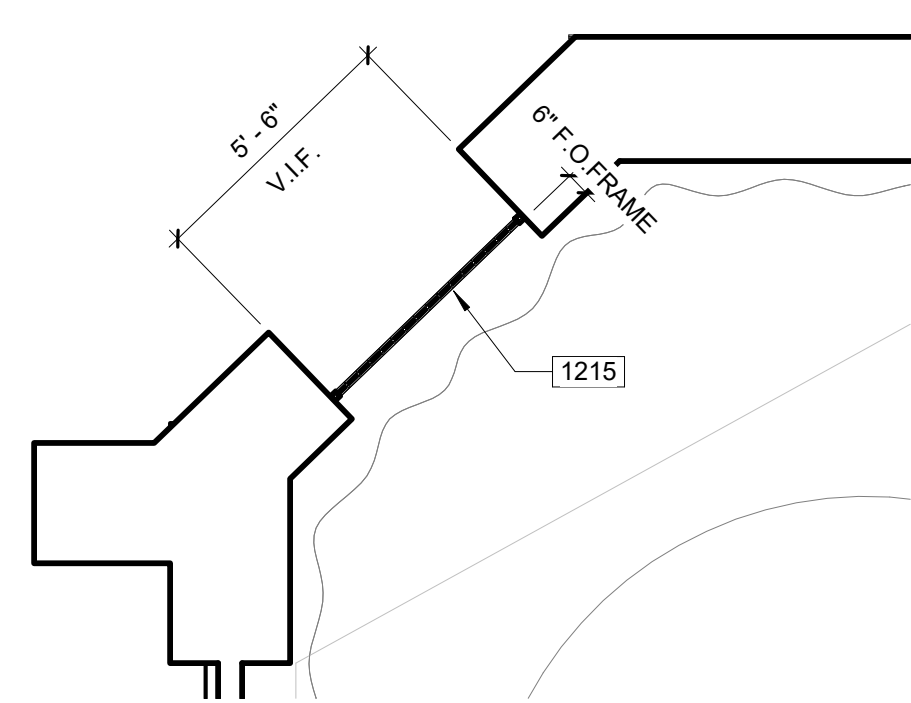
3 ENLARGED SITE PLAN - ORNAMENTAL FENCE SOUTH

A1200 Scale: 1/4" = 1'-0"



2 ENLARGED SITE PLAN - ORNAMENTAL FENCE WEST

A1200 Scale: 1/4" = 1'-0"



4 ENLARGED SITE PLAN - ORNAMENTAL FENCE NORTH WEST

A1200 Scale: 1/4" = 1'-0"

GATE SCHEDULE											
DOOR No.	TYPE	MAT	FINISH	WIDTH	HEIGHT	HARDWARE	PANIC	SIGNAGE	DETAIL	REMARKS	DOOR No.
1	AA			7'-0"	8'-9"		Yes		16/A8001		1
2	BB			3'-6"	8'-4"		Yes		17/A8001		2
3	AA			7'-0"	8'-9"		Yes		16/A8001		3
4	AA			7'-0"	8'-9"		Yes		16/A8001		4

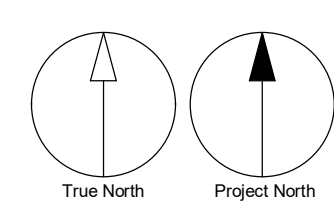
CONFIDENTIAL METROPOLITAN INFORMATION

PM: ARCHITECTURAL
PE:
SENIOR TECH. MGR.: AO
DRAWN BY:
SCALE: As Indicated
DATE: 04/22/21
JOB NO.: 116535
SHEET TITLE:

SITE ENLARGED PLAN -
ORNAMENTAL FENCE

SHEET NO.:

A1200



ATTACHMENT C Design Plan

NOT FOR CONSTRUCTION

1000-GENERAL NOTES

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- MAINTAIN 3'-0" CLEAR AROUND ALL (E) FIRE HYDRANTS, TYP.

1100 - KEYNOTES

- 1201 STAINLESS STEEL BOLLARD
- 1202 STAINLESS STEEL REMOVABLE BOLLARD
- 1203 (E) PLANTER
- 1204 (E) FIRE HYDRANT, MAINTAIN 3'-0" CLEAR AROUND
- 1205 (E) CURB LINE
- 1206 RELOCATED (E) PLANTER, SPACE AT 40" CLR. MAX. 18" FROM CURB LINE
- 1213 (E) SIGNAGE, REMOVE AND REPLACE AS REQUIRED FOR NEW WORK
- 1218 (E) CONCRETE CURB

LEGEND

- ORNAMENTAL FENCE
- PROPERTY LINE
- FIRE DEPARTMENT ACCESS, WIDTH 20'-0"
- STAINLESS STEEL BOLLARD, SEE DETAIL S/A8002
- REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 7/A8002
- REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 13/A8002
- ⊕ (E) RELOCATED PLANTER
- ▨ PATCH AND REPAIR CONCRETE WALK TO NEAREST JOINT, SEE DETAIL 11/A8002
- ▨ NATIVE SOIL BACKFILL OF CONDUIT TRENCH, SEE DETAIL 16/A8002
- 60" DIA. ACCESSIBLE FLOOR SPACE LOCATION
- 30" X 48" ACCESSIBLE FLOOR SPACE LOCATION
- 60" X 60" ACCESSIBLE FLOOR SPACE LOCATION

PROJECT HEADQUARTERS BUILDING EXTERIOR PHYSICAL SECURITY IMPROVEMENTS

SPECIFICATION NO.: 2003
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APPROVAL SHEET NO.:

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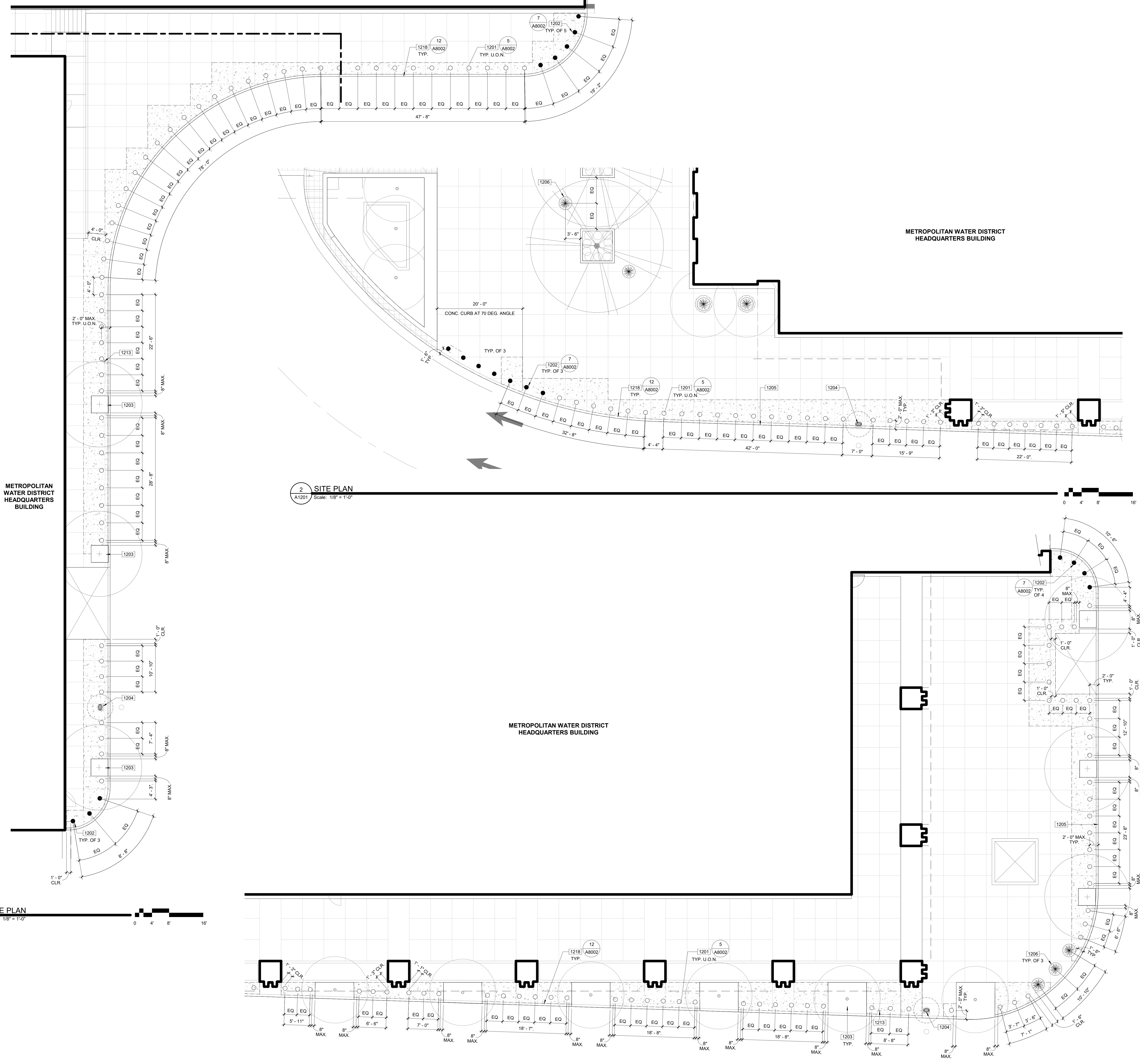
REVISIONS:			
DELTA	TITLE	DATE	BY
15%	CHECKSET	MARCH 2021	IBI

PM:	ARCHITECTURAL
SENIOR TECH. MGR.:	AO
DRAWN BY:	As Indicated
DATE:	04/22/21
JOB NO.:	116535
SHEET TITLE:	ENLARGED SITE PLANS - PHYSICAL SECURITY

SHEET NO.:

A1201

CONFIDENTIAL METROPOLITAN INFORMATION



1 SITE PLAN
A1201 Scale: 1/8" = 1'-0"
0 4' 8' 16'

2 SITE PLAN
A1201 Scale: 1/8" = 1'-0"
0 4' 8' 16'

3 SITE PLAN
A1201 Scale: 1/8" = 1'-0"
0 4' 8' 16'

C:\work\delphi\delphi\Documents\IBI\202016503_MWD_CSP\PhysicalSecurity\12002_A1201.dwg (11/11/21) 2021/04/22 09:56:11 AM

ATTACHMENT C Design Plan

**NOT FOR
CONSTRUCTION**

**PROJECT
HEADQUARTERS
BUILDING
EXTERIOR
PHYSICAL
SECURITY
IMPROVEMENTS**

SPECIFICATION NO.: 2003
PROJECT NUMBER: 105168
DRAWING NUMBER:
APPROVAL SHEET NO.:
ADDRESS:
700 N. ALAMEDA ST.
LOS ANGELES, CA 90012

REVISIONS:			
DELTA	TITLE	DATE	BY
150%	CHECKSET	MARCH 2021	IBI

PM:	ARCHITECTURAL
PE:	
SENIOR TECH. MGR.:	AO
DRAWN BY:	As Indicated
DATE:	04/22/21
JOB NO.:	116535
SHEET TITLE:	

ENLARGED SITE PLANS -
PHYSICAL SECURITY

SHEET NO.:

A1202

1000-GENERAL NOTES

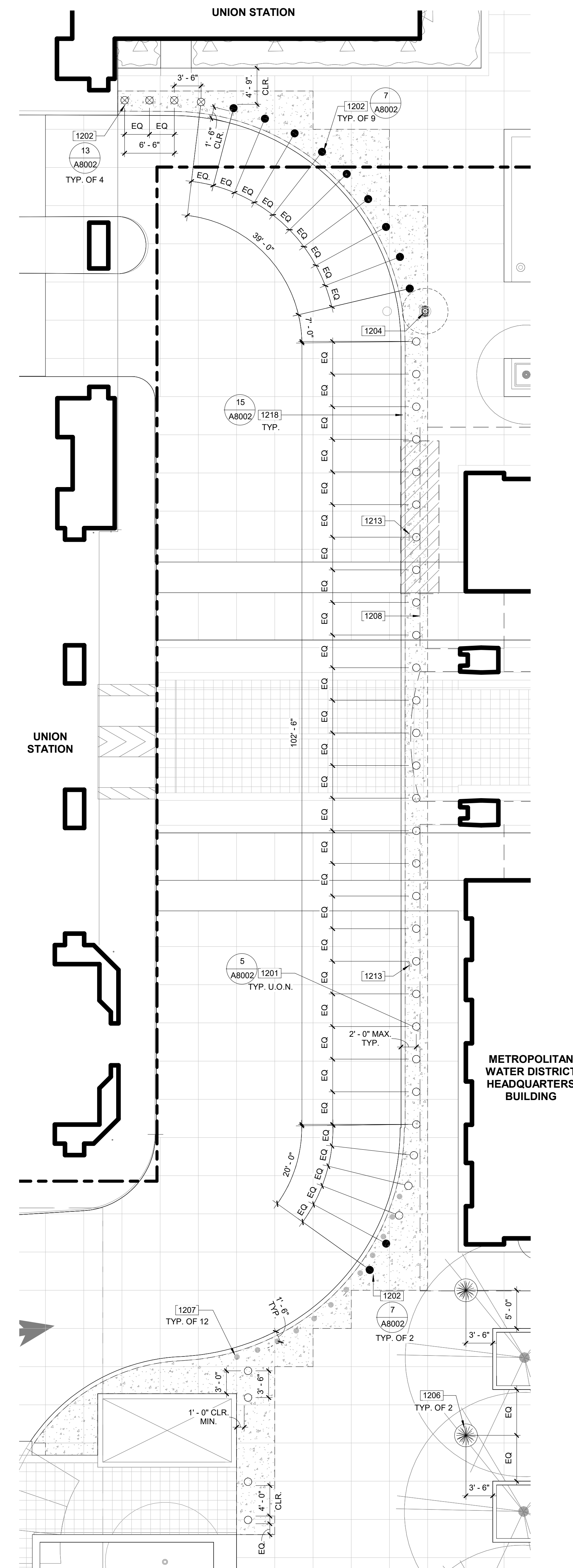
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- MAINTAIN 3'-0" CLEAR AROUND ALL (E) FIRE HYDRANTS, TYP.

1100 - KEYNOTES

- | | |
|------|--|
| 1201 | STAINLESS STEEL BOLLARD |
| 1202 | STAINLESS STEEL REMOVABLE BOLLARD |
| 1204 | (E) FIRE HYDRANT, MAINTAIN 3'-0" CLEAR AROUND |
| 1206 | RELOCATED (E) PLANTER, SPACE AT 40" CLR. MAX. 18" FROM CURB LINE |
| 1207 | (E) LANE MARKER |
| 1208 | (E) CANOPY ABOVE |
| 1213 | (E) SIGNAGE, REMOVE AND REPLACE AS REQUIRED FOR NEW WORK |
| 1218 | (E) CONCRETE CURB |

LEGEND

-----	ORNAMENTAL FENCE
-----	PROPERTY LINE
-----	FIRE DEPARTMENT ACCESS, WIDTH 20'-0"
o	STAINLESS STEEL BOLLARD, SEE DETAIL 5/A8002
•	REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 7/A8002
•	REMOVABLE STAINLESS STEEL BOLLARD, SEE DETAIL 13/A8002
•	(E) RELOCATED PLANTER
□	PATCH AND REPAIR CONCRETE WALK TO NEAREST JOINT, SEE DETAIL 11/A8002
□	NATIVE SOIL BACKFILL OF CONDUIT TRENCH, SEE DETAIL 16/A8002
○	60" DIA. ACCESSIBLE FLOOR SPACE LOCATION
□	30" X 48" ACCESSIBLE FLOOR SPACE LOCATION
□	60" X 60" ACCESSIBLE FLOOR SPACE LOCATION



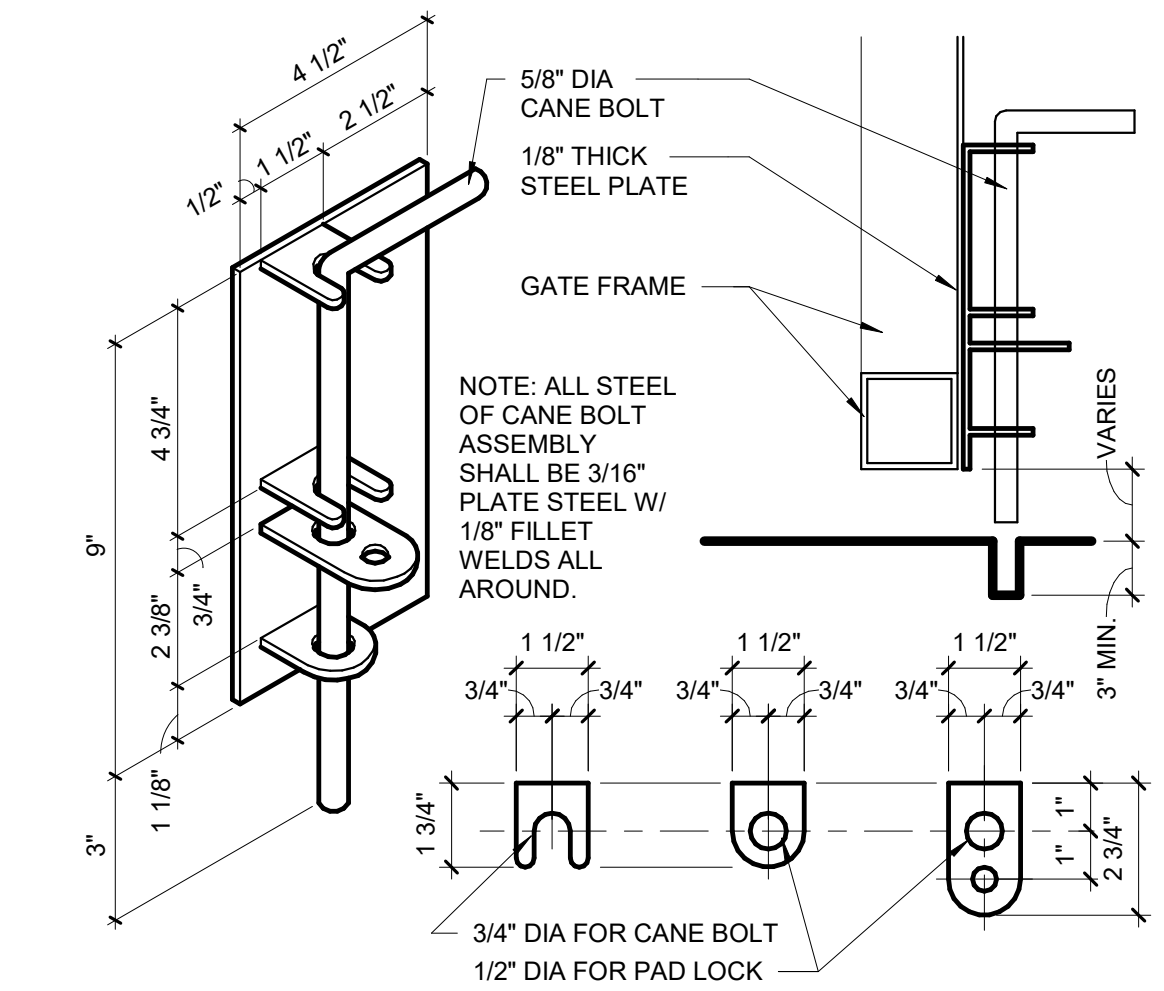
1 SITE PLAN
A1202 Scale: 1/8" = 1'-0"
0 4' 8' 16'

CONFIDENTIAL METROPOLITAN INFORMATION

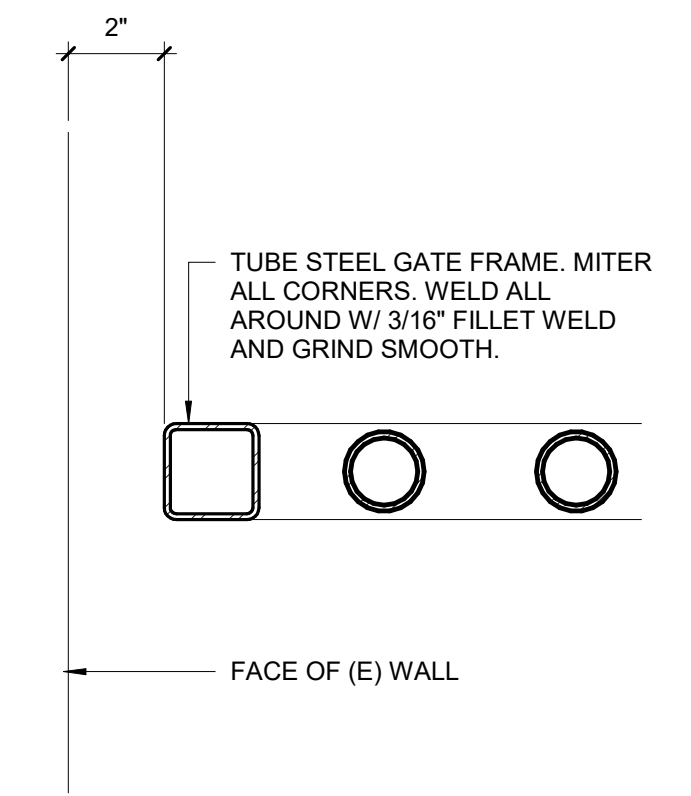
ATTACHMENT C Design Plan

CONSULTANT:

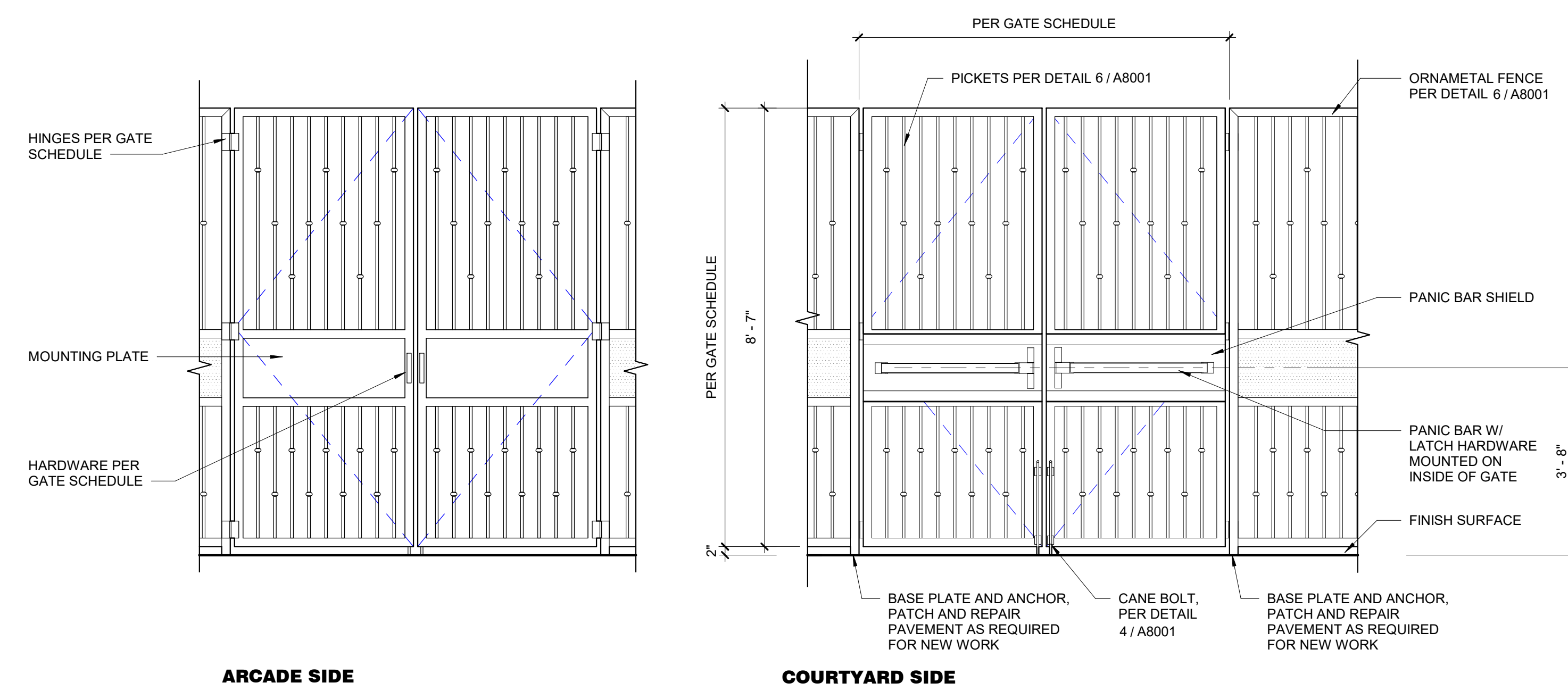
STATE SEAL:



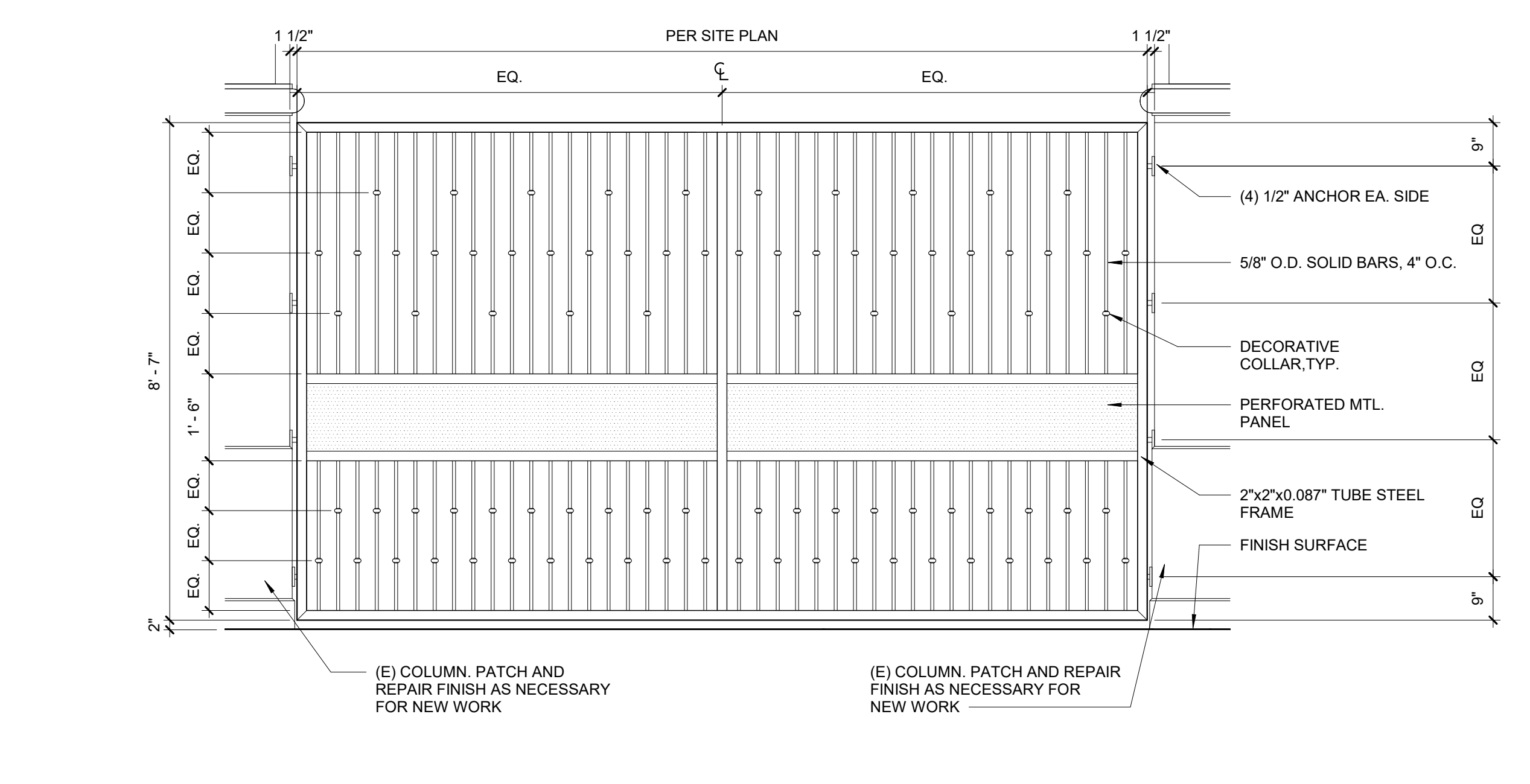
4 BOLT ASSEMBLY
A8001 Scale: 3/8" = 1'-0"



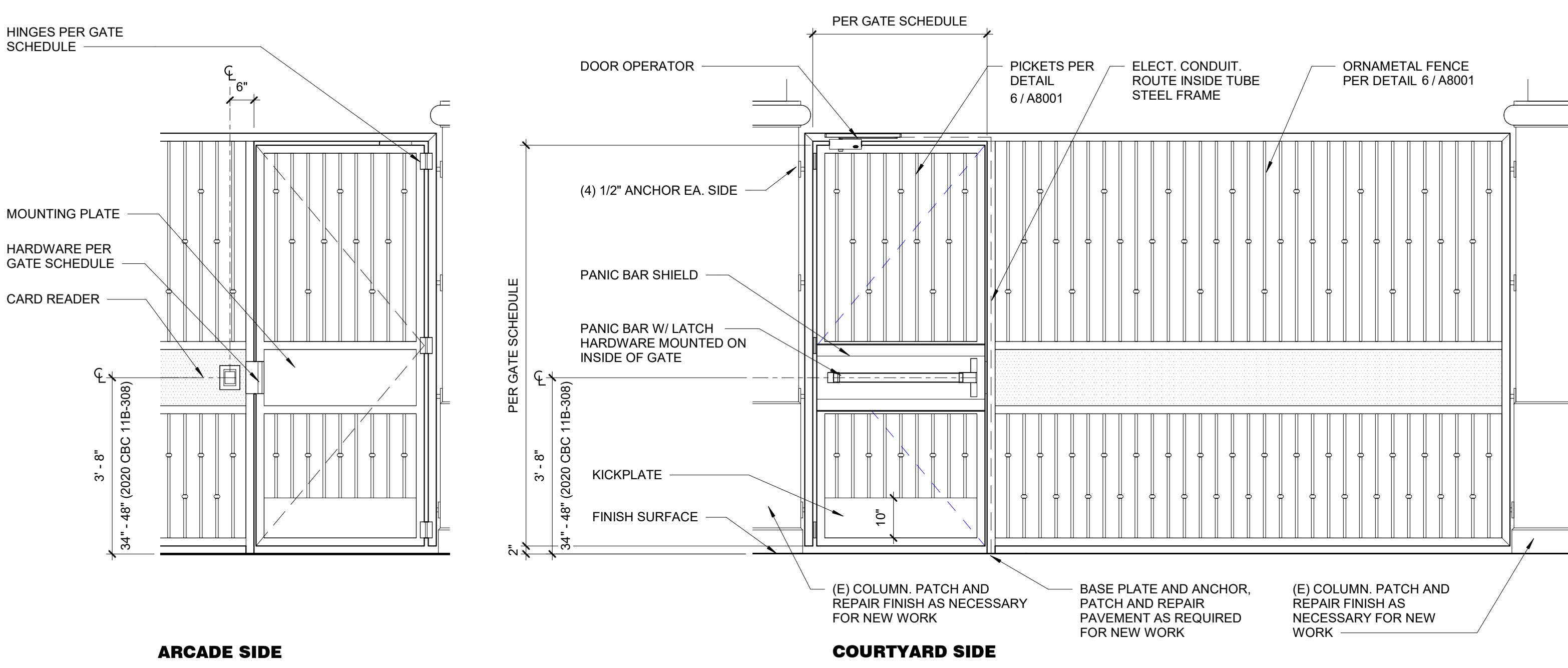
3 ORNAMENTAL FENCE FRAME @ WALL
A8001 Scale: 3/8" = 1'-0"



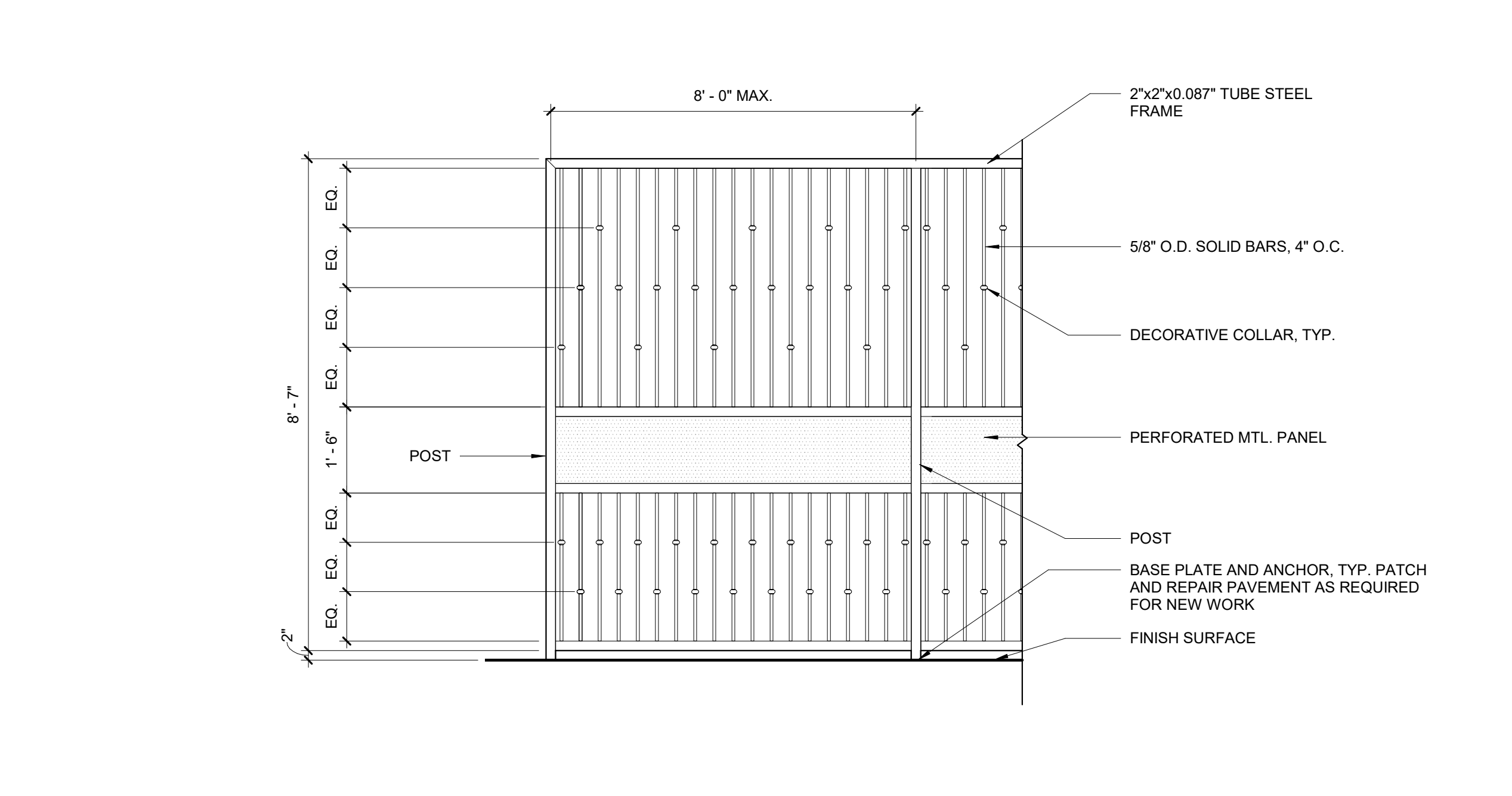
18 ORNAMENTAL FENCE DOUBLE GATE
A8001 Scale: 1/2" = 1'-0"



6 TYP. ORNAMENTAL FENCE ELEVATION AT ARCADE
A8001 Scale: 1/2" = 1'-0"



17 ORNAMENTAL FENCE SINGLE GATE
A8001 Scale: 1/2" = 1'-0"



5 TYP. ORNAMENTAL FENCE ELEVATION
A8001 Scale: 1/2" = 1'-0"

NOT FOR CONSTRUCTION

PROJECT
HEADQUARTERS BUILDING
EXTERIOR
PHYSICAL SECURITY IMPROVEMENTS

SPECIFICATION NO.: 2003
PROJECT NUMBER: 105168
DRAWING NUMBER:
APPROVAL SHEET NO.:

ADDRESS:
700 N. ALAMEDA ST.
LOS ANGELES, CA 90012

REVISIONS:			
DELTA	TITLE	DATE	BY
150%	CHECKSET	MARCH 2021	IBI

PM:	ARCHITECTURAL
PE:	
SENIOR TECH. MGR.:	AO
DRAWN BY:	As Indicated
SCALE:	04/22/21
DATE:	116535
JOB NO.:	
SHEET TITLE:	

DETAILS

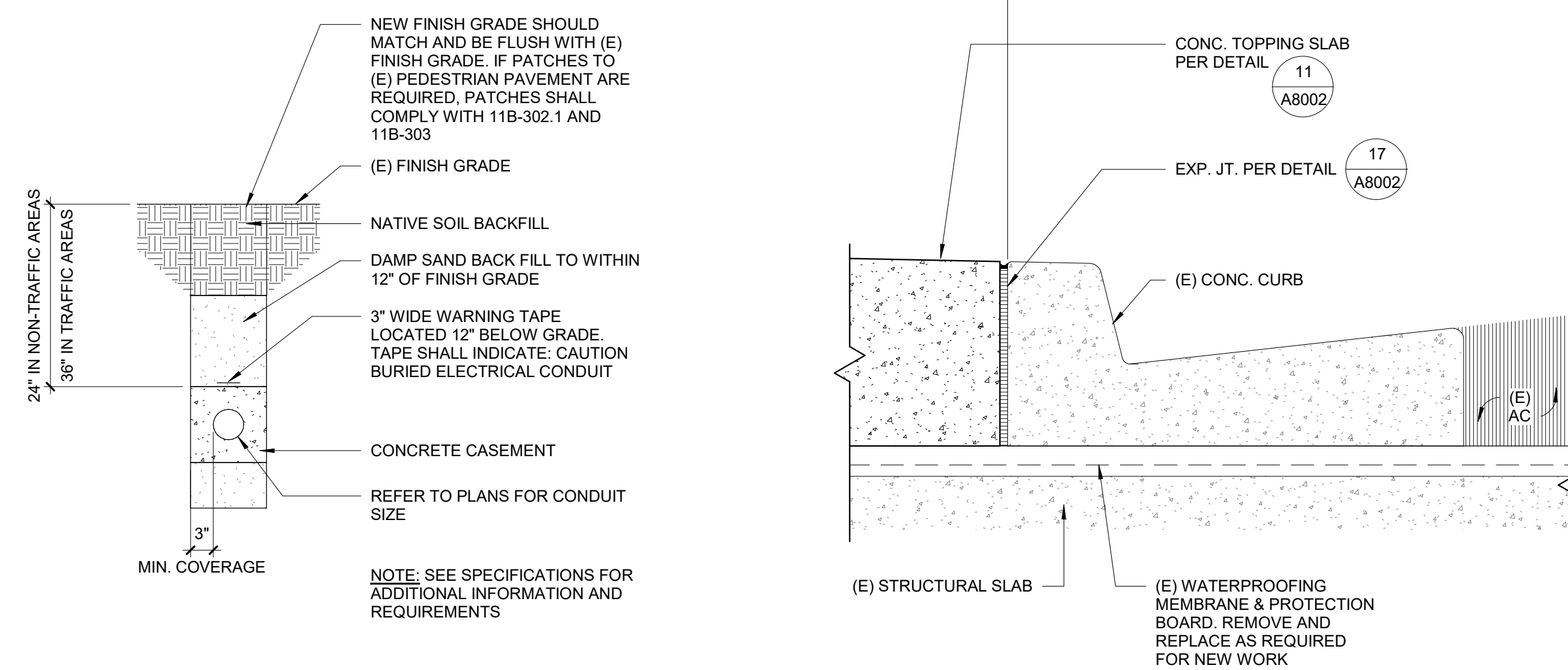
SHEET NO.:

A8001

CONFIDENTIAL METROPOLITAN INFORMATION

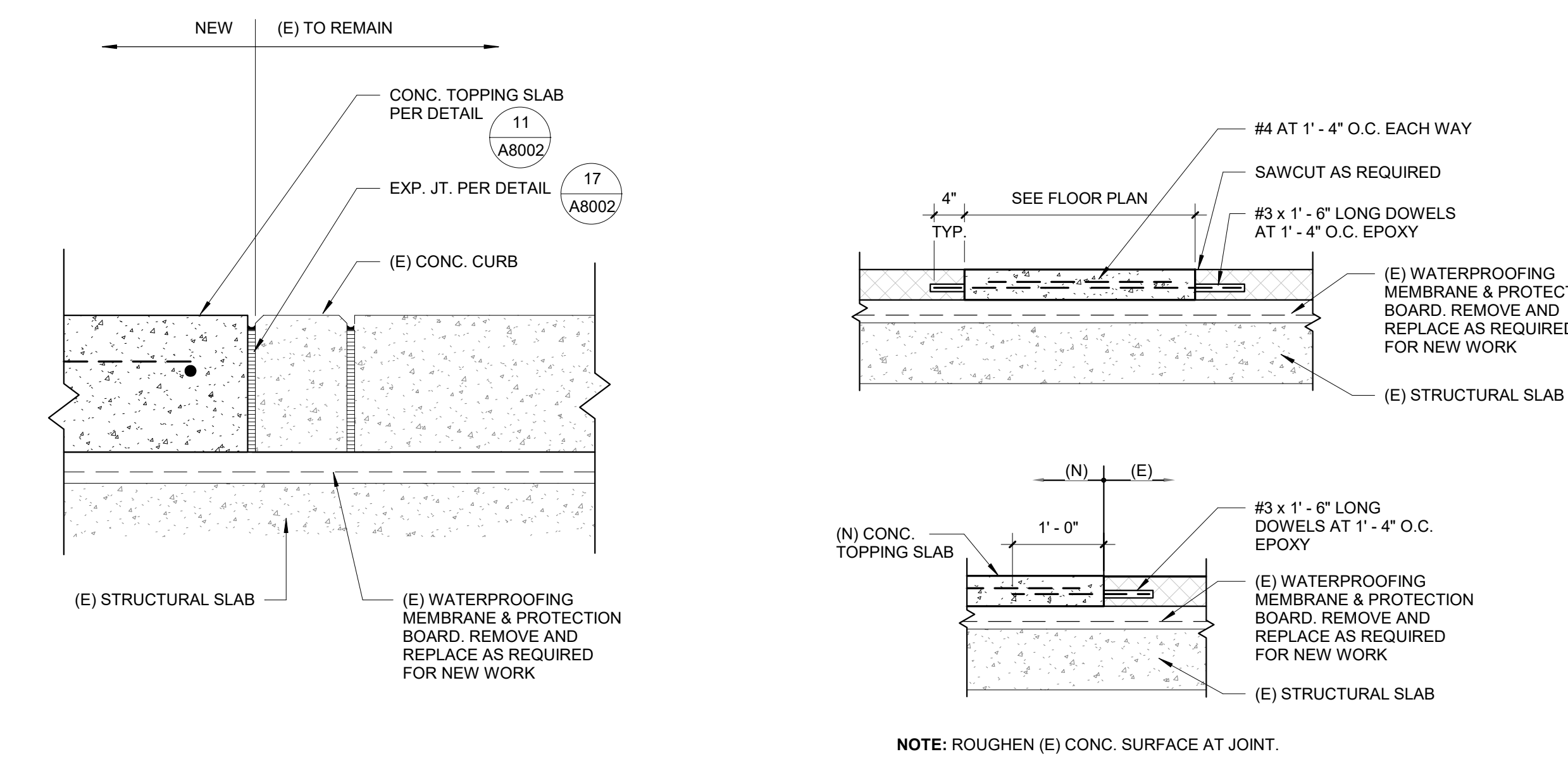
ATTACHMENT C

Design Plan



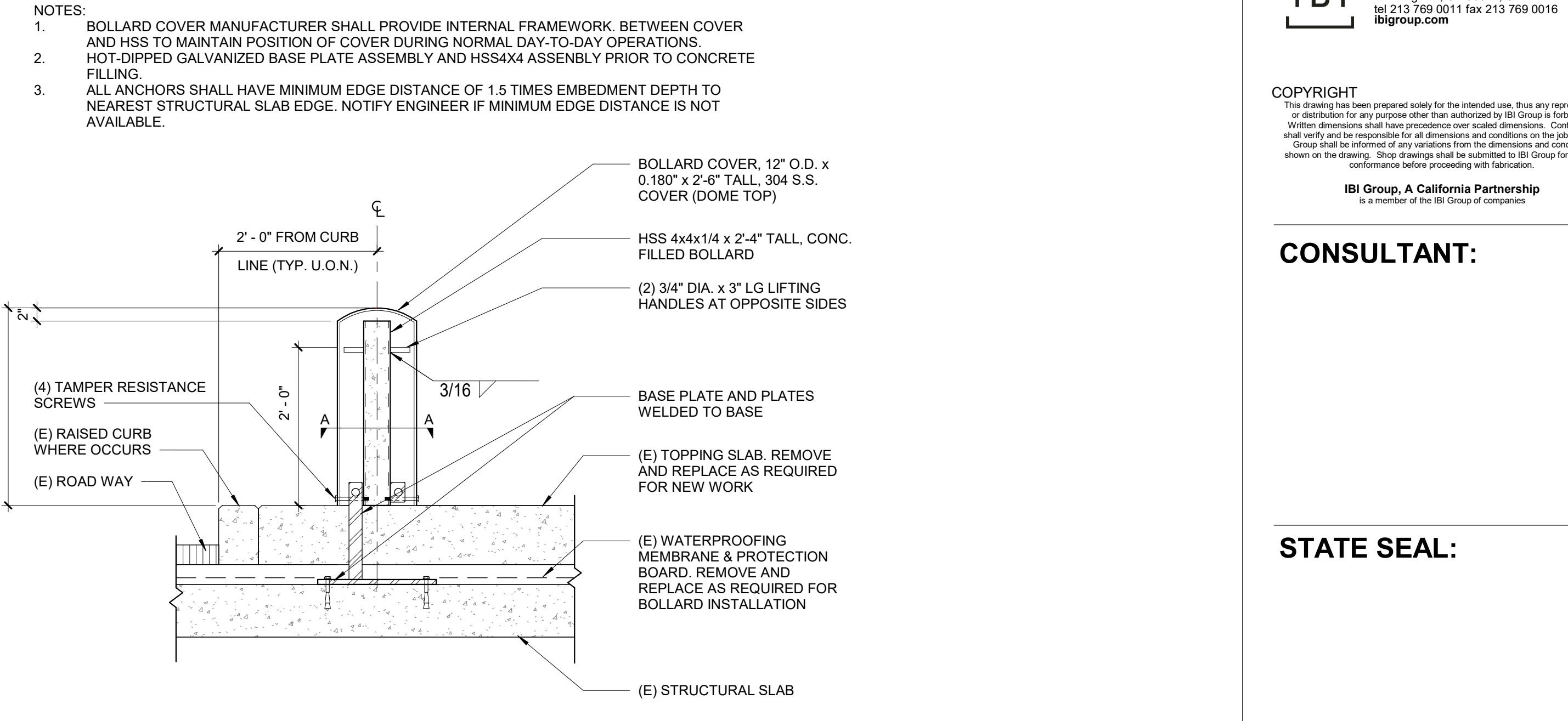
16 ELEC CONDUIT DUCT BANK
Scale: 3/4" = 1'-0"

12 WALK - CONCRETE - CURB & GUTTER
Scale: 1 1/2" = 1'-0"

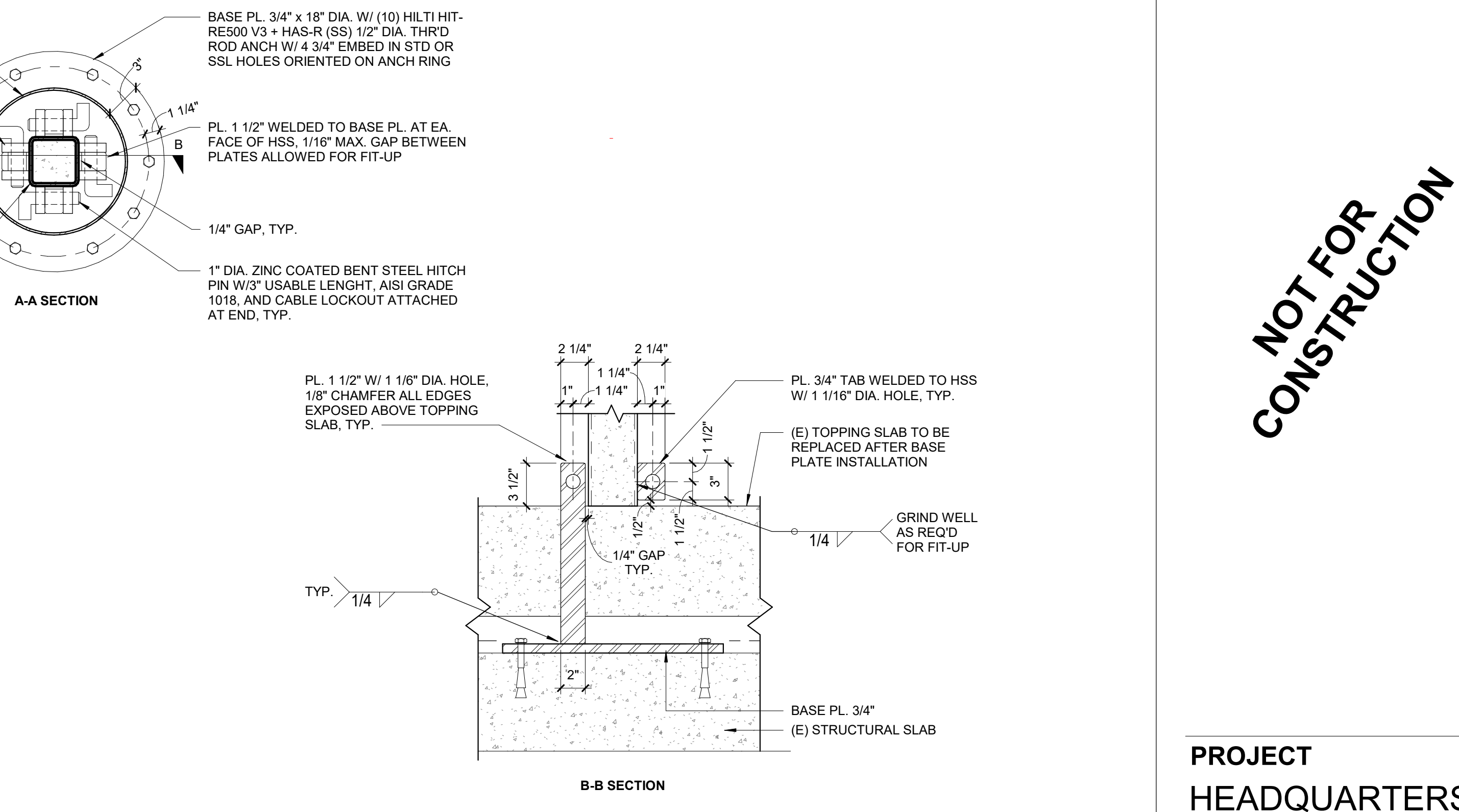


15 WALK - CONCRETE - FLUSHED CURB
Scale: 1 1/2" = 1'-0"

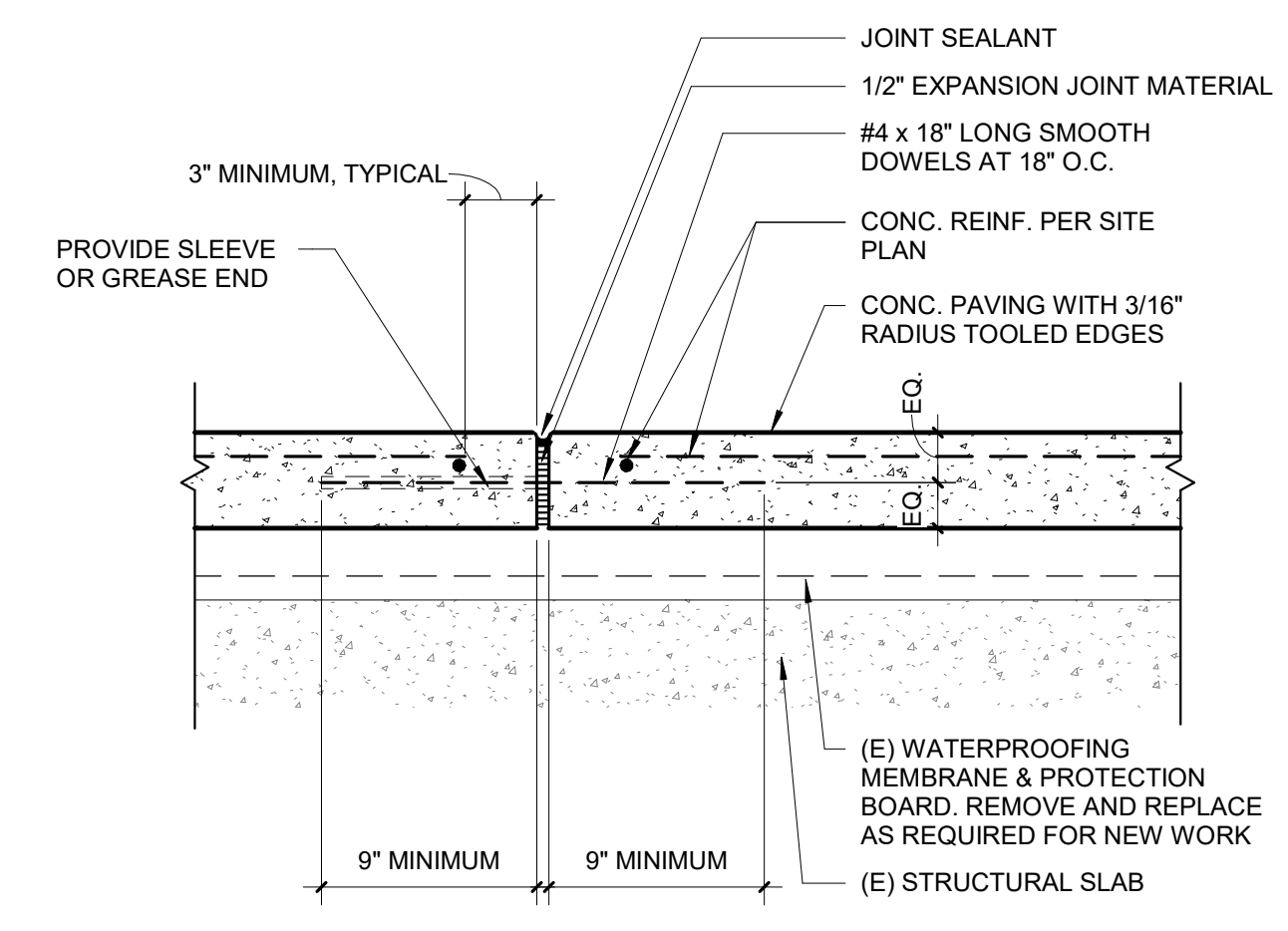
11 WALK - TYP. SLAB REPAIR
Scale: 3/4" = 1'-0"



7 BOLLARD - REMOVABLE
Scale: 3/4" = 1'-0"

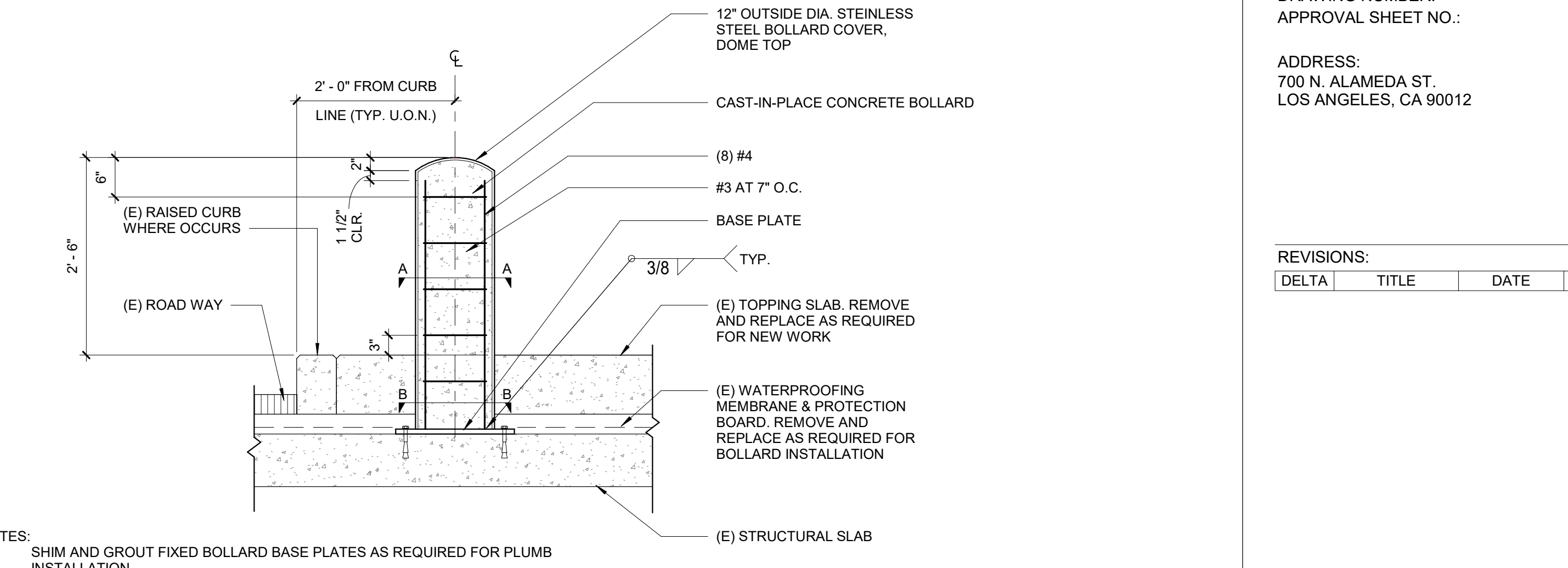


5 BOLLARD - FIXED
Scale: 3/4" = 1'-0"



17 WALK - EXPANSION JOINT
Scale: 1 1/2" = 1'-0"

13 BOLLARD - REMOVABLE
Scale: 1 1/2" = 1'-0"



7 BOLLARD - REMOVABLE
Scale: 3/4" = 1'-0"

PENDING DETAIL COORDINATION

REVISIONS:	DATE	BY
DELTA		

PM:	ARCHITECTURAL
PE:	SENIOR TECH. MGR.:
DRAWN BY:	Author
SCALE:	As Indicated
DATE:	04/22/21
JOB NO.:	116535
SHEET TITLE:	DETAILS

NOT FOR CONSTRUCTION

ATTACHMENT D - Proposed Easement Map

HISTORICAL MONUMENTS:

- ◆ = MONUMENT IN MEMORY OF THE GABRIELENO MISSION INDIANS THAT INHABITED THE PUEBLO OF LOS ANGELES. DEDICATED ON DECEMBER 20, 1998.
- ◆ = MONUMENT HONORING THE LIVES LOST ON JUNE 24, 1971, IN A TUNNEL EXPLOSION TAKING SEVENTEEN LIVES, ONE METROPOLITAN EMPLOYEE AND SIXTEEN EMPLOYEES FROM LOCKHEED.
- ◆ = A BRICK LINE DEPICTING THE OLD CHINATOWN BOUNDARY FROM 1887.

MWD CONTROL POINTS:

- 23859 LEAD AND TAG, STAMPED "LS 5113", FLUSH IN CONCRETE, PER R.S.B. 166/041 AND JOB NUMBER 98-350.
N= 1842570.49
E= 6490032.59
- 23868 1-1/2" IRON PIPE WITH TAG IN CONCRETE, STAMPED "LS 5113", IN DIRT, PER R.S.B. 166/041 AND JOB NUMBER 98-350.
N= 1842686.40
E= 6490053.46

NOTES:

1. THIS MAP REPRESENTS DATA OBTAINED FROM A FIELD SURVEY PERFORMED BY MWD PERSONNEL IN JULY 2020, USING 3D SCAN SURVEYING METHODS, MWD SURVEY JOB NUMBER 20-095, MWDFB 2601-01/105-108.
2. HORIZONTAL CONTROL FOR THIS TOPOGRAPHIC MAP IS BASED UPON THE CALIFORNIA COORDINATE SYSTEM, NAD83 ZONE 5 (1991.35 EPOCH), MWD SURVEY JOB NUMBER 98-350.

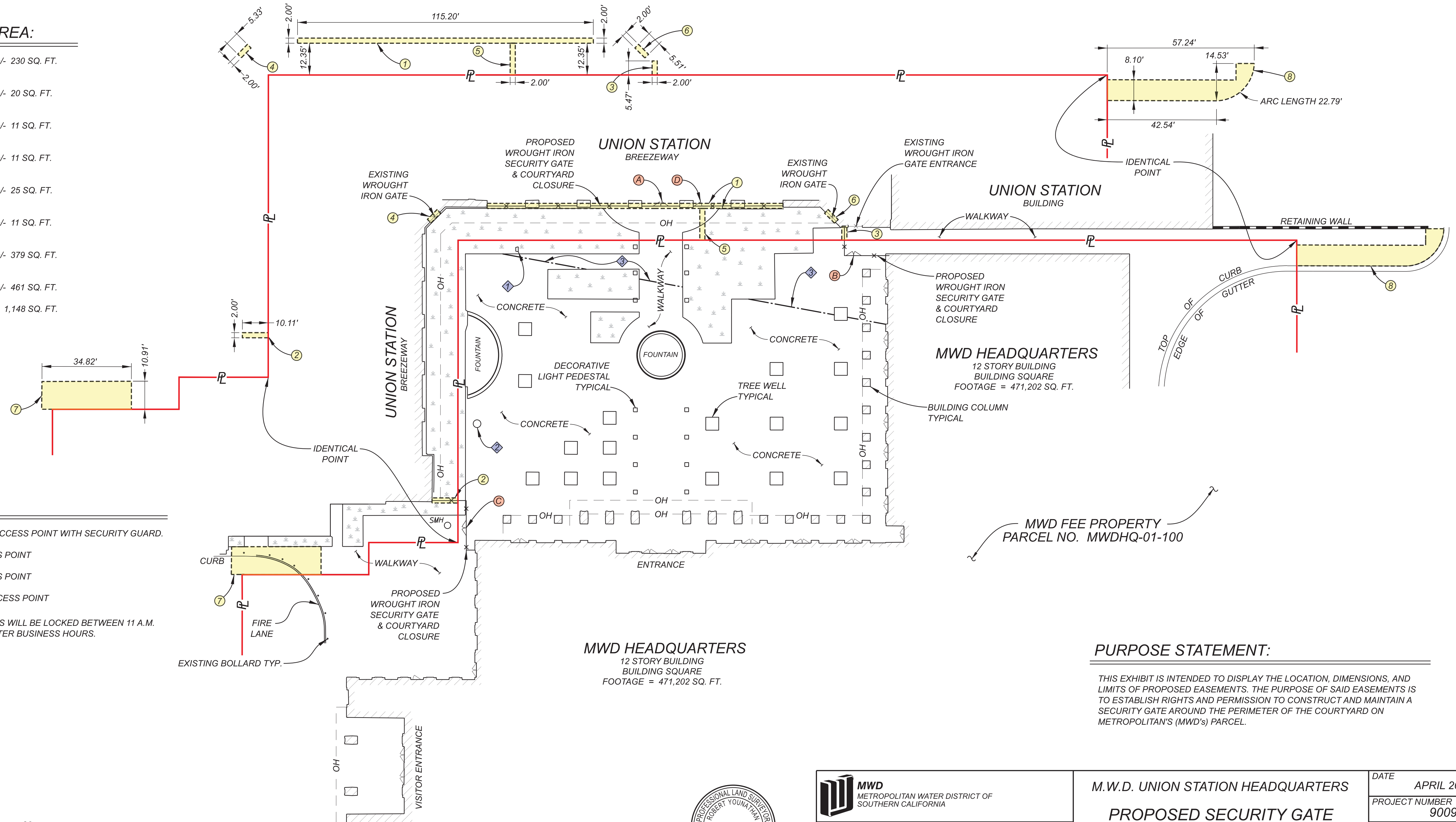
LEGEND:

- OH — CANOPY / OVERHANG
- X — EXISTING GATE
- P — PROPERTY LINE
- PROPOSED EASEMENTS
- X — PROPOSED SECURITY GATE & COURTYARD CLOSURE
- ▨ BUILDING / STRUCTURE
- ▨ LANDSCAPED AREA
- DOOR / GATE
- SMH SEWER MANHOLE

ACQUISITION AREA:

- ① CONSTRUCTION = +/- 230 SQ. FT.
 - ② CONSTRUCTION = +/- 20 SQ. FT.
 - ③ CONSTRUCTION = +/- 11 SQ. FT.
 - ④ CONSTRUCTION = +/- 11 SQ. FT.
 - ⑤ CONSTRUCTION = +/- 25 SQ. FT.
 - ⑥ CONSTRUCTION = +/- 11 SQ. FT.
 - ⑦ CONSTRUCTION = +/- 379 SQ. FT.
 - ⑧ CONSTRUCTION = +/- 461 SQ. FT.
- TOTAL = +/- 1,148 SQ. FT.

DETAIL OF PROPOSED EASEMENTS



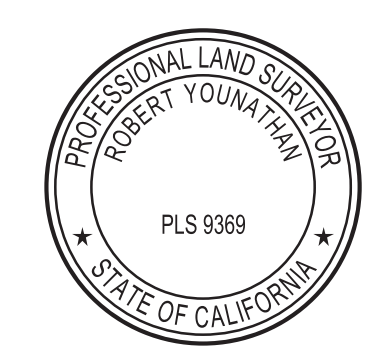
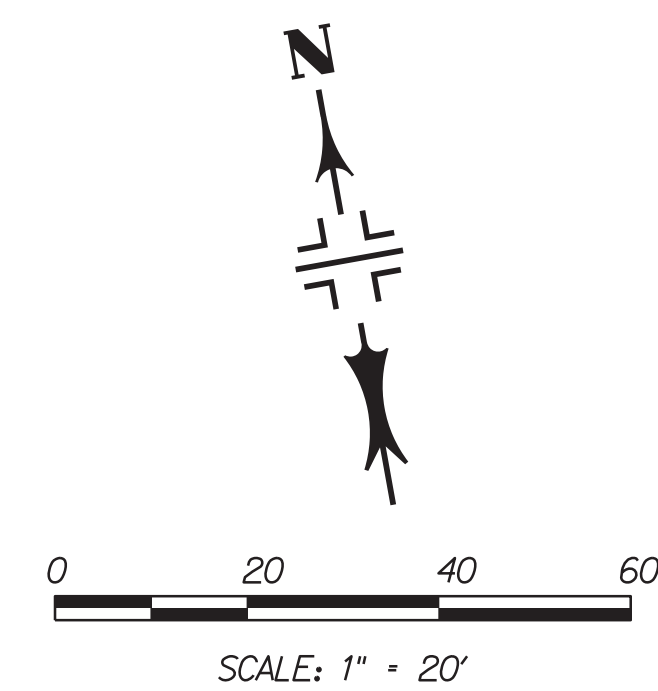
GATE ACCESS:

- A = ENTRY AND EXIT ACCESS POINT WITH SECURITY GUARD.
- B = EXIT ONLY ACCESS POINT
- C = EXIT ONLY ACCESS POINT
- D = AFTER HOURS ACCESS POINT

NOTE: ALL ACCESS POINTS WILL BE LOCKED BETWEEN 11 A.M. AND 2 P.M. DAILY, AND AFTER BUSINESS HOURS.

PURPOSE STATEMENT:

THIS EXHIBIT IS INTENDED TO DISPLAY THE LOCATION, DIMENSIONS, AND LIMITS OF PROPOSED EASEMENTS. THE PURPOSE OF SAID EASEMENTS IS TO ESTABLISH RIGHTS AND PERMISSION TO CONSTRUCT AND MAINTAIN A SECURITY GATE AROUND THE PERIMETER OF THE COURTYARD ON METROPOLITAN'S (MWD'S) PARCEL.



MWD METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA		
SURVEYED	VERTICAL DATUM	SURVEY JOB NUMBER
MS, EM	N/A	20-111
DRAWN	HORIZONTAL DATUM (EPOCH)	CCS ZONE
RDY	NAD83 (1991.35)	5
CHECKED	LATITUDE	LONGITUDE
NDE	34.055411	-118.236214

M.W.D. UNION STATION HEADQUARTERS PROPOSED SECURITY GATE IMPROVEMENTS EXHIBIT MAP	
DATE	APRIL 2021
PROJECT NUMBER	900986
SHEET	1 OF 1
DWG	B-171000
REV	6



Board Report

File #: 2021-0284, File Type: Formula Allocation / Local Return

Agenda Number: 6.

FINANCE, BUDGET, AND AUDIT COMMITTEE JUNE 16, 2021

SUBJECT: LOCAL RETURN PROPOSITION A, PROPOSITION C, MEASURE R AND MEASURE M CAPITAL RESERVE

ACTION: AMEND EXISTING CAPITAL RESERVE PERIOD FOR ARCADIA, BELL, AND BEVERLY HILLS; AND ESTABLISH NEW ACCOUNTS FOR THE CITIES OF BEVERLY HILLS, BRADBURY, EI SEGUNDO, LOMITA, NORWALK, POMONA, AND SAN MARINO

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to negotiate and execute all necessary agreements between Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Cities for their Capital Reserve Account(s) as detailed in Attachment A by:

- A. AMENDING the termination date of the Proposition A and Proposition C Local Return funded Capital Reserve Accounts for the City of Arcadia;
- B. AMENDING the termination date of the Proposition C Local Return funded Capital Reserve Account for the City of Bell;
- C. AMENDING the Proposition C Local Return funded Capital Reserve Account for the City of Beverly Hills by adding \$750,000 to the already approved \$2 million to a total of \$2.75 million; and
- D. ESTABLISHING new Local Return funded Capital Reserve Account for the Cities of Beverly Hills (Proposition A, Measure R), Bradbury (Measure M and Measure R), El Segundo (Proposition C and Measure R), Hermosa Beach (Proposition C), Lomita, (Proposition C), Norwalk (Proposition C), Pomona (Proposition C), and San Marino (Proposition C).

ISSUE

A local jurisdiction may need additional time to accumulate sufficient funding to implement a project, or to avoid lapsing of funds. This year in particular, many cities may require a lapsing extension due to the limited spending caused by project shut down during the Safer at Home Order.

BACKGROUND

According to the Local Return Guidelines, Board approval is required if there is a need to extend beyond the normal lapsing deadline for Local Return funds. Typically, the local jurisdiction requests that funding be dedicated in a Capital Reserve Account. Once approved, a local jurisdiction may be allowed additional years to accumulate and expend its Local Return funds from the date that the funds are made available.

DISCUSSION

Findings

Staff uses a First-In-First-Out (FIFO) calculation to determine if a city may be in jeopardy of losing their Local Return Funds. Proposition A and Proposition C utilizes a “three year plus current year” period for a total of four years for the timely use of funds. Measure R and Measure M utilizes a five-year period for the timely use of funds.

Considerations

Local Return Guidelines have a timely-use-of funds requirement with a lapsing deadline. However, Capital Reserve Accounts are permitted with approval from the Board of Directors. These accounts may be established so that Los Angeles County local jurisdictions may extend the life of their Local Return revenue to accommodate longer term financial and planning commitments for specific capital projects.

Should Local Return funds lapse due to time constraints, per Local Return Guidelines, those lapsed funds would then be returned to LACMTA so that the Board may redistribute the funds to jurisdictions for discretionary programs of county-wide significance or redistribute to each Los Angeles County local jurisdiction by formula on a per capita basis.

DETERMINATION OF SAFETY IMPACT

Approval of the new Capital Reserve Accounts will allow for projects such as, Transit Center, Intersection, and Street and Road improvements, that would provide for additional safety features with local communities. (See Attachment A for detailed list of projects.)

FINANCIAL IMPACT

Adoption of staff recommendations would have no impact on the LACMTA Budget, or on LACMTA's Financial Statements. The Capital Reserve Account funds originate from Propositions A & C, Measure R and Measure M funds, as specified that are allocated to each Los Angeles County local jurisdiction by formula and are held by each City. Some of the city's funds could lapse due to time constraints and other cities with small apportionments may need additional time to accumulate the needed funds for capital projects.

Impact to Budget

Adoption of staff recommendations would have no impact on the LACMTA Budget as these funds

have been previously disbursed to the cities.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports Metro's Strategic Plan Goals #1 and #2 by improving mobility, ease of travel, and safety. These are the Local Jurisdictions' apportionment of the funds as on Attachment A have determined the identified improvement projects assist in achieving those goals.

ALTERNATIVES CONSIDERED

Should the Board choose not to approve the recommendations above, which staff does not recommend, the Cities may not be able to accumulate sufficient funds necessary to implement the capital projects as described in Attachment A and the projects may not be constructed in a timely manner.

NEXT STEPS

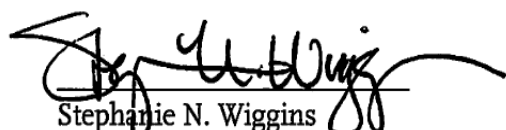
With Board approval of our recommendation, staff will negotiate and execute all necessary agreements between LACMTA and the listed cities for their Capital Reserve Accounts as approved. We will continue to monitor the accounts, including our annual Local Return audit, to ensure that the cities comply with the Local Return Guidelines and the terms of the agreement.

ATTACHMENTS

Attachment A - Project Summary for Proposed Capital Reserve Accounts

Prepared by: Susan Richan, Director, Budget, (213) 922-3017
Drew Phillips, Senior Director, Finance, (213) 922-2109

Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088


Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

**PROJECT SUMMARY FOR PROPOSED NEW
CAPITAL RESERVE ACCOUNTS**

JURISDICTION	PROJECT	AMOUNT	FUND	AGREEMENT TERMINATION/ REVIEW DATE
City of Arcadia (Extension)	<u>Project:</u> Goldline Foothill Extension – Future Mass Transit Station project	\$2,000,000	Proposition A 25% Local Return	Original date of termination 6/30/21
	<u>Justification:</u> The capital reserve will assist in the accumulation of funds and in the non-lapsing of funds	\$3,000,000	Proposition C 20% Local Return	New date of termination 6/30/26
City Bell (Extension)	<u>Project:</u> Street Intersection Striping and Landscaped and Median Improvements along Atlantic Ave	\$400,000	Proposition C 20% Local Return	Original date of termination 6/30/21
	<u>Justification:</u> The capital reserve will assist in the completion of funding this intersection			New date of termination 6/30/26
City of Beverly Hills (Amend)	<u>Project:</u> Wilshire Blvd Streetscapes	Existing amount \$2,000,000	Proposition C 20% Local Return	Existing 6/30/25
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds	Amend to add \$750,000		
City of Beverly Hills (New)	<u>Project:</u> Wilshire Blvd Subway Streetscape Improvements	\$1,000,000	Measure R 15% Local Return	6/30/26
	<u>Project:</u> Wilshire/Rodeo Station Improvements	\$2,000,000	Proposition A 25% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds			
City of Bradbury (New)	<u>Project:</u> Widen Bradbury Road from Winding Oak Lane to Oakleaf Ave	\$84,718	Measure R 15% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds	\$58,719	Measure M 17% Local Return	6/30/26

JURISDICTION	PROJECT	AMOUNT	FUND	AGREEMENT TERMINATION/ REVIEW DATE
City of El Segundo (New)	<u>Project:</u> Park Place Extension Street Improvements and Rail Separation	\$1,000,000	Prop C 20% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds	\$1,000,000	Measure R 15% Local Return	6/30/26
City of Hermosa Beach (New)	<u>Project:</u> Bus Stop Improvements	\$900,000	Prop C 20% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds			
City of Lomita (New)	<u>Project:</u> Narbonne/Lomita Intersection Project	\$883,000	Prop C 20% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds			
City of Norwalk (New)	<u>Project:</u> Rosecrans Ave (Pioneer to Studebaker 7184)	\$892,652	Prop C 20% Local Return	6/30/26
	<u>Project:</u> Alondra Blvd. from Gridley Rd to Pioneer Blvd 7921	\$990,000	Prop C 20% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds			
City of Pomona (New)	<u>Project:</u> Major Street Rehabilitation	\$6,000,000	Prop C 20% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds			
City of San Marino (New)	<u>Project:</u> Westbound Huntington Blvd Improvements Between El Molino and Los Robles	\$419,195	Proposition C 20% Local Return	6/30/26
	<u>Justification:</u> The capital reserve will assist in the completion of this long term project and in the non-lapsing of funds			



Board Report

File #: 2021-0269, **File Type:** Resolution

Agenda Number: 7.

**FINANCE, BUDGET, AND AUDIT COMMITTEE
JUNE 16, 2021**

SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM

**ACTION: ADOPT FINDINGS, RECOMMENDATIONS AND RESOLUTION FOR FY 2021-22
(FY22) TDA ARTICLE 8 UNMET TRANSIT NEEDS**

RECOMMENDATION

ADOPT:

- A. Findings and Recommendations (Attachment A) for allocating FY22 Transportation Development Act (TDA) Article 8 funds estimated at \$29,346,452 as follows:
 1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$169,483 may be used for street and road projects, or transit projects, as described in Attachment A;
 2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$6,975,098 and \$6,761,056 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
 3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$9,573,328 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$5,867,487 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and
- B. A resolution (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

ISSUE

State law requires that the Los Angeles County Metropolitan Transportation Authority (LACMTA) make findings regarding unmet transit needs in areas outside Metro's service area. If there are unmet transit needs that are reasonable to meet, then these needs must be met before TDA Article 8 funds may be allocated for street and road purposes.

DISCUSSION

Under the State of California TDA Article 8 statute, state transportation funds are allocated to the portions of Los Angeles County outside Metro's service area. These funds are for "unmet transit needs that may be reasonable to meet". However, if no such needs exist, the funds can be spent for street and road purposes. See Attachment D for a brief summary of the history of TDA Article 8 and definitions of unmet transit needs.

Before allocating TDA Article 8 funds, the Act requires Metro to conduct a public hearing process (Attachment E). If there are determinations that there are unmet transit needs, which are reasonable to meet and we adopt such a finding, then these needs must be met before TDA Article 8 funds can be used for street and road purposes. By law, we must adopt a resolution annually that states our findings regarding unmet transit needs. Attachment C is the FY22 resolution. The proposed findings and recommendations are based on public testimony (Attachment F) and the recommendations of the Social Service Transportation Advisory Council (SSTAC) and the Hearing Board.

POLICY IMPLICATION

Staff has followed state law in conducting public hearings and obtaining input from the SSTAC regarding unmet transit needs. The SSTAC is comprised of social service providers and other interested parties in the North County areas. Attachment G summarizes the recommendations made and actions taken during FY 2019-20 (for the FY 2021-22 allocation estimates) and Attachment H is the proposed recommendations of the FY22 SSTAC.

On April 15, 2021, the TDA Article 8 Hearing Board was convened on behalf of the Board of Directors to conduct the required public hearing process. The Hearing Board developed findings and made recommendations for using TDA Article 8 funds based on the input from the SSTAC and the public hearing process.

Upon transmittal of the Board-adopted findings and documentation of the hearings process to Caltrans Headquarters, and upon Caltrans approval, funds will be released for allocation to the eligible jurisdictions. Delay in adopting the findings, recommendations and the resolution contained in Attachments A and C would delay the allocation of \$29,346,452 in TDA Article 8 funds to the recipient local jurisdictions.

DETERMINATION OF SAFETY IMPACT

Approval of this project will have no impact on Safety.

FINANCIAL IMPACT

The TDA Article 8 funds for FY22 are estimated at \$29,346,452 (Attachment B). The funding for this action is included in the FY22 Proposed Budget in cost center 0443, project number 410059 TDA Subsidies - Article 8.

TDA Article 8 funds are state sales tax revenues that state law designates for use by Los Angeles County local jurisdictions outside of Metro's service area. Metro allocates TDA Article 8 funds based on population and disburse them monthly, once each jurisdiction's claim form is received, reviewed and approved.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goals 2 and 4. Per state requirement, the TDA funds are allotted to the municipal and Tier II operators to support the operation of their services countywide. Also, under this project Metro function as the regional transportation planning agency was reviewed. The findings will assist in achieving Metro's Strategic Plan Goals number 2 and 4 by improving mobility, ease of travel and safety.

ALTERNATIVES CONSIDERED

The Board of Directors could adopt findings or conditions other than those developed in consultation with the Hearing Board, with input from the state-required SSTAC (Attachment H) and through the public hearing process. However, this is not recommended because adopting the proposed findings and recommendations made by the SSTAC and adopted by the Hearing Board have been developed through a public hearing process, as described in Attachment E, and in accordance with the TDA statutory requirements.

NEXT STEPS

Upon Caltrans' review and approval of the Board-adopted resolution and documentation of the hearing process, we will receive TDA Article 8 funds to allocate to the recipient local jurisdictions.

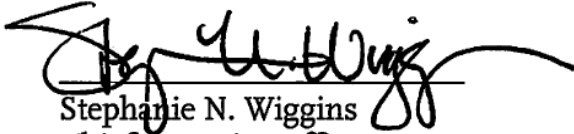
ATTACHMENTS

- A. FY22 Proposed Findings and Recommended Actions
- B. TDA Article 8 Apportionments: Estimates for FY22
- C. FY22 TDA Article 8 Resolution
- D. History of TDA Article 8 and Definitions of Unmet Transit Needs
- E. TDA Article 8 Public Hearing Process
- F. FY22 Comment Summary Sheet - TDA Article 8 Unmet Transit Needs Public Testimony and Written Comments
- G. Summary of Recommendations and Actions Taken
- H. Proposed Recommendations of the FY22 SSTAC

Prepared by: Drew Phillips, Deputy Executive Officer, Budget (213)-922-2109

Armineh Saint, Director, Budget (213) 922-2369

Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Stephanie N. Wiggins
Chief Executive Officer

FY 2021-22 TDA ARTICLE 8

PROPOSED FINDINGS AND RECOMMENDED ACTIONS

CATALINA ISLAND AREA

- Proposed Findings - In the City of Avalon, there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - City of Avalon address the following and implement if reasonable to meet: 1) maintain funding sources for transit services.

ANTELOPE VALLEY AREA

- Proposed Findings – There are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions – Antelope Valley Transit Authority (AVTA) address the following: 1) continue to evaluate funding opportunities for transit services.

SANTA CLARITA VALLEY AREA

- Proposed Findings - There are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - Santa Clarita Transit address the following: 1) continue to evaluate funding opportunities for transit services.

Los Angeles County Metropolitan Transportation Authority
FY 2022 TDA ARTICLE 8 APPORTIONMENTS
 (Transit/Streets & Highways)

AGENCY	POPULATION [1]	ARTICLE 8 PERCENTAGE	ALLOCATION OF TDA ARTICLE 8 REVENUE
Avalon	3,929	0.58%	\$ 169,483
Lancaster	161,699	23.77%	6,975,098
Palmdale	156,737	23.04%	6,761,056
Santa Clarita	221,932	32.62%	9,573,328
LA County Unincorporated	[2] <u>136,022</u>	<u>19.99%</u>	<u>5,867,487</u>
Total	680,319	100.00%	\$ 29,346,452
		Estimated Revenues:	\$ 29,346,452

[1] Population estimates are based on State of California Department of Finance census 2020 data-report

[2] The Unincorporated Population figure is based on 2007 estimates by Urban Research

**RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION
AUTHORITY MAKING A DETERMINATION AS TO
UNMET PUBLIC TRANSPORTATION NEEDS IN LOS ANGELES COUNTY
FOR FISCAL YEAR 2021-22**

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is the designated Transportation Planning agency for the County of Los Angeles and is, therefore, responsible for the administration of the Transportation Development Act, Public Utilities Code Section 99200 et seq.; and

WHEREAS, under Sections 99238, 99238.5, 99401.5 and 99401.6, of the Public Utilities Code, before any allocations are made for local street and road use, a public hearing must be held and from a review of the testimony and written comments received and the adopted Regional Transportation Plan, make a finding that 1) there are no unmet transit needs; 2) there are no unmet transit needs that are reasonable to meet; or 3) there are unmet transit needs, including needs that are reasonable to meet; and

WHEREAS, at its meetings of June 25, 1998 and June 24, 1999, the Board of Directors approved definitions of unmet transit need and reasonable to meet transit need; and

WHEREAS, public hearings were held by LACMTA in Los Angeles County in Santa Clarita on March 8, 2021, Palmdale on March 8, 2021, Lancaster on March 8, 2021, Avalon on March 16, 2021, after sufficient public notice of intent was given, at which time public testimony was received; and

WHEREAS, a Social Service Transportation Advisory Council (SSTAC) was formed by LACMTA and has recommended actions to meet the transit needs in the areas outside the LACMTA service area; and

WHEREAS, a Hearing Board was appointed by LACMTA, and has considered the public hearing comments and the recommendations of the SSTAC; and

WHEREAS, the SSTAC and Hearing Board reaffirmed the definitions of unmet transit need and reasonable to meet transit need; and

WHEREAS, staff in consultation with the Hearing Board recommends the finding that in the City of Avalon there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects; and

ATTACHMENT C

(Page 2 of 3)

WHEREAS, staff in consultation with the Hearing Board recommends the finding that in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, there are no unmet transit needs that are reasonable to meet. In the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.

WHEREAS, staff in consultation with the Hearing Board recommends the finding that there are no unmet transit needs that are reasonable to meet. In the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.

NOW THEREFORE,

- 1.0 The Board of Directors approves on an on-going basis the definition of Unmet Transit Needs as any transportation need, identified through the public hearing process, which could be met through the implementation or improvement of transit or paratransit services; and the definition of Reasonable to Meet Transit Need as any unmet transit needs that can be met, in whole or in part, through the allocation of available transit revenue and be operated in a cost efficient and service effective manner, without negatively impacting existing public and private transit options.
- 2.0 The Board hereby finds that, in the City of Avalon, there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects.
- 3.0 The Board hereby finds that in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, there are no unmet transit needs that are reasonable to meet. In the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- 4.0 The Board hereby finds that in the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, there are no unmet transit needs that are reasonable to meet. In the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.

CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, June 24, 2021.

COLETTE LANGSTON
LACMTA Board Secretary

DATED: June 24, 2021

History of Transportation Development Act (TDA) 8

The Mills-Alquist-Deddeh act, better known as the Transportation Development Act (SB325), was enacted in 1971 to provide funding for transit or non-transit related purposes that comply with regional transportation plans. Funding for Article 8 was included in the original bill.

In 1992, after the consolidation of SCRTD and LACTC, AB1136 (Knight) was enacted to continue the flow of TDA 8 funds to outlying cities which were outside of the SCRTD's service area.

Permanent Adoption of Unmet Transit Needs Definitions

Definitions of Unmet Transit Need and Reasonable to meet transit needs were originally developed by the SSTAC and Hearing Board and adopted by Metro Board Resolution in May, 1997 as follows:

- Unmet Transit Need- any transportation need, identified through the public hearing process, that could be met through the implementation or improvement of transit or paratransit services.
- Reasonable to Meet Transit Need - any unmet transit need that can be met, in whole or in part, through the allocation of additional transit revenue and be operated in a cost-efficient and service-effective manner, without negatively impacting existing public and private transit options.

Based on discussions with and recommendations from Caltrans Headquarters' staff, these definitions have been adopted on an ongoing basis by the resolution. The Metro Board did approve the definitions of unmet transit need and reasonable to meet transit need at its meetings June 25, 1998 and June 24, 1999.

These definitions will continue to be used each year until further action by the Metro Board.

ATTACHMENT E

TDA ARTICLE 8 PUBLIC HEARING PROCESS

Article 8 of the California Transportation Development Act (TDA) requires annual public hearings in those portions of the County that are not within the Metro transit service area. The purpose of the hearings is to determine whether there are unmet transit needs which are reasonable to meet. We established a Hearing Board to conduct the hearings on its behalf in locations convenient to the residents of the affected local jurisdictions. The Hearing Board, in consultation with staff, also makes recommendations to the Board of Directors for adoption: 1) a finding regarding whether there are unmet transit needs that are reasonable to meet; and 2) recommended actions to meet the unmet transit needs, if any.

In addition to public hearing testimony, the Hearing Board received input from the Social Service Transportation Advisory Council (SSTAC), created by state law and appointed by staff, to review public hearing testimony and written comments and, from this information, identify unmet transit needs in the jurisdictions.

Hearing Board

Staff secured the following representation on the FY 2021-22 Hearing Board:

Dave Perry represented Supervisor Kathryn Barger; Steven Hofbauer, Mayor, City of Palmdale; Marvin Crist, Vice Mayor, City of Lancaster, represented the North County; Marsha McLean, Mayor Pro Tem, City of Santa Clarita represented Santa Clarita Valley.

Also, membership was formed on the FY 2021 Social Service Transportation Advisory Council (SSTAC) per requisite of the *Transportation Development Act Statutes and California Code of Regulations*. Staff had adequate representation of the local service providers and represented jurisdictions, therefore the SSTAC meeting convened with proposed recommendations as included in Attachment G.

Hearing and Meeting Dates

Virtual public hearings were held by the hearing board for Lancaster, Santa Clarita and the North County area on March 8, 2021 as well as in Avalon in conjunction with the Council meeting on March 16, 2021. A summary sheet that includes the public testimony received at the hearings and the written comments received within two weeks after the hearings is in Attachment F.

The SSTAC met on April 6, 2021. Attachment H contains the SSTAC's recommendations, which were considered by the Hearing Board at its April 15, 2021 meeting.

ATTACHMENT F

FY2020-21 TDA ARTICLE 8 UNMET NEEDS PUBLIC TESTIMONY AND WRITTEN COMMENTS

SUMMARY TABULATION SHEET - ALL HEARINGS

		Santa Clarita	Antelope Valley	Avalon
1	General increase in service, including longer hours, higher frequency, and/or more days of operation			
1.1	Morning/Evening commuter bus with limited stops to/from AV College to West Lancaster			
1.2	Continue summer beach bus	1		
2	Scheduling, reliability, transfer coordination			
2.1	Route 3 and 7 to run every 30 mins			
3	Bus stop or shelter			
3.1	Use of solar lighting at bus stops		1	
3.2	Use of visual display for upcoming routes at bus stops		1	
4	Other issues: better public information needed, bus improvements, upgrades, increase fleet, bus tokens, transit center			
4.1	Easier wheelchair accessibility to services in Sierra Highway and 0-8			
4.2	Funding for Sierra Highway improvements	1		
5	Other, statement - Support			
5.1	Transit needs are met			
	Sub-total:	2	2	-

Totals -

4

Total of 4 comments extracted from verbal and written comments by 3 individuals



Board of Directors

Chairman

Marvin Crist
City of Lancaster

Vice Chair

Dianne M. Knippel
County of Los Angeles

Director

Steven D. Hofbauer
City of Palmdale

Director

Richard Loa
City of Palmdale

Director

Angela E. Underwood-Jacobs
City of Lancaster

Director

Michelle Flanagan
County of Los Angeles

Executive Director/CEO

Macy Neshati

February 24, 2021

TDA Article 8 Hearing Board Chair
c/o Armineh Saint, Program Manager
Metropolitan Transit Authority
One Gateway Plaza
Los Angeles, California 90012

RE: Fiscal Year 2019/20 TDA Article 8 Unmet Needs Hearings

Dear Ms. Saint:

At the 2020 TDA Article 8 Unmet Needs Hearing, the Board found that the Antelope Valley Transit Authority (AVTA) had no unmet needs that could not be addressed through existing funding sources. As a result Antelope Valley Transit Authority continued our focused efforts on being a good community partner and wish to update the board as follows:

Like all our peers, AVTA was profoundly impacted by the onset of the COVID 19 Pandemic and we had to postpone numerous projects and system enhancements as a result. Therefore we felt it worthwhile to provide updates on projects that were in process at the time of last years report.

Item # 1, Develop Stronger TOD districts adjacent to regional rail stations with comprehensive bus network connecting station downtowns with outlying communities:

AVTA is very active in working and coordinating with our jurisdiction partners Palmdale, Lancaster, and the County of Los Angeles in developing new and improved transit hubs adjacent to our two Metrolink stations. We made dramatic capital improvements to our bus charging infrastructure at Palmdale Regional Transportation Center (PTC) alignment with Metrolink as well as finishing a new transit hub/charging station at the North Metrolink station located at Lancaster Blvd. and Sierra Highway. These improvements will provide for increased interconnectivity with the Metrolink stations and efficient transfers to bus routes.

Item #2, Scheduling, Reliability, Transfer Coordination: As discussed previously AVTA commissioned a system wide Regional Transit Study which has resulted in recommendations for sweeping system wide improvements to routes, schedules and service enhancements. However the massive drop in ridership coupled with the strain on our bus operator workforce due to the pandemic forced us to postpone implementation until we are on a course to recovery

Item #3 Demand responsive service, Dial-a-ride availability: AVTA provides an agency funded DAR service in parallel to DAR service provided by Access Services. Throughout 2020 we introduced our customers to an enhanced feature for our DAR system that enabled them to schedule their rides, monitor the arrival of their rides and receive schedule updates using their smart phones. For customers that do not own a smart phone or prefer the traditional call center appointment method, that will still be available to them. We also implemented a demand response micro transit system for our east county area including Lake Los Angeles and Sun Village. This system uses an "Uber-like" hailing software to provide faster, more convenient service reducing wait times from the current 1 ½ hour headways on the fixed route service down to 20 to 40 minutes. The response has been extremely favorable and ridership has grown steadily.

Item #4 Bus maintenance issues: In March of 2020 we transitioned to a 100% battery electric fleet and in December 2020 we surpassed 4 million all electric miles.

Item #5 Security issues: for the safety and security of our bus operators and after a successful pilot program on five buses we retrofitted our entire fleet with drivers barriers. These barriers have had the added benefit of providing another layer of protection for our operators against the spread of COVID 19 germs.

COVID 19 Impacts and responses:

Our management team was one of the first to recognize the fast approaching COVID 19 Pandemic and the need to prepare for the challenges and consequences. Starting in late February 2020 we imposed an agency wide travel ban followed by a rapid succession of preemptive measures that included:

- Adding extra manpower to enable us to disinfect and sanitize every bus every night at the terminal
- Adding extra manpower at our Palmdale and Lancaster Transit centers to board and sanitize buses throughout the day as they passed through the centers
- Clean and sanitize our bus stops and shelters at least daily
- Added hand sterilizers throughout the facility as well as on every bus at both the front and rear door areas.
- Implemented social distancing on our buses by restricting total capacity and closing off every other seat.
- Required masks on our buses and provided them to riders who didn't have them

- Continued service throughout the pandemic to keep our community mobile during the bleakest hours in modern history.

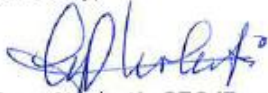
Community Outreach Efforts:

AVTA is dedicated to the community and to providing excellent customer service. Community outreach is a high priority goal and we continually seek to improve our efforts.

- AVTA will return to implementing the year-long Regional Transit Plan (RTP) development project that we completed last year. This plan will be the strategic plan for the authority for the next 5 to 10 years in the future.
- We hosted three grocery giveaways with our community partners and stakeholders.
- We look forward to a return to our pre-COVID ridership and the opportunity to implement the full scope of our Regional Transit Plan.

AVTA values the input of our customers and stakeholders and continues to take a proactive approach to address the transit needs in the Antelope Valley. If have you questions, please contact me at (661) 729-2206.

Sincerely,



Macy Neshati, CEO/Executive Director
Antelope Valley Transit Authority



City of
SANTA CLARITA
TRANSIT

City of Santa Clarita Transit • Transit Maintenance Facility
28250 Constellation Road • Santa Clarita, CA 91355
Phone: (661) 295-6300 • Fax: (661) 295-6393
santa-clarita.com

March 8, 2021

Santa Clarita Valley Area
TDA Article 8 Hearing
March 8, 2021

The City of Santa Clarita continues its efforts to promote public transportation as a viable alternative to the automobile. Because of this continued effort, the only recommendation that resulted from the 2020 TDA Article 8 hearings was for the City to continue to evaluate funding opportunities for transit services.

In the twelve months since the last hearing, the City of Santa Clarita has accomplished a number of key milestones such as:

- Continued construction on the Vista Canyon Transit Center. Despite some COVID related delays, construction continues and the Transit Center is scheduled to be completed June 2021.
- Broke ground on the Vista Canyon Metrolink Station. Construction began in late 2020 and is scheduled to be completed fall 2022.
- Reintroduced the City's on-demand transit service in the eastern Santa Clarita Valley named Go! Santa Clarita. This pilot program, which was suspended temporarily due to COVID, allows riders to book trips using a mobile app and a vehicle will arrive within 15 minutes of the trip being scheduled.
- Expanded Go! Santa Clarita to a second service area in downtown Newhall
- Took delivery of four CNG powered transit buses.
- Council adopted the City's Zero Emission Bus Transition Plan.
- Completed Phase 5 of the City's bus stop improvement program. This phase included the installation of new solar lighting fixtures for improved safety, new e-ink bus arrival displays, and the installation of new benches and shelters at 21 locations within the Santa Clarita Valley.

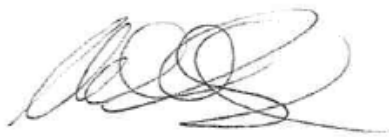
These are just a few of the accomplishments achieved by Santa Clarita Transit despite the challenges related to COVID over the past 12 months.

In the coming year, Santa Clarita Transit will be working toward:

- Securing funding for hydrogen fueling infrastructure and fuel cell buses.
- Introducing service to the new Vista Canyon Transit Center.
- Assess the effectiveness of the City's on demand pilot program.
- Adjusting to a post COVID environment.

The City of Santa Clarita will continue to take a proactive approach to addressing the transit needs of our residents while working closely with our transportation partners. Our goal is to provide effective and efficient service that improves the quality of life for all residents within the Santa Clarita Valley.

Thank you

A handwritten signature in black ink, appearing to read 'Adrian Aguilar', with a stylized, cursive script.

Adrian Aguilar
Transit Manager

FY 2021-22 TDA ARTICLE 8

SSTAC PROPOSED FINDINGS AND RECOMMENDED ACTIONS

CATALINA ISLAND AREA

- Proposed Findings - that in the City of Avalon there are no unmet transit needs that are reasonable to meet; therefore TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - that the City of Avalon address the following and implement if reasonable to meet: 1) maintain funding sources for transit services.

ANTELOPE VALLEY AREA

- Proposed Findings – there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North Los Angeles County, existing transit needs can be met through using other existing funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions – That Antelope Valley Transit Authority (AVTA) address the following: 1) continue to evaluate funding opportunities for transit services.

SANTA CLARITA VALLEY AREA

- Proposed Findings - There are no unmet transit needs that are reasonable to meet; In the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds may be used for street and road projects, or transit projects.
- Recommended Actions - that Santa Clarita Transit address the following: 1) continue to evaluate funding opportunities for transit services.



Metro

Master

File Number: 2021-0269

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

File ID: 2021-0269

Report Resolution
Type:

Status: Passed

In Control: Board of Directors -
Regular Board
Meeting

File Created: 04/21/2021

Final Action: 06/24/2021

Title:

ADOPT:

- A. Findings and Recommendations (Attachment A) for allocating FY22 Transportation Development Act (TDA) Article 8 funds estimated at \$29,346,452 as follows:
1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$169,483 may be used for street and road projects, or transit projects, as described in Attachment A;
 2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$6,975,098 and \$6,761,056 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
 3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$9,573,328 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article

8 funds in the amount of \$5,867,487 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and

B. A resolution (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

Sponsors: Finance and Budget and Audit Committee

Attachments: Attachment A - FY22 Proposed Findings and Recommendations, Attachment B - TDA 8 Apportionments FY21-22, Attachment C - FY2021-22 TD Article 8 Resolution, Attachment D - History and Definitions TDA 8, Attachment E - FY22 TDA Article 8 Public Hearing process, Attachment F - FY21 Summary of the Comments(1), Attachment G - Summary of Recommendations and Actions Taken FY22, Attachment H - Proposed Recommendation of SSTAC

History of Legislative File

Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
OCEO Draft Review	05/26/2021					
Finance, Budget and Audit Committee	06/16/2021	RECOMMENDED FOR APPROVAL	Board of Directors - Regular Board Meeting	06/24/2021		Pass
Board of Directors - Regular Board Meeting	06/24/2021	ADOPTED				Pass

Text of Legislative File 2021-0269

FINANCE, BUDGET, AND AUDIT COMMITTEE
 JUNE 16, 2021

SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM

ACTION: ADOPT FINDINGS, RECOMMENDATIONS AND RESOLUTION FOR FY 2021-22 (FY22) TDA ARTICLE 8 UNMET TRANSIT NEEDS

RECOMMENDATION

ADOPT:

A. Findings and Recommendations (Attachment A) for allocating FY22 Transportation Development Act (TDA) Article 8 funds estimated at \$29,346,452 as follows:

1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$169,483 may be used for street and road projects, or transit projects, as described in Attachment A;
2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$6,975,098 and \$6,761,056 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$9,573,328 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$5,867,487 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and

B. A resolution (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

ISSUE

State law requires that the Los Angeles County Metropolitan Transportation Authority (LACMTA) make findings regarding unmet transit needs in areas outside Metro's service area. If there are unmet transit needs that are reasonable to meet, then these needs must be met before TDA Article 8 funds may be allocated for street and road purposes.

DISCUSSION

Under the State of California TDA Article 8 statute, state transportation funds are allocated to the portions of Los Angeles County outside Metro's service area. These funds are for "unmet transit needs that may be reasonable to meet". However, if no such needs exist, the funds can be spent for street and road purposes. See Attachment D for a brief summary of the history of TDA Article 8 and definitions of unmet transit needs.

Before allocating TDA Article 8 funds, the Act requires Metro to conduct a public hearing process (Attachment E). If there are determinations that there are unmet transit needs, which are reasonable to meet and we adopt such a finding, then these needs must be met before TDA Article 8 funds can be used for street and road purposes. By law, we must adopt a resolution annually that states our findings regarding unmet transit needs. Attachment C is the FY22 resolution. The proposed findings and recommendations are

based on public testimony (Attachment F) and the recommendations of the Social Service Transportation Advisory Council (SSTAC) and the Hearing Board.

..Policy_Implication

POLICY IMPLICATION

Staff has followed state law in conducting public hearings and obtaining input from the SSTAC regarding unmet transit needs. The SSTAC is comprised of social service providers and other interested parties in the North County areas. Attachment G summarizes the recommendations made and actions taken during FY 2019-20 (for the FY 2021-22 allocation estimates) and Attachment H is the proposed recommendations of the FY22 SSTAC.

On April 15, 2021, the TDA Article 8 Hearing Board was convened on behalf of the Board of Directors to conduct the required public hearing process. The Hearing Board developed findings and made recommendations for using TDA Article 8 funds based on the input from the SSTAC and the public hearing process.

Upon transmittal of the Board-adopted findings and documentation of the hearings process to Caltrans Headquarters, and upon Caltrans approval, funds will be released for allocation to the eligible jurisdictions. Delay in adopting the findings, recommendations and the resolution contained in Attachments A and C would delay the allocation of \$29,346,452 in TDA Article 8 funds to the recipient local jurisdictions.

DETERMINATION OF SAFETY IMPACT

Approval of this project will have no impact on Safety.

FINANCIAL IMPACT

The TDA Article 8 funds for FY22 are estimated at \$29,346,452 (Attachment B). The funding for this action is included in the FY22 Proposed Budget in cost center 0443, project number 410059 TDA Subsidies - Article 8.

TDA Article 8 funds are state sales tax revenues that state law designates for use by Los Angeles County local jurisdictions outside of Metro's service area. Metro allocates TDA Article 8 funds based on population and disburse them monthly, once each jurisdiction's claim form is received, reviewed and approved.

..Implementation of Strategic Plan Goals

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goals 2 and 4. Per state requirement, the TDA funds are allotted to the municipal and Tier II operators to support the operation of their services countywide. Also, under this project Metro function as the regional transportation planning agency was reviewed. The findings will assist in achieving Metro's Strategic Plan Goals number 2 and 4 by improving mobility, ease of travel and safety.

ALTERNATIVES CONSIDERED

The Board of Directors could adopt findings or conditions other than those developed in consultation with the Hearing Board, with input from the state-required SSTAC (Attachment H) and through the public hearing process. However, this is not recommended because adopting the proposed findings and recommendations made by the SSTAC and adopted by the Hearing Board have been developed through a public hearing process, as described in Attachment E, and in accordance with the TDA statutory requirements.

NEXT STEPS

Upon Caltrans' review and approval of the Board-adopted resolution and documentation of the hearing process, we will receive TDA Article 8 funds to allocate to the recipient local jurisdictions.

ATTACHMENTS

- A. FY22 Proposed Findings and Recommended Actions
- B. TDA Article 8 Apportionments: Estimates for FY22
- C. FY22 TDA Article 8 Resolution
- D. History of TDA Article 8 and Definitions of Unmet Transit Needs
- E. TDA Article 8 Public Hearing Process
- F. FY22 Comment Summary Sheet - TDA Article 8 Unmet Transit Needs Public Testimony and Written Comments
- G. Summary of Recommendations and Actions Taken
- H. Proposed Recommendations of the FY22 SSTAC

Prepared by: Drew Phillips, Deputy Executive Officer, Budget (213)-922-2109
Armineh Saint, Director, Budget (213) 922-2369

Reviewed by: Nalini Ahuja, Chief Financial Officer, (213) 922-3088



File #: 2021-0269, File Type: Resolution

Agenda Number: 7.

**FINANCE, BUDGET, AND AUDIT COMMITTEE
JUNE 16, 2021**

SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM

**ACTION: ADOPT FINDINGS, RECOMMENDATIONS AND RESOLUTION FOR FY 2021-22
(FY22) TDA ARTICLE 8 UNMET TRANSIT NEEDS**

RECOMMENDATION

ADOPT:

- A. Findings and Recommendations (Attachment A) for allocating FY22 Transportation Development Act (TDA) Article 8 funds estimated at \$29,346,452 as follows:
 - 1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds (Attachment B) in the amount of \$169,483 may be used for street and road projects, or transit projects, as described in Attachment A;
 - 2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds in the amount of \$6,975,098 and \$6,761,056 (Lancaster and Palmdale, respectively) may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
 - 3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, TDA Article 8 funds in the amount of \$9,573,328 for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
 - 4. In the Los Angeles County Unincorporated areas of North County, the areas encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, TDA Article 8 funds in the amount of \$5,867,487 may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and
- B. A resolution (Attachment C) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

ISSUE

State law requires that the Los Angeles County Metropolitan Transportation Authority (LACMTA) make findings regarding unmet transit needs in areas outside Metro's service area. If there are unmet transit needs that are reasonable to meet, then these needs must be met before TDA Article 8 funds may be allocated for street and road purposes.

DISCUSSION

Under the State of California TDA Article 8 statute, state transportation funds are allocated to the portions of Los Angeles County outside Metro's service area. These funds are for "unmet transit needs that may be reasonable to meet". However, if no such needs exist, the funds can be spent for street and road purposes. See Attachment D for a brief summary of the history of TDA Article 8 and definitions of unmet transit needs.

Before allocating TDA Article 8 funds, the Act requires Metro to conduct a public hearing process (Attachment E). If there are determinations that there are unmet transit needs, which are reasonable to meet and we adopt such a finding, then these needs must be met before TDA Article 8 funds can be used for street and road purposes. By law, we must adopt a resolution annually that states our findings regarding unmet transit needs. Attachment C is the FY22 resolution. The proposed findings and recommendations are based on public testimony (Attachment F) and the recommendations of the Social Service Transportation Advisory Council (SSTAC) and the Hearing Board.

POLICY IMPLICATION

Staff has followed state law in conducting public hearings and obtaining input from the SSTAC regarding unmet transit needs. The SSTAC is comprised of social service providers and other interested parties in the North County areas. Attachment G summarizes the recommendations made and actions taken during FY 2019-20 (for the FY 2021-22 allocation estimates) and Attachment H is the proposed recommendations of the FY22 SSTAC.

On April 15, 2021, the TDA Article 8 Hearing Board was convened on behalf of the Board of Directors to conduct the required public hearing process. The Hearing Board developed findings and made recommendations for using TDA Article 8 funds based on the input from the SSTAC and the public hearing process.

Upon transmittal of the Board-adopted findings and documentation of the hearings process to Caltrans Headquarters, and upon Caltrans approval, funds will be released for allocation to the eligible jurisdictions. Delay in adopting the findings, recommendations and the resolution contained in Attachments A and C would delay the allocation of \$29,346,452 in TDA Article 8 funds to the recipient local jurisdictions.

DETERMINATION OF SAFETY IMPACT

Approval of this project will have no impact on Safety.

FINANCIAL IMPACT

The TDA Article 8 funds for FY22 are estimated at \$29,346,452 (Attachment B). The funding for this action is included in the FY22 Proposed Budget in cost center 0443, project number 410059 TDA Subsidies - Article 8.

TDA Article 8 funds are state sales tax revenues that state law designates for use by Los Angeles County local jurisdictions outside of Metro's service area. Metro allocates TDA Article 8 funds based on population and disburse them monthly, once each jurisdiction's claim form is received, reviewed and approved.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goals 2 and 4. Per state requirement, the TDA funds are allotted to the municipal and Tier II operators to support the operation of their services countywide. Also, under this project Metro function as the regional transportation planning agency was reviewed. The findings will assist in achieving Metro's Strategic Plan Goals number 2 and 4 by improving mobility, ease of travel and safety.

ALTERNATIVES CONSIDERED

The Board of Directors could adopt findings or conditions other than those developed in consultation with the Hearing Board, with input from the state-required SSTAC (Attachment H) and through the public hearing process. However, this is not recommended because adopting the proposed findings and recommendations made by the SSTAC and adopted by the Hearing Board have been developed through a public hearing process, as described in Attachment E, and in accordance with the TDA statutory requirements.

NEXT STEPS

Upon Caltrans' review and approval of the Board-adopted resolution and documentation of the hearing process, we will receive TDA Article 8 funds to allocate to the recipient local jurisdictions.

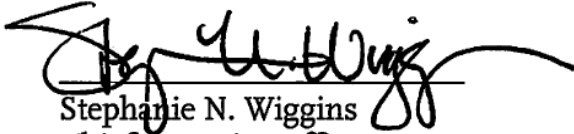
ATTACHMENTS

- A. FY22 Proposed Findings and Recommended Actions
- B. TDA Article 8 Apportionments: Estimates for FY22
- C. FY22 TDA Article 8 Resolution
- D. History of TDA Article 8 and Definitions of Unmet Transit Needs
- E. TDA Article 8 Public Hearing Process
- F. FY22 Comment Summary Sheet - TDA Article 8 Unmet Transit Needs Public Testimony and Written Comments
- G. Summary of Recommendations and Actions Taken
- H. Proposed Recommendations of the FY22 SSTAC

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Stephanie N. Wiggins
Chief Executive Officer



Board Report

File #: 2021-0277, File Type: Budget

Agenda Number: 8.

REVISED
FINANCE, BUDGET, AND AUDIT COMMITTEE
JUNE 16, 2021

SUBJECT: FISCAL YEAR 2021-22 TRANSIT FUND ALLOCATIONS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING \$2.34 billion in FY 2021-22 (FY22) Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations as shown in Attachment A. These allocations comply with federal, state, and local regulations and LACMTA Board approved policies and guidelines.
- B. APPROVING fund exchanges in the estimated amount of \$1,467,453 of Metro's TDA Article 4 allocation with Municipal Operators' shares of Low Carbon Transit Operations Program. Funding will be adjusted based on LCTOP actual allocations.
- C. APPROVING fund exchanges in the estimated amount of \$332,916 of Metro's Prop C 40% allocation with Antelope Valley and Santa Clarita's shares of Low Carbon Transit Operations Program. Funding will be adjusted based on LCTOP actual allocations.
- D. APPROVING Two-year lag funding for \$420,856 to Torrance Transit and Commerce Transit for the transitioned services from Metro as follows:
1. The transfer of Metro Line 256 to City of Commerce Municipal Bus Lines consisting of 56,682 Revenue Miles and corresponding funding in the amount of \$80,496.
 2. The transfer of Metro Line 130 to Torrance Transit consisting of 239,789 Revenue Miles and corresponding funding in the amount of \$346,360.
- E. APPROVING base funding increase from \$6.0 million to \$6.8 million in FY22 for Tier 2 Operators to accommodate local fund exchanges of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) Funding as approved by the LACMTA Board of Directors.
- F. APPROVING the execution of local fund exchanges as appropriate in order to implement the

Board approved CRRSAA allocations.

- G. APPROVING fund exchange of Federal Section 5307 discretionary fund awarded to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit in the amount of \$330,000 with Metro's TDA Article 4 allocation.
- H. APPROVING fund exchanges in the amount totaling \$13.2 million of Metro's Federal Section 5307 share with Municipal Operators' shares of Federal Sections 5337 and 5339.
- I. APPROVING fund exchanges in the amount of \$1,429,026 of Metro's TDA Article 4 allocation with the city of La Mirada's shares of FY2016 Federal Section 5307 discretionary fund.
- J. AUTHORIZING the Chief Executive Officer to adjust FY22 Federal Section 5307 (Urbanized Formula), Section 5339 (Bus and Bus Facilities) and Section 5337 (State of Good Repair) allocations upon receipt of final apportionments from the Federal Transit Authority and amend FY22 budget as necessary to reflect the aforementioned adjustment.
- K. AUTHORIZING a \$1.26 million allocation to LIFE Program Administrators, FAME Assistance Corporation (FAME) and the International Institute of Los Angeles (IILA) to fund the FY22 Taxi Voucher component of the LIFE Program.
- L. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.
- M. ADOPTING a resolution designating Transportation Development Act (TDA) and State Transit Assistance (STA) fund allocations are in compliance with the terms and conditions of the allocations (Attachment B).

ISSUE

Each year, transit operating and capital funds consisting of federal, state, and local revenues are allocated to Metro operations, transit operators, and Los Angeles County local jurisdictions for programs, projects and services according to federal guidelines, state laws, and established funding policies and procedures. The Board of Directors must approve allocations for FY22 prior to fund disbursement.

The Municipal operators are requesting fund exchanges of their Federal Sections 5339 and 5337 allocations with Metro's share of Federal Section 5307 allocation to minimize the impact on administrative processes associated with these funding programs.

The Municipal operators are requesting fund exchanges of their LCTOP allocations with Metro's TDA Article 4 and Prop C 40% funds allocation to minimize the impact on administrative processes associated with these funding programs.

BACKGROUND

The Los Angeles County Metropolitan Transportation Authority (LACMTA), as the Regional Transportation Commission for Los Angeles County, is responsible for planning, programming, and allocating transportation funding to Los Angeles County jurisdictions, transit operators, and Metro Operations. LACMTA Board approval will allow the continued funding of transportation projects, programs, and services in Los Angeles County.

DISCUSSION

In FY21, the Coronavirus Aid, Relief and Economic Security (CARES) Act provided financial relief to transit operators in LA County. The CARES funding was allocated to offset the estimated sales tax revenue losses. To minimize future fiscal disruptions, Metro staff proposed, and all regional operators agreed, to deviate from traditional policy and incorporate the FY20 sales tax revenue losses within FY21 total funds available in lieu of including the FY20 loss in FY22. Actual FY20 sales tax revenues were somewhat better than expected and the difference in forecast versus actual results are reflected as an increase in available FY22 local subsidy funding.

To accommodate the impacts of the COVID-19 pandemic, Bus Operations Sub-Committee (BOS) members, agreed to form a working group to review alternative approaches for FY22 transit fund allocations. In March 2021, the working group agreed to recommend the use of a weighted average of FY19 and FY20 Vehicle Service Miles statistics to allocate State and Local funds. This approach sought to balance the actions of those operators that continued to provide service while not unduly penalizing others. Due to the significant decrease in ridership across the region, the agreed method also recommended that fare revenue and unlinked passengers data to be held constant at FY19 level. For Federal Grant allocations, Metro staff recommended following the FTA apportionment approach and used FY19 data as the allocation basis. The BOS working group has generally concurred with Metro's recommendation with the assumption that this deviation from the FAP allocation guideline does not set a precedent for FY23 or future FAP allocation methodology.

For those bus operators not receiving federal funds directly from Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), Metro staff will work with affected jurisdictions to swap or exchange up to \$8.4 million of Metro's local funds to address administrative efficiencies. This exchange is reflected in the Adopted FY22 Budget.

Transit Fund Allocations

The recommended FY22 Transit Fund Allocations are developed according to federal, state, and local requirements, as well as policies and guidelines previously approved by LACMTA Board. Details of significant information, methodologies and assumptions are described in **Attachment C**.

The Tier 2 Operators Funding Program will receive \$6.8 million of funding from Proposition A 95% of

40% Discretionary growth over inflation. This allocation includes a total of \$842,008 in CRRSAA Funding as approved by the LACMTA Board of Directors, and the CRRSAA funds will be exchanged with local funds.

The Sub-Regional Paratransit operators, Voluntary NTD Reporting agencies, Avalon Ferry, Avalon Transit Services and Hollywood Bowl Shuttle Services will receive \$7,565,663 in CRRSAA funding as approved by the LACMTA Board of Directors, and the CRRSAA funds will be exchanged with local funds.

At its April 2020 meeting, the Bus Operations Subcommittee awarded \$330,000 a year for three years of Federal Section 5307 15% Discretionary fund to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit. Funds will be exchanged with Metro's share of the Transportation Development Act (TDA) fund.

Staff has reviewed the recommended allocations, related methodologies and assumptions with Metro operations, transit operators, Los Angeles County local jurisdictions, Technical Advisory Committee (TAC), Bus Operations Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS). The TAC, BOS and LTSS have all formally adopted the recommended FY22 Transit Fund Allocations.

Low Income Fare is Easy (LIFE) Program Taxi Vouchers

The LIFE program, in addition to the provision of fare subsidies, provides Taxi Vouchers to individuals with short term/immediate need transit services who are otherwise unable to use fixed route transit. Taxi Vouchers and their required reimbursements to Taxi providers are managed by the LIFE program administrators and distributed to the rider, through approved agencies such as hospitals and shelters, to provide trips categorized by mobility or health limitations, urgency, or safety. Funding to accommodate Taxi reimbursements and voucher printing are to be allocated as follows: \$840,000 to FAME, and \$420,000 to IILA.

DETERMINATION OF SAFETY IMPACT

Adoption of this item will provide funding for increased safety efforts.

FINANCIAL IMPACT

The FY22 Transit Fund Allocations are included in the FY22 Budget in multiple cost centers and multiple projects. Approval of these recommendations authorizes LACMTA to disburse these funds to the Los Angeles County jurisdictions and transit operators.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the FY22 Transit Fund Allocations and instruct staff to use an alternative methodology for allocation. This alternative is not recommended as federal, state, and

local requirements, as well as prior LACMTA Board policies and guidelines serve as the basis of the annual allocation of funding to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services.

NEXT STEPS

Upon Board approval of the recommended allocations and adoption of the resolution, we will work with Los Angeles County jurisdictions, transit operators, Southern California Association of Governments (SCAG) and Metro Operations to ensure the proper disbursement of funds.

ATTACHMENTS

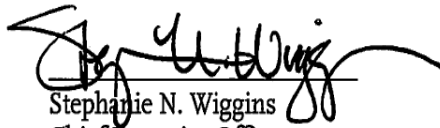
Attachment A - [FY22 Transit Fund Allocations]

Attachment B - [TDA and STA Resolution]

Attachment C - [Summary of Significant Information, Methodologies and Assumptions]

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Stephanie N. Wiggins
Chief Executive Officer



Metro

Los Angeles County Metropolitan Transportation Authority

Fiscal Year 2022

Proposed

TRANSIT FUND ALLOCATIONS

July 1, 2021 – June 30, 2022

June 16, 2021

FY 2022
Proposed
Transit Fund Allocations

Los Angeles County Metropolitan Transportation Authority
FY 2022
Transit Fund Allocation

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Los Angeles County Metropolitan Transportation Authority
FY 2022
Transit Fund Allocation

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Bus Transit Subsidies

STATE AND LOCAL FUNDS

PRELIMINARY REVENUE ESTIMATES

STATE AND LOCAL	FY22 Estimated Revenue	Carryover FY20 Budget vs Actual	Interest FY20 Actual	FY20 Impact on FY21 Estimated Revenue	FY22 Total Funds Available	NOTE	FY21 Total Funds
Transportation Development Act:							
Planning & Administration:							
1 Planning - Metro	\$ 4,325,000				\$ 4,325,000		\$ 3,434,000
2 Planning - SCAG	3,243,750				3,243,750		2,575,500
3 Administration - Metro	3,285,455				3,285,455		3,192,862
4 Sub-total	10,854,205				10,854,205		9,202,362
5 Article 3 Pedestrian & Bikeways 2.0000%	8,432,916	(610,245)	71,035	(894,775)	8,788,481		6,748,715
6 Article 4 Bus Transit 91.3125%	385,015,196	(27,861,501)	3,243,194	(40,892,211)	401,289,100		308,389,840
7 Article 8 Streets & Highways 6.6875%	28,197,683	(2,040,516)	237,525	(2,951,761)	29,346,452		22,297,204
8 Total	432,500,000	(30,512,263)	3,551,754	(44,738,747)	450,278,238		346,638,121
Proposition A:							
9 Administration 5.0000%	43,250,000	(2,421,566)		(4,565,000)	45,393,434		34,467,414
10 Local Return 25.0000%	205,437,500	n/a		n/a	205,437,500	a	184,798,750
11 Rail Development 35.0000%	287,612,500	(16,103,413)		(30,357,250)	301,866,337		229,208,301
Bus Transit: 40.0000%							
12 95% of 40% Capped at CPI 2.0000%	260,743,970	n/a		-	260,743,970	b	255,631,343
13 95% of 40% Over CPI	51,521,030	n/a		(32,959,300)	84,480,330	c	(7,696,543)
14 Sub-total	312,265,000	-		(32,959,300)	345,224,300		247,934,800
15 5% of 40% Incentive	16,435,000	(920,195)		(1,734,700)	17,249,505		13,097,617
16 Total	865,000,000	(19,445,174)		(69,616,250)	915,171,076		709,506,882
Proposition C:							
17 Administration 1.5000%	12,975,000	(726,495)		(1,369,500)	13,618,005		10,340,184
18 Rail/Bus Security 5.0000%	42,601,250	(2,385,327)		(4,496,525)	44,712,448		33,950,270
19 Commuter Rail 10.0000%	85,202,500	(4,770,653)		(8,993,050)	89,424,897		67,900,540
20 Local Return 20.0000%	170,405,000	n/a		n/a	170,405,000	a	153,285,700
21 Freeways and Highways 25.0000%	213,006,250	(11,926,633)		(22,482,625)	223,562,242		169,751,350
22 Discretionary 40.0000%	340,810,000	(19,082,613)		(35,972,200)	357,699,587		271,602,159
23 Total	865,000,000	(38,891,721)		(73,313,900)	899,422,179		706,830,202
State Transit Assistance:							
24 Bus (PUC 99314 Rev Base Share)	30,072,487	(4,491,699)	396,299	(9,090,749)	35,067,836	d	54,336,549
25 Rail (PUC 99313 Population Share)	23,214,902	(4,558,304)	407,472	(8,010,263)	27,074,333		42,173,474
26 Total	53,287,389	(9,050,003)	803,771	(17,101,012)	62,142,169		96,510,023
SB 1 State Transit Assistance:							
27 Bus (PUC 99314 Rev Base Share)	24,516,861	(4,278,906)	328,462	(7,536,073)	28,102,490	d,e	43,885,477
28 Rail (PUC 99313 Population Share)	18,926,153	(4,204,286)	337,722	(6,639,883)	21,699,472	f	34,058,354
29 Total	43,443,014	(8,483,192)	666,184	(14,175,955)	49,801,962		77,943,831
SB 1 State Of Good Repair							
30 Bus (PUC 99314 Rev Base Share)	17,513,101	1,362,526	186,758	3,519,975	15,542,410	e	17,549,382
31 Rail (PUC 99313 Population Share)	13,519,498	774,667	69,902	2,436,083	11,927,983	f	13,752,517
32 Total	31,032,599	2,137,193	256,660	5,956,059	27,470,393		31,301,899

PRELIMINARY REVENUE ESTIMATES (continued)

		A	B	C	D	E=A+B+C-D		
STATE AND LOCAL		FY22 Estimated Revenue	Carryover FY20 Budget vs Actual	Interest FY20 Actual	FY20 Impact on FY21 Estimated Revenue	FY22 Total Funds Available	NOTE	FY21 Total Funds
Measure R:								
33	Administration	1.5000%	12,975,000	(744,268)	1,219,168	(1,369,500)		11,678,398
34	Transit Capital - "New Rail"	35.0000%	298,208,750	(17,105,751)	7,124,284	(31,475,675)		243,070,701
35	Transit Capital - Metrolink	3.0000%	25,560,750	(1,466,207)	(25,426)	(2,697,915)		21,091,356
36	Transit Capital - Metro Rail	2.0000%	17,040,500	(977,471)	(589,797)	(1,798,610)		12,434,317
37	Highway Capital	20.0000%	170,405,000	(9,774,715)	5,368,212	(17,986,100)		143,617,137
38	Operations "New Rail"	5.0000%	42,601,250	(2,443,679)	(315,698)	(4,496,525)		33,681,942
39	Operations Bus	20.0000%	170,405,000	(9,774,715)	(1,080,044)	(17,986,100)		134,999,710
40	Local Return	15.0000%	127,803,750	n/a	n/a	127,803,750	a	114,964,275
41	Total		865,000,000	(42,286,805)	11,700,699	(77,810,425)		715,537,837
Measure M:								
Local Return Supplemental & Administration:								
42	Administration	0.5000%	4,454,750	(269,218)	76,728	(470,195)		3,579,814
43	Supplemental transfer to Local Return	1.0000%	8,520,250	n/a	n/a	n/a	a,g	7,664,285
44	Sub-total		12,975,000	(269,218)	76,728	(470,195)		11,244,099
45	Local Return Base	16.0000%	136,324,000	n/a	n/a	n/a	a,g	122,628,560
46	Metro Rail Operations	5.0000%	42,601,250	(2,574,560)	(319,913)	(4,496,525)		33,445,975
47	Transit Operations (Metro & Municipal Providers)	20.0000%	170,405,000	(10,298,241)	(1,161,356)	(17,986,100)		133,102,471
48	ADA Paratransit/Metro Discounts for Seniors & Students	2.0000%	17,040,500	(1,029,824)	646,252	(1,798,610)		13,910,953
49	Transit Construction	35.0000%	298,208,750	(18,021,921)	9,538,412	(31,475,675)		242,873,021
50	Metro State of Good Repairs	2.0000%	17,040,500	(1,029,824)	131,037	(1,798,610)		13,308,897
51	Highway Construction	17.0000%	144,844,250	(8,753,505)	11,340,346	(15,288,185)		119,229,734
52	Metro Active Transportation Program	2.0000%	17,040,500	(1,029,824)	936,787	(1,798,610)		13,894,681
53	Regional Rail	1.0000%	8,520,250	(514,912)	230,297	(899,305)		6,799,640
54	Total		865,000,000	(43,521,828)	21,418,590	(76,011,815)		710,438,030
55	Total Funds Available		\$ 4,020,263,002	\$ (190,053,793)	\$ 38,397,658	\$ (366,812,046)		\$ 4,235,418,913
Total Planning & Admin Allocations:								
56	(Lines 4, 9, 17, 33 and 42)		\$ 84,508,955	\$ (4,161,547)	\$ 1,295,896	\$ (7,774,195)		\$ 69,268,172

Notes:

- a) Local Return Subfunds do not show carryover balances. These funds are distributed in the same period received.
- b) Consumer price index (CPI) of 2.0% represents the average estimated growth rate based on various forecasting sources and historical trends applied to Prop A discretionary allocated to Included operators.
- c) Proposition A 95% of 40% Bus Transit growth over CPI estimate will be used to fund Eligible and Tier 2 operators. The carryover is not shown since it has been converted into Proposition C 40% discretionary to fund various Board-approved discretionary programs.
- d) STA Revenue estimates (including SB1/STA) from the State Controller's office is reduced by 40% for the revenue base share and population-base share due to anticipated shortfall of FY22 revenue.
- e) In order to be eligible for SB1-SGR funding, eligible agencies must comply with various reporting requirements. SGR revenue estimates from the State Controller's Office is reduced by 10% due to anticipated shortfall of FY22 revenue.
- f) STA and SGR portion of SB1 will be allocated based on Measure R allocation methodology.
- g) Measure M provides for a total of 17% net revenues for Local Return. Supplement of 1% to be funded by 1.5% Administration.

STATE AND LOCAL FUNDS

Operators	Formula Allocation Procedure				Proposition C 5% Security	Proposition C 40% Discretionary	Measure R		Measure M	Senate Bill 1		Total
	TDA Article 4 + Interest	STA + Interest	Proposition A 95% of 40 % Discretionary	Sub-Total FAP			20% Bus Operations	Clean Fuel & Facilities		STA	State of Good Repair	
Included Operators:												
1 Metro Bus Ops	\$ 292,586,483	\$ 25,850,491	\$ 191,788,317	\$ 510,225,291	\$ 32,559,159	\$ 21,658,501	\$ 121,938,313	\$ 6,563,438	\$ 121,522,889	\$ 19,301,796	\$ 10,630,341	\$ 844,399,726
Municipal Operators:												
2 Arcadia	381,841	32,359	240,604	654,804	6,691	104,650	152,640	16,041	152,120	24,162	13,307	1,124,414
3 Claremont	131,820	11,233	83,522	226,575	2,281	28,394	52,987	5,781	52,806	8,387	4,619	381,830
4 Commerce	453,743	36,992	355,549	846,283	39,240	1,201,353	174,495	33,515	173,900	27,621	15,212	2,511,619
5 Culver City	5,844,459	501,143	3,726,205	10,071,807	395,950	1,695,054	2,363,920	141,807	2,355,867	374,188	206,082	17,604,674
6 Foothill Transit	27,320,796	2,344,930	17,435,533	47,101,260	1,037,303	8,449,054	11,061,176	832,564	11,023,493	1,750,890	964,291	82,220,030
7 Gardena	5,833,372	501,120	3,726,033	10,060,524	251,368	2,175,295	2,363,811	124,528	2,355,758	374,171	206,072	17,911,527
8 La Mirada	1,538,492	9,017	67,044	1,614,554	3,760	22,792	42,533	6,483	42,388	6,733	3,708	1,742,951
9 Long Beach	25,321,181	2,183,928	16,238,417	43,743,527	2,000,727	8,776,502	10,301,721	626,034	10,266,624	1,630,675	898,084	78,243,893
10 Montebello	8,888,094	764,095	5,681,362	15,333,551	458,561	3,353,898	3,604,280	186,606	3,592,001	570,527	314,214	27,413,638
11 Norwalk	3,494,787	299,633	2,227,899	6,022,320	122,876	816,374	1,413,389	68,486	1,408,574	223,727	123,216	10,198,963
12 Redondo Beach	822,863	70,084	521,104	1,414,051	31,568	181,340	330,590	33,080	329,464	52,330	28,820	2,401,242
13 Santa Monica	21,750,088	1,870,845	13,910,512	37,531,445	1,078,843	5,564,524	8,824,888	458,528	8,794,823	1,396,905	769,336	64,419,292
14 Torrance	6,921,081	591,965	4,741,868	12,254,914	311,536	3,357,193	2,792,335	141,637	2,782,822	442,003	243,430	22,325,871
15 Sub-Total	108,702,617	9,217,345	68,955,653	186,875,615	5,740,702	35,726,424	43,478,765	2,675,089	43,330,640	6,882,318	3,790,393	328,499,946
Eligible Operators:												
16 Antelope Valley	-	-	5,230,982	5,230,982	198,098	1,755,882	2,843,483	194,078	2,833,796	450,099	247,889	13,754,308
17 LADOT	-	-	23,542,435	23,542,435	1,522,460	5,958,794	5,586,452	378,626	5,567,420	884,288	487,016	43,927,491
18 Santa Clarita	-	-	4,648,683	4,648,683	220,785	1,410,305	2,495,030	188,769	2,486,530	394,942	217,512	12,062,556
19 Foothill BSCP	-	-	5,033,010	5,033,010	-	543,222	1,194,297	-	1,190,229	189,047	104,116	8,253,922
20 Sub-Total	-	-	38,455,110	38,455,110	1,941,343	9,668,203	12,119,263	761,474	12,077,975	1,918,376	1,056,533	77,998,276
Tier 2 Operators:												
21 LADOT Community Dash	-	-	4,790,755	4,790,755	-	-	-	-	-	-	-	4,790,755
22 Glendale	-	-	1,167,585	1,167,585	-	-	-	-	-	-	-	1,167,585
23 Pasadena	-	-	681,062	681,062	-	-	-	-	-	-	-	681,062
24 Burbank	-	-	202,606	202,606	-	-	-	-	-	-	-	202,606
25 Sub-Total	-	-	6,842,008	6,842,008	-	-	-	-	-	-	-	6,842,008
26 Lynwood Trolley	-	-	-	-	-	226,175	-	-	-	-	-	226,175
27 Total Excluding Metro	108,702,617	9,217,345	114,252,771	232,172,733	7,682,044	45,620,803	55,598,028	3,436,562	55,408,615	8,800,694	4,846,926	413,566,406
28 County of Los Angeles											65,143	65,143
29 Grand Total	\$ 401,289,100	\$ 35,067,836	\$ 306,041,088	\$ 742,398,025	\$ 40,241,204	\$ 67,279,303	\$ 177,536,341	\$ 10,000,000	\$ 176,931,503	\$ 28,102,490	\$ 15,542,410	\$ 1,258,031,275

OPERATORS VEHICLE SERVICE MILES

Operators	FY19 VSM	FY20 VSM	1/2 (FY19 + FY20) ⁽¹⁾
1 Metro Bus Ops.	72,792,000	66,279,000	69,535,500
2 Arcadia DR	89,056	69,818	79,437
3 Arcadia MB	165,108	168,894	167,001
4 Claremont	43,100	25,000	34,050
5 Commerce	417,646	345,645	381,646
6 Culver City	1,550,357	1,443,712	1,497,035
7 Foothill	10,058,643	9,884,209	9,971,426
8 Gardena	1,576,361	1,356,446	1,466,404
9 La Mirada	65,827	49,022	57,425
10 Long Beach	7,055,099	6,062,758	6,558,929
11 Montebello	2,228,298	1,826,776	2,027,537
12 Norwalk	998,195	996,249	997,222
13 Redondo Beach DR	60,453	48,456	54,455
14 Redondo Beach MB	365,547	345,302	355,425
15 Santa Monica	4,928,000	4,352,000	4,640,000
16 Torrance	1,696,600	1,497,900	1,597,250
<u>Eligible Operators</u>			
17 Antelope Valley	3,233,545	2,997,783	3,115,664
18 Santa Clarita	2,874,288	2,616,257	2,745,273
19 LADOT Local	1,837,377	1,931,531	1,884,454
20 LADOT Express	1,444,329	1,190,907	1,317,618
21 Foothill - BSCP	1,212,189	1,122,132	1,167,161
22 Total	114,692,018	104,609,797	109,650,908
<u>Tier 2 Operators</u>			
23 LADOT Community Dash	2,617,725	3,019,584	2,818,655
24 Glendale	632,528	634,313	633,421
25 Pasadena	726,888	733,203	730,046
26 Burbank	304,648	287,907	296,278
27 Total	4,281,789	4,675,007	4,478,398

Notes:

(1) Data set used to calculate the FY22 fund distributions.

BUS TRANSIT FUNDING PERCENTAGE SHARES

Operators	Vehicle Service Miles (VSM) (1), (2)	Passenger Revenue ⁽³⁾	Base Fare	Fare Units ⁽³⁾	Fare Units Prior to Fare Increase/decrease	Fare Units Used in FAP ⁽⁴⁾	Sum 50% VSM + 50% Fare Units	Proposition A Base Share	DAR Cap Adjustment ⁽⁵⁾	TDA/STA Share
Included Operators										
1 Metro Bus Ops.(6)	69,535,500	\$ 185,702,000	\$ 1.75	106,115,429	197,161,600	197,161,600	133,348,550	73.7157%	0.0000%	73.7157%
2 Arcadia DR	79,437	5,087	0.50	10,174	72,829	72,829	76,133	0.0421%	0.0000%	0.0421%
3 Arcadia MB	167,001	7,290	0.50	14,580	-	14,580	90,791	0.0502%	0.0000%	0.0502%
4 Claremont	34,050	37,700	2.50	15,080	81,840	81,840	57,945	0.0320%	0.0000%	0.0320%
5 Commerce	381,646	-	-	-	-	-	190,823	0.1055%	0.0000%	0.1055%
6 Culver City	1,497,035	2,722,099	1.00	2,722,099	3,673,208	3,673,208	2,585,121	1.4291%	0.0000%	1.4291%
7 Foothill	9,971,426	13,270,666	1.50	8,847,111	14,221,000	14,221,000	12,096,213	6.6868%	0.0000%	6.6868%
8 Gardena	1,466,404	2,083,161	1.00	2,083,161	3,703,600	3,703,600	2,585,002	1.4290%	0.0000%	1.4290%
9 La Mirada	57,425	35,602	1.00	35,602	-	35,602	46,513	0.0257%	0.0000%	0.0257%
10 Long Beach	6,558,929	13,370,830	1.25	10,696,664	15,972,456	15,972,456	11,265,692	6.2277%	0.0000%	6.2277%
11 Montebello	2,027,537	3,675,867	1.10	3,341,697	5,855,556	5,855,556	3,941,547	2.1789%	0.0000%	2.1789%
12 Norwalk	997,222	1,179,834	1.25	943,867	2,094,068	2,094,068	1,545,645	0.8544%	0.0000%	0.8544%
13 Redondo Beach DR	54,455	12,084	1.00	12,084	-	12,084	33,269	0.0184%	0.0000%	0.0184%
14 Redondo Beach MB	355,425	301,087	1.00	301,087	-	301,087	328,256	0.1815%	0.0000%	0.1815%
15 Santa Monica	4,640,000	11,315,000	1.25	9,052,000	14,661,333	14,661,333	9,650,667	5.3349%	0.0000%	5.3349%
16 Torrance	1,597,250	2,054,200	1.00	2,054,200	4,510,000	4,510,000	3,053,625	1.6881%	0.0000%	1.6881%
17 Sub-Total	99,420,739	235,772,507		146,244,835		262,370,843	180,895,791	100.0000%	0.0000%	100.0000%
Eligible Operators										
18 Antelope Valley	3,115,664	4,689,668	1.50	3,126,445	3,543,241	3,543,241	3,329,453	1.7190%	0.0000%	1.7190%
19 Santa Clarita	2,745,273	3,097,621	1.00	3,097,621	-	3,097,621	2,921,447	1.5083%	0.0000%	1.5083%
20 LADOT Local	1,884,454	2,802,798	0.50	5,605,596	6,727,520	6,727,520	4,305,987	2.2232%	0.0000%	2.2232%
21 LADOT Express	1,317,618	3,294,488	1.50	2,196,325	3,152,832	3,152,832	2,235,225	1.1540%	0.0000%	1.1540%
22 Foothill - BSCP	1,167,161	1,486,549	1.50	991,033	1,650,000	1,650,000	1,408,580	0.7220%	0.0000%	0.7220%
23 Sub-Total	10,230,169	15,371,124		15,017,020		18,171,214	14,200,692	7.3265%	0.0000%	7.3265%
24 Total	109,650,908	251,143,631		161,261,855		280,542,057	195,096,482			

Notes:

(1) Based on FAP formula, the FY22 fund distribution must be formulated on FY20 Vehicle Service Miles (VSM) statistics. This year, because of the unprecedented nature of the pandemic, a 50/50 weighted average of FY19 and FY20 VSM data is used for State and Local fund allocations.

(2) Operators' statistics exclude BSIP, TSE, Base Restructuring and MOSIP services that are funded from PC 40% Discretionary. Also excluded are services funded from other sources (CRD, federal, etc.)

(3) In FY22, Fare units are held constant at FY19 level.

(4) Fare units used are frozen to the level prior to fare change in accordance with the Funding Stability Policy, adopted by the Board in November 2007.

(5) TDA cap of 0.25% is applied for DAR operators - Arcadia, Claremont, La Mirada and Redondo Beach DR.

(6) MTA Statistics include contracted services with LADOT for Lines 422, 601 and 602 (Consent Decree Lines), Glendale and Palos Verdes Peninsula Transit Authority (PVPTA).

INCLUDED & ELIGIBLE OPERATORS ESTIMATED FUNDING LEVELS

Operators	TDA & STA % Shares	TDA Article 4 plus interest			STA Rev Base Share Plus Interest	Prop A Discretionary % Shares	Prop A Discretionary Allocations ⁽²⁾	Total Formula Funds	Two Year Lag Funding ⁽³⁾
		Allocated	Fund Exchange ⁽¹⁾	Net					
Included Operators									
1 Metro Bus Ops	73.7157%	\$ 295,812,962	\$ (3,226,479)	\$ 292,586,483	\$ 25,850,491	73.7157%	\$ 191,788,317	\$ 510,225,291	\$ (420,856)
2 Arcadia DR	0.0421%	168,889		168,889	14,759	0.0421%	109,738	293,387	
3 Arcadia MB	0.0502%	201,405	11,547	212,952	17,600	0.0502%	130,866	361,418	
4 Claremont	0.0320%	128,542	3,278	131,820	11,233	0.0320%	83,522	226,575	
5 Commerce	0.1055%	423,311	30,432	453,743	36,992	0.1055%	355,549	846,283	80,496
6 Culver City	1.4291%	5,734,688	109,771	5,844,459	501,143	1.4291%	3,726,205	10,071,807	
7 Foothill Transit	6.6868%	26,833,562	487,234	27,320,796	2,344,930	6.6868%	17,435,533	47,101,260	
8 Gardena	1.4290%	5,734,423	98,949	5,833,372	501,120	1.4290%	3,726,033	10,060,524	
9 La Mirada	0.0257%	103,182	1,435,310	1,538,492	9,017	0.0257%	67,044	1,614,554	
10 Long Beach ⁽⁴⁾	6.2277%	24,991,181	330,000	25,321,181	2,183,928	6.2277%	16,238,417	43,743,527	
11 Montebello	2.1789%	8,743,706	144,388	8,888,094	764,095	2.1789%	5,681,362	15,333,551	
12 Norwalk	0.8544%	3,428,772	66,015	3,494,787	299,633	0.8544%	2,227,899	6,022,320	
13 Redondo Beach DR	0.0184%	73,803		73,803	6,449	0.0184%	47,954	128,207	
14 Redondo Beach MB	0.1815%	728,184	20,876	749,060	63,635	0.1815%	473,149	1,285,844	
15 Santa Monica	5.3349%	21,408,499	341,589	21,750,088	1,870,845	5.3349%	13,910,512	37,531,445	
16 Torrance	1.6881%	6,773,991	147,090	6,921,081	591,965	1.6881%	4,741,868	12,254,914	340,360
17 Sub-Total	100.0000%	401,289,100	-	401,289,100	35,067,836	100.0000%	260,743,970	697,100,906	
Eligible Operators									
Formula Equivalent Funded from Proposition A 95% of 40% Growth over CPI ⁽⁵⁾									
18 Antelope Valley ⁽⁶⁾	1.7190%	-	146,042	146,042	602,808	1.7190%	4,482,132	\$ 5,230,982	
19 Santa Clarita ⁽⁶⁾	1.5083%	-	186,874	186,874	528,938	1.5083%	3,932,871	4,648,683	
20 LADOT Local	2.2232%	8,921,288		8,921,288	779,613	2.2232%	5,796,749	15,497,651	
21 LADOT Express	1.1540%	4,631,014		4,631,014	404,695	1.1540%	3,009,075	8,044,784	
22 Foothill - BSCP	0.7220%	2,897,274		2,897,274	253,187	0.7220%	1,882,550	5,033,010	
23 Sub-Total	7.3265%	16,449,576	332,916	16,782,492	2,569,241	7.3265%	19,103,377	38,455,110	
24 Total FAP		\$ 401,289,100		\$ 401,289,100	\$ 35,067,836	107.3265%	\$ 260,743,970	\$ 735,556,016	\$ 0
Proposition A Discretionary (95% of 40%) Growth Over CPI:									
25 Revenue								\$ 84,480,330	
Uses of Fund:									
26 Eligible Operators - Formula Equivalent Funds								38,455,110	
27 Tier 2 Operators ⁽⁷⁾								6,842,008	
28 Total Uses of Funds								45,297,118	
29 Proposition A Discretionary (95% of 40%) GOI Surplus (Shortfall)								39,183,212	
30 Backfill from (Transfer to) PC40% Discretionary								(39,183,212)	
								\$ -	

Notes:

- (1) Operators' share of LCTOP funds and the city of La Mirada's share of FY16 federal section 5307 funds in the amount of \$1,429,026 will be exchanged with Metro's TDA Article 4 allocation.
- (2) Prop A Discretionary funds (95% of 40%) allocated to Included Operators have been capped at 2.0% CPI for FAP allocation.
- (3) The Two-Year Lag Column is for information only. THESE AMOUNTS ARE ALREADY INCLUDED IN PROP A DISCRETIONARY Allocations.
- (4) Funds allocated to the SCRTPC through Long Beach Transit will be exchanged with Metro's TDA share.
- (5) Formula Equivalent funds are allocated by formula to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40% Discretionary funds. Fund source is Prop A 95% of 40% growth over CPI.
- (6) Antelope Valley and Santa Clarita's LCTOP fund will be exchanged with Metro's Prop C 40% Discretionary transfer to Proposition A Discretionary GOI.
- (7) Included \$842,000 in CRRSAA funding. CRRSAA funds will be exchanged with local funds.

PROPOSITION C 5% TRANSIT SECURITY FUNDING ALLOCATION

	Operators	FY19 Unlinked Passengers	Percent of Total Unlinked Passengers	Total ⁽¹⁾
1	Antelope Valley	2,301,868	0.4923%	\$ 198,098
2	Arcadia	77,743	0.0166%	6,691
3	Claremont	26,500	0.0057%	2,281
4	Commerce	455,961	0.0975%	39,240
5	Culver City	4,600,876	0.9839%	395,950
6	Foothill	12,053,307	2.5777%	1,037,303
7	Gardena	2,920,856	0.6247%	251,368
8	LADOT Local/Express	17,690,763	3.7833%	1,522,460
9	La Mirada	43,686	0.0093%	3,760
10	Long Beach	23,248,158	4.9718%	2,000,727
11	Montebello	5,328,407	1.1395%	458,561
12	Norwalk	1,427,804	0.3053%	122,876
13	Redondo Beach DR/MB	366,810	0.0784%	31,568
14	Santa Clarita	2,565,484	0.5487%	220,785
15	Santa Monica	12,536,000	2.6809%	1,078,843
16	Torrance	3,620,000	0.7742%	311,536
17	Sub-Total	89,264,223	19.0900%	7,682,044
18	Metro Bus/Rail Ops ⁽²⁾	378,332,642	80.9100%	32,559,159
19	Total	467,596,865	100.0000%	\$ 40,241,204

Notes:

(1) Total funding is 90% of Prop C 5% Transit Security:

Estimated Revenue: \$	44,712,448
90% Thereof: \$	40,241,204

(2) Metro operations data includes unlinked passengers for bus and rail.

PROPOSITION C 40% DISCRETIONARY PROGRAMS

Operators	MOSIP			Zero-fare Compensation (1)	Foothill Transit Mitigation (2)	Transit Service Expansion	Discretionary Base Restructuring	BSIP Overcrowding Relief	Total
	Prop A % Share	% Share	\$ Allocation						
INCLUDED OPERATORS									
1	Metro Bus Ops		\$ -	\$ -	\$ 9,546,943	\$ -	\$ -	\$ 12,111,558	\$ 21,658,501
2	Arcadia	0.0923%	0.2745%	69,428	-	12,367	-	22,854	104,650
3	Claremont	0.0320%	0.0953%	24,101	-	4,293	-	-	28,394
4	Commerce	0.1055%	0.3139%	79,368	846,283	14,138	-	261,563	1,201,353
5	Culver City	1.4291%	4.2518%	1,075,221	-	191,533	252,119	-	1,695,054
6	Foothill	6.6868%	19.8949%	5,031,137	-	-	348,954	2,094,037	8,449,054
7	Gardena	1.4290%	4.2516%	1,075,171	-	191,524	724,681	-	2,175,295
8	La Mirada	0.0257%	0.0765%	19,346	-	3,446	-	-	22,792
9	Long Beach	6.2277%	18.5289%	4,685,701	-	834,681	2,392,524	-	8,776,502
10	Montebello	2.1789%	6.4827%	1,639,394	-	292,031	-	1,194,511	3,353,898
11	Norwalk	0.8544%	2.5422%	642,875	-	114,518	-	-	816,374
12	Redondo Beach DR/MB	0.1999%	0.5946%	150,368	-	26,786	-	-	181,340
13	Santa Monica	5.3349%	15.8727%	4,013,969	-	715,023	-	-	5,564,524
14	Torrance	1.6881%	5.0224%	1,270,084	-	226,245	848,523	760,068	3,357,193
15	Sub-Total	26.2843%	78.2020%	19,776,164	846,283	2,626,584	4,566,801	4,310,178	35,726,424
ELIGIBLE OPERATORS									
16	Antelope Valley	1.7190%	5.1144%	1,293,348	-	17,257	395,127	-	1,755,882
17	Santa Clarita	1.5083%	4.4876%	1,134,856	-	15,143	206,663	-	1,410,305
18	LADOT Local/Express	3.3772%	10.0479%	2,540,978	-	421,883	2,838,694	-	5,958,794
19	Foothill BSCP	0.7220%	2.1481%	543,222	-	-	-	-	543,222
20	Sub-Total	7.3265%	21.7980%	5,512,404	-	454,283	3,440,484	-	9,668,203
21	City of Lynwood Trolley						226,175	-	226,175
22	Total Municipal Operators	33.6108%	100.0000%	25,288,568	846,283	3,080,867	8,233,460	4,310,178	45,620,803
23	Total	33.6108%	100.0000%	\$ 25,288,568	\$ 846,283	\$ 12,627,810	\$ 8,233,460	\$ 4,310,178	\$ 15,973,003

Last Year	\$ 24,792,714	\$ 8,072,020	\$ 4,225,665	\$ 15,659,807
% Increase	2.00%	2.00%	2.00%	2.00%
Current Year	\$ 25,288,568	\$ 8,233,460	\$ 4,310,178	\$ 15,973,003

Note:

(1) Allocated as part of FAP to Commerce as compensation for having zero passenger revenues.

(2) Antelope Valley and Santa Clarita's LCTOP fund will be exchanged with Metro's "Foothill Mitigation" Fund. Metro will allocate Prop A Discretionary (95% of 40%) GOI fund to Antelope Valley and Santa Clarita.

MEASURE R 20% BUS OPERATIONS AND CAPITAL ALLOCATIONS

Operators	20% Bus Operations			Clean Fuel Bus Capital Facilities and Rolling Stock Fund (1)	
	Proposition A Base Share %	MR Percentage Share	Bus Operations Allocation	Federal Section 5307 Capital Allocation Formula Share (2)	\$ Allocation
<u>Included Operators:</u>					
1 Metro Bus Ops	73.7157%	68.6836%	\$ 121,938,313	65.6344%	\$ 6,563,438
2 Arcadia	0.0923%	0.0860%	152,640	0.1604%	16,041
3 Claremont	0.0320%	0.0298%	52,987	0.0578%	5,781
4 Commerce	0.1055%	0.0983%	174,495	0.3351%	33,515
5 Culver City	1.4291%	1.3315%	2,363,920	1.4181%	141,807
6 Foothill	6.6868%	6.2304%	11,061,176	8.3256%	832,564
7 Gardena	1.4290%	1.3315%	2,363,811	1.2453%	124,528
8 La Mirada	0.0257%	0.0240%	42,533	0.0648%	6,483
9 Long Beach	6.2277%	5.8026%	10,301,721	6.2603%	626,034
10 Montebello	2.1789%	2.0302%	3,604,280	1.8661%	186,606
11 Norwalk	0.8544%	0.7961%	1,413,389	0.6849%	68,486
12 Redondo Beach DR	0.0184%	0.0171%	30,422	0.3308%	33,080
13 Redondo Beach MB	0.1815%	0.1691%	300,168		
14 Santa Monica	5.3349%	4.9708%	8,824,888	4.5853%	458,528
15 Torrance	1.6881%	1.5728%	2,792,335	1.4164%	141,637
<u>Eligible Operators:</u>					
16 Antelope Valley	1.7190%	1.6016%	2,843,483	1.9408%	194,078
17 Santa Clarita	1.5083%	1.4054%	2,495,030	1.8877%	188,769
18 LADOT Local	2.2232%	2.0714%	3,677,482	3.7863%	378,626
19 LADOT Express	1.1540%	1.0753%	1,908,970		
20 Foothill BSCP	0.7220%	0.6727%	1,194,297		
21					
22 Total Municipal Operators	33.6108%	31.3164%	55,598,028	34.3656%	3,436,562
23 Total Funds Allocated	107.3265%	100.0000%	\$ 177,536,341	100.0000%	\$ 10,000,000

Notes:

(1) Clean Fuel Capital Facilities and Rolling Stock Funds of \$10M will be allocated every even fiscal year.

(2) Allocated based on FY19 data.

MEASURE M 20% TRANSIT OPERATIONS

(Metro and Municipal Providers)

Operators		Measure M Percentage Share ⁽¹⁾	\$ Allocation
<u>Included Operators:</u>			
1	Metro Bus Ops	68.6836%	\$ 121,522,889
2	Arcadia	0.0860%	152,120
3	Claremont	0.0298%	52,806
4	Commerce	0.0983%	173,900
5	Culver City	1.3315%	2,355,867
6	Foothill	6.2304%	11,023,493
7	Gardena	1.3315%	2,355,758
8	La Mirada	0.0240%	42,388
9	Long Beach	5.8026%	10,266,624
10	Montebello	2.0302%	3,592,001
11	Norwalk	0.7961%	1,408,574
12	Redondo Beach DR	0.0171%	30,319
13	Redondo Beach MB	0.1691%	299,145
14	Santa Monica	4.9708%	8,794,823
15	Torrance	1.5728%	2,782,822
<u>Eligible Operators:</u>			
16	Antelope Valley	1.6016%	2,833,796
17	Santa Clarita	1.4054%	2,486,530
18	LADOT Local	2.0714%	3,664,953
19	LADOT Express	1.0753%	1,902,466
20	Foothill BSCP	0.6727%	1,190,229
21	Total Municipal Operators	31.3164%	55,408,615
22	Total Funds Allocated	100.0000%	\$ 176,931,503

Notes:

(1) Metro follows Measure R allocation methodology for Measure M 20% Transit Operations.

Senate Bill 1 - Road Repair and Accountability Act of 2017

	Operators	Measure R %Share ⁽¹⁾	SB1 - STA Allocation	SB1 - SGR Allocation ⁽²⁾	Total
	<u>Included Operators:</u>				
1	Metro Bus Ops	68.6836%	\$ 19,301,796	\$ 10,630,341	\$ 29,932,136
2	Arcadia	0.0860%	24,162	13,307	37,469
3	Claremont	0.0298%	8,387	4,619	13,007
4	Commerce	0.0983%	27,621	15,212	42,833
5	Culver City	1.3315%	374,188	206,082	580,270
6	Foothill	6.2304%	1,750,890	964,291	2,715,181
7	Gardena	1.3315%	374,171	206,072	580,243
8	La Mirada	0.0240%	6,733	3,708	10,441
9	Long Beach	5.8026%	1,630,675	898,084	2,528,758
10	Montebello	2.0302%	570,527	314,214	884,741
11	Norwalk	0.7961%	223,727	123,216	346,944
12	Redondo Beach DR	0.0171%	4,816	2,652	7,468
13	Redondo Beach MB	0.1691%	47,514	26,168	73,682
14	Santa Monica	4.9708%	1,396,905	769,336	2,166,241
15	Torrance	1.5728%	442,003	243,430	685,433
	<u>Eligible Operators:</u>				
16	Antelope Valley	1.6016%	450,099	247,889	697,988
17	Santa Clarita	1.4054%	394,942	217,512	612,454
18	LADOT Local	2.0714%	582,114	320,596	902,710
19	LADOT Express	1.0753%	302,174	166,420	468,594
20	Foothill BSCP	0.6727%	189,047	104,116	293,164
21	Total Municipal Operators	31.3164%	8,800,694	4,846,926	13,647,620
22	County of Los Angeles		-	65,143	65,143
23	Total Funds Allocated	100.0000%	\$ 28,102,490	\$ 15,542,410	\$ 43,644,899

Notes:

(1) STA and SGR portion of SB1 will be allocated based on Measure R allocation methodology.

(2) Preliminary estimates. Subject to the submittal of eligible projects.

LOW CARBONTRANSIT OPERATIONS PROGRAM
Eligible Allocation Fiscal Year 2020 - 2021

	Operators	LCTOP Share ⁽¹⁾	TDA Fund Exchange ⁽²⁾	Prop A GOI / Prop C 40% Fund Exchange ⁽³⁾	Net Funds Available ⁽¹⁾
1	Metro Bus Ops.		\$ 1,467,453	\$ 332,916	\$ 1,800,369
2	Antelope Valley	\$ 146,042		(146,042)	-
3	Arcadia	11,547	(11,547)		-
4	Claremont	3,278	(3,278)		-
5	Commerce	30,432	(30,432)		-
6	Culver City	109,771	(109,771)		-
7	Foothill Transit	487,234	(487,234)		-
8	Gardena	98,949	(98,949)		-
9	La Mirada	6,284	(6,284)		-
10	Montebello	144,388	(144,388)		-
11	Norwalk	66,015	(66,015)		-
12	Redondo Beach	20,876	(20,876)		-
13	Santa Clarita	186,874		(186,874)	-
14	Santa Monica	341,589	(341,589)		-
15	Torrance	147,090	(147,090)		-
16	TOTAL	\$ 1,800,369	\$ -	\$ -	\$ 1,800,369

Note:

(1) Estimated - To be adjusted based on actual allocations.

(2) Included Operators' share of LCTOP fund will be exchanged with Metro's TDA Article 4 allocation.

(3) Antelope Valley and Santa Clarita's LCTOP fund will be exchanged with Metro's "Foothill Mitigation Fund" share. Metro will allocate Proposition A Discretionary (95% of 40%) GOI fund to Antelope Valley and Santa Clarita.

TIER 2 OPERATORS ESTIMATED FUNDING LEVELS

Operators	Vehicle Service Miles (1)	Passenger Revenue (2)	Base Fare	Fare Units (3)	50% VSM + 50% Fare Units	% Share	
1 LADOT Community Dash	2,818,655	\$ 3,413,087	\$ 0.50	16,808,232	9,813,443	4.7319%	
2 Glendale	633,421	875,056	1.00	2,187,836	1,410,628	0.6802%	
3 Pasadena	730,046	687,525	0.75	916,700	823,373	0.3970%	
4 Burbank	296,278	189,786	1.00	189,786	243,032	0.1172%	
5 Sub-Total	4,478,398	5,165,454		20,102,554	12,290,476	5.9263%	
6 Included and Eligible Oper	109,650,908	251,143,631		161,261,855	195,096,482	94.0737%	
7 Total	114,129,306	\$256,309,085		181,364,409	207,386,958	100.0000%	
				STA Revenue			
		% Share		TDA Article 4 + Interest	Base Share + Interest	Proposition A Discretionary	Total
8 Funds Allocated to Included Operators				\$ 401,289,100	\$ 35,067,836	\$ 260,743,970	\$ 697,100,906
<u>Formula Equivalent Calculation</u>							
9 LADOT Community Dash		4.7319%	\$ 18,988,792	\$ 1,659,392	\$ 12,338,269	\$ 32,986,453	
10 Glendale		0.6802%	2,729,534	238,528	1,773,558	4,741,620	
11 Pasadena		0.3970%	1,593,208	139,227	1,035,212	2,767,647	
12 Burbank		0.1172%	470,261	41,095	305,560	816,916	
13 Total		5.9263%	\$ 23,781,795	\$ 2,078,243	\$ 15,452,599	\$ 41,312,636	
Funds Allocated to Tier 2 Operators		14.52% (4)					
					MTA Allocations	CRRSAA Fund Allocations	FY22 Total Funds Available (5)
<u>Actual Allocation</u>							
14 LADOT Community Dash ⁽⁶⁾			\$ 2,757,818	\$ 241,000	\$ 1,791,936	\$ 4,790,755	n/a
15 Glendale			396,421	34,642	257,581	688,645	478,940
16 Pasadena			231,388	20,221	150,348	401,956	279,106
17 Burbank			68,298	5,968	44,378	118,644	83,962
18 Total			\$ 3,453,926	\$ 301,832	\$ 2,244,243	\$ 6,000,000	\$ 842,008

	Prop A Incentive Allocation: (Estimated - to be Adjusted to Actual apportionment)	Before Tier 2 GOI Allocation	GOI Allocation Deduction	Net Prop A Incentive Allocation
19 LADOT Community Dash		\$ 1,318,365	\$ (191,471)	\$ 1,126,893
20 Glendale		335,965	(48,794)	287,171
21 Pasadena		337,284	(48,985)	288,299
22 Burbank		133,444	(19,381)	114,063
23 Total		\$ 2,125,058	\$ (308,631)	\$ 1,816,427

Notes:

- (1) A 50/50 weighted average of FY19 and FY20 Vehicle Service Miles data is used for FY22 State and Local fund allocations.
- (2) Fare Unit are held constant at FY19 FAP level.
- (3) Funding Stability Policy is applied on LADOT and Glendale Fare Units.
- (4) This percentage is applied as a deduction from Tier 2 Operators' Incentive Program allocations.
- (5) Includes \$842,000 in CRRSAA funds. CRRSAA funds will be exchanged with local funds.
- (6) LADOT will receive their CRRSAA allocation of \$3,298,819 for Community Dash directly from FTA.

LOCAL SUBSIDIES

PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS

(In Order of Priority)

PRIORITY I: EXISTING SUB-REGIONAL PARATRANSIT PROJECTS		CRRSAA Allocations ⁽¹⁾	MTA Allocation	FY 22 Total Funds Available
1	Agoura Hills	\$ 43,924	\$ 66,450	\$ 110,374
2	Antelope Valley, Elderly & Disabled	221,952	337,251	559,203
3	Beverly Hills Taxi & Lift Van	2,485	-	2,485
4	Culver City Community Transit and LA County	39,978	58,867	98,845
5	Gardena, Hawthorne and LA County	127,508	194,807	322,315
6	Glendale Paratransit and La Canada Flintridge	175,840	269,419	445,259
7	Inglewood Transit and LA County	138,686	216,411	355,097
8	LA County (Whittier et al)	138,535	209,817	348,353
9	LA County (Willowbrook)	28,356	43,386	71,743
10	Los Angeles Taxi & Lift Van, City Ride ⁽¹⁾	265,533	415,976	681,510
11	Los Angeles Dial-a-Ride, City Ride ⁽¹⁾	724,129	1,109,084	1,833,213
12	Monrovia D.A.R. and LA County	70,766	103,558	174,324
13	Palos Verdes PTA D.A.R.	27,724	42,394	70,118
14	Palos Verdes PTA - PV Transit	261,416	397,850	659,266
15	Pasadena Community Transit, San Marino and LA County	312,533	478,805	791,338
16	Pomona Valley TA - E&D (Get About)	524,695	803,438	1,328,133
17	Pomona Valley TA General Public (VC)	49,855	74,883	124,738
18	Santa Clarita D.A.R.	606,080	959,631	1,565,711
19	West Hollywood (DAR)	170,069	259,246	429,314
20	West Hollywood (Taxi)	9,167	-	9,167
21	Whittier (DAR)	190,192	291,382	481,574
22	Redondo Beach Community Transit and Hermosa Beach ⁽²⁾	2,704	-	2,704
23	TOTAL EXISTING SUB-REGIONAL PARATRANSIT PROJECTS	\$ 4,132,127	\$ 6,332,655	\$ 10,464,782
PRIORITY II: SERVICES THAT RECEIVE GROWTH OVER INFLATION				
24	City of L.A. - Bus Service Continuation Project/DASH/Central City Shuttle	\$ -	\$ -	\$ -
25	Santa Clarita - Local Fixed Route	-	-	-
26	Antelope Valley - Local Fixed Route	-	-	-
27	Foothill - Bus Service Continuation Project	-	-	-
28	TOTAL SERVICES THAT RECEIVE GROWTH OVER INFLATION	\$ -	\$ -	\$ -
29	PRIORITY III: APPROVED EXISTING EXPANDED PARATRANSIT	\$ -	\$ -	\$ -
30	PRIORITY IV: APPROVED NEW EXPANDED PARATRANSIT SERVICES	\$ -	\$ -	\$ -

PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS

(In Order of Priority)

Priority V: VOLUNTARY NTD DATA REPORTING (Estimated - to be Adjusted to Actual apportionment) FY19 NTD Report Year		Estimate	Tier 2 Deduction ⁽³⁾	CRRSAA Allocations ⁽¹⁾	MTA Allocation	FY 22 Total Funds Available
31	City of Alhambra (MB and DR)	\$ 117,855		\$ 77,146	\$ 117,855	\$ 195,000
32	City of Artesia (DR)	5,416		3,574	5,416	8,990
33	City of Azusa (DR)	40,761		26,792	40,761	67,553
34	City of Baldwin Park (MB and DR)	102,409		65,991	102,409	168,400
35	City of Bell (MB/DR)	24,232		15,889	24,232	40,122
36	City of Bell Gardens (MB and DR)	64,250		42,177	64,250	106,428
37	City of Bellflower (MB and DR)	41,472		27,429	41,472	68,901
38	City of Burbank (MB)*	133,444	19,381	75,421	114,740	190,161
39	City of Calabasas (MB and DR)	53,535		36,680	53,535	90,215
40	City of Carson (MB and DT)	190,852		125,200	190,852	316,052
41	City of Cerritos (MB)	104,000		68,089	104,000	172,090
42	City of Compton (MB)	56,550		37,048	56,550	93,598
43	City of Covina (DR)	26,765		17,438	26,765	44,203
44	City of Cudahy (MB and DR)	24,345		15,794	24,345	40,138
45	City of Downey (MB and DR)	87,898		57,208	87,898	145,106
46	City of Duarte (MB)	26,024		17,940	26,024	43,963
47	City of El Monte (MB and DR)	130,497		86,682	130,497	217,179
48	City of Glendora (MB and DR)	79,024		52,810	79,024	131,834
49	City of Glendale (MB)*	335,965	48,794	189,094	288,875	477,969
50	City of Huntington Park (MB)	109,324		61,507	109,324	170,831
51	City of Los Angeles -- Community DASH* (MB) (1)	1,318,365	191,471	734,012	1,133,577	1,867,589
52	City of Los Angeles -- Department of Aging (DR) (1)	171,081		113,289	171,081	284,370
53	LA County Dept. of Public Works -- Avocado Heights (MB)	17,009		11,155	17,009	28,164
54	LA County Dept. of Public Works -- East Valinda (MB)	19,155		12,553	19,155	31,708
55	LA County Dept. of Public Works -- East LA (MB and DR)	138,679		91,280	138,679	229,959
56	LA County Dept. of Public Works -- Willowbrook (MB)	36,015		23,433	36,015	59,448
57	LA County Dept. of Public Works -- King Medical (MB)	15,381		10,062	15,381	25,443
58	LA County Dept. of Public Works -- Athens (MB)	15,989		10,505	15,989	26,494
59	LA County Dept. of Public Works -- Lennox (MB)	12,428		8,230	12,428	20,658
60	LA County Dept. of Public Works -- South Whittier (MB)	88,434		58,266	88,434	146,700
61	LA County Dept. of Public Works -- Florance/Firestone (MB)	24,480		13,772	24,480	38,252
62	City of Lakewood (DR)	31,729		17,851	31,729	49,581
63	City of Lawndale (MB)	34,170		22,357	34,170	56,527
64	City of Lynwood (MB)	59,293		38,805	59,293	98,097
65	City of Malibu (DT)	3,654		4,222	3,654	7,876
66	City of Manhattan Beach (DR)	21,753		13,961	21,753	35,713
67	City of Maywood (DR)	24,995		16,328	24,995	41,323
68	City of Monterey Park (MB and DR)	105,444		69,425	105,444	174,869
69	City of Pasadena (MB)*	337,284	48,985	188,082	290,009	478,091
70	City of Pico Rivera (DR)	8,939		5,909	8,939	14,848
71	City of Rosemead (MB and DR)	76,565		50,154	76,565	126,719
72	City of Santa fe Springs (DR)	9,217		5,719	9,217	14,936
73	City of South Gate (DT and MB)	153,141		100,832	153,141	253,973
74	City of South Pasadena (DR)	15,457		10,154	15,457	25,611
75	City of West Covina (MB and DR)	98,678		64,915	98,678	163,593
76	City of West Hollywood (MB)	50,448		32,600	50,448	83,048
77	TOTAL VOLUNTARY NTD DATA REPORTING	\$ 4,642,399	\$ 308,631	\$ 2,827,781	\$ 4,344,541	\$ 7,172,322

PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS

(In Order of Priority)

PRIORITY VI: SPECIAL DEMONSTRATION PROJECTS		CRRSAA Allocations ⁽¹⁾	MTA Allocation	FY 22 Total Funds Available
78	Avalon Ferry Subsidy	\$ 296,512	\$ 700,000	\$ 996,512
79	Avalon Transit Services (Jitney and Dial-a-Ride)	68,366	300,000	368,366
80	Hollywood Bowl Shuttle Service	240,877	1,057,000	1,297,877
81	TOTAL SPECIAL DEMONSTRATION PROJECTS	\$ 605,755	\$ 2,057,000	\$ 2,662,755
82	Total funds	\$ 7,565,663	\$ 12,734,196	\$ 20,299,859
83	Reserves for contingencies (4)	-	4,515,309	4,515,309
84	TOTAL ESTIMATED REVENUE	\$ 7,565,663	\$ 17,249,505	\$ 24,815,168
85	Surplus (Deficit)		\$ -	

NOTES:

- (1) Operators' CRRSAA funds will be exchanged with local funds. City of Los Angeles CRRSAA funding, \$1,836,964, will be received directly from FTA.
- (2) Redondo Beach Community Transit and Hermosa Beach Dial-A-Ride are now included in FAP allocation.
- (3) Tier 2 Operators' share have been reduced by % of GOI Funding per Tier 2 Operators Funding Program.
- (4) These funds are held in reserve for future contingency purposes such as deficit years, growth over inflation, approved new or existing expanded paratransit services, and new NTD reporters.

PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8

LOCAL JURISDICTION	Population DOF Report 2020 data ⁽¹⁾	Population as % of County	Proposition A Local Return Estimate ⁽²⁾	Proposition C Local Return Estimate ⁽²⁾	Measure R Local Return Estimate ⁽²⁾	Measure M Local Return Estimate	TDA Article 3 Ped & Bike (A)	TDA Article 8 (S & H)		Total
								Population	Article 8 Allocation	
1 AGOURA HILLS	20,566	0.2022%	\$ 415,320	\$ 344,497	\$ 258,373	\$ 292,822	\$ 15,074		\$ -	\$ 1,326,086
2 ALHAMBRA	86,792	0.8532%	1,752,720	1,453,835	1,090,376	1,235,760	63,572			5,596,262
3 ARCADIA	57,212	0.5624%	1,155,367	958,346	718,760	814,594	41,910			3,688,978
4 ARTESIA	16,490	0.1621%	333,007	276,221	207,165	234,787	12,089			1,063,270
5 AVALON	3,929	0.0386%	79,344	65,814	49,360	55,942	5,000	3,929	169,483	424,943
6 AZUSA	49,658	0.4881%	1,002,818	831,811	623,858	707,039	36,378			3,201,904
7 BALDWIN PARK	76,252	0.7496%	1,539,870	1,277,281	957,961	1,085,689	55,853			4,916,655
8 BELL	36,531	0.3591%	737,725	611,923	458,942	520,135	26,766			2,355,491
9 BELLFLOWER	78,110	0.7678%	1,577,391	1,308,404	981,303	1,112,144	57,214			5,036,457
10 BELL GARDENS	42,449	0.4173%	857,236	711,054	533,291	604,396	31,099			2,737,076
11 BEVERLY HILLS	33,775	0.3320%	682,069	565,758	424,319	480,894	24,747			2,177,787
12 BRADBURY	1,052	0.0103%	21,245	17,622	13,216	14,979	5,000			72,061
13 BURBANK	105,861	1.0406%	2,137,808	1,773,256	1,329,942	1,507,267	77,536			6,825,809
14 CALABASAS	24,193	0.2378%	488,565	405,252	303,939	344,464	17,730			1,559,951
15 CARSON	93,108	0.9153%	1,880,268	1,559,633	1,169,725	1,325,688	68,197			6,003,511
16 CERRITOS	49,994	0.4914%	1,009,603	837,439	628,079	711,823	36,625			3,223,569
17 CLAREMONT	35,807	0.3520%	723,104	599,796	449,847	509,826	26,235			2,308,808
18 COMMERCE	12,868	0.1265%	259,863	215,549	161,662	183,217	9,437			829,728
19 COMPTON	98,032	0.9637%	1,979,706	1,642,114	1,231,585	1,395,797	71,803			6,321,004
20 COVINA	48,846	0.4802%	986,420	818,209	613,657	695,478	35,784			3,149,548
21 CUDAHY	24,172	0.2376%	488,141	404,900	303,675	344,165	17,715			1,558,597
22 CULVER CITY	39,705	0.3903%	801,822	665,090	498,818	565,327	29,090			2,560,146
23 DIAMOND BAR	57,177	0.5620%	1,154,660	957,760	718,320	814,096	41,885			3,686,721
24 DOWNEY	113,529	1.1160%	2,292,660	1,901,701	1,426,276	1,616,446	83,151			7,320,233
25 DUARTE	21,673	0.2130%	437,675	363,040	272,280	308,584	15,885			1,397,464
26 EL MONTE	116,675	1.1469%	2,356,191	1,954,399	1,465,799	1,661,239	85,455			7,523,084
27 EL SEGUNDO	16,777	0.1649%	338,803	281,028	210,771	238,874	12,300			1,081,775
28 GARDENA	60,937	0.5990%	1,230,591	1,020,743	765,557	867,632	44,638			3,929,161
29 GLENDALE	205,331	2.0184%	4,146,554	3,439,457	2,579,593	2,923,539	150,378			13,239,521
30 GLENORA	52,067	0.5118%	1,051,466	872,164	654,123	741,339	38,143			3,357,234
31 HAWAIIAN GARDENS	14,649	0.1440%	295,829	245,382	184,037	208,575	10,741			944,564
32 HAWTHORNE	86,903	0.8543%	1,754,961	1,455,694	1,091,771	1,237,340	63,653			5,603,419
33 HERMOSA BEACH	19,614	0.1928%	396,095	328,550	246,413	279,268	14,377			1,264,702
34 HIDDEN HILLS	1,868	0.0184%	37,723	31,290	23,468	26,597	5,000			124,079
35 HUNTINGTON PARK	59,515	0.5850%	1,201,875	996,923	747,693	847,385	43,597			3,837,473

PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8 (continued)

LOCAL JURISDICTION	Population DOF Report 2020 data ⁽¹⁾	Population as % of County	Proposition A Local Return Estimate ⁽²⁾	Proposition C Local Return Estimate ⁽²⁾	Measure R Local Return Estimate ⁽²⁾	Measure M Local Return Estimate	TDA Article 3 Ped & Bike (A)	TDA Article 8 (S & H)		Total
								Population	Article 8 Allocation	
36 INDUSTRY (B)	427	0.0042%	8,623	7,153	5,364	6,080	-			27,220
37 INGLEWOOD	111,971	1.1007%	2,261,197	1,875,603	1,406,702	1,594,263	82,010			7,219,775
38 IRWINDALE	1,434	0.0141%	28,959	24,021	18,015	20,418	5,000			96,413
39 LA CANADA-FLINTRIDGE	20,461	0.2011%	413,199	342,738	257,053	291,327	14,997			1,319,315
40 LA HABRA HEIGHTS	5,461	0.0537%	110,282	91,476	68,607	77,755	5,000			353,120
41 LAKEWOOD	79,919	0.7856%	1,613,923	1,338,707	1,004,030	1,137,901	58,539			5,153,099
42 LA MIRADA	48,877	0.4805%	987,046	818,729	614,046	695,919	35,807			3,151,547
43 LANCASTER	161,699	1.5895%	3,265,428	2,708,587	2,031,440	2,302,299	118,426	161,699	6,975,098	17,401,278
44 LA PUENTE	40,568	0.3988%	819,250	679,546	509,660	577,614	29,722			2,615,792
45 LA VERNE	33,300	0.3273%	672,476	557,801	418,351	474,131	24,399			2,147,159
46 LAWDALE	32,799	0.3224%	662,359	549,409	412,057	466,998	24,033			2,114,856
47 LOMITA	20,549	0.2020%	414,976	344,212	258,159	292,580	15,062			1,324,990
48 LONG BEACH	472,217	4.6419%	9,536,179	7,910,009	5,932,507	6,723,508	345,820			30,448,023
49 LOS ANGELES CITY	4,010,684	39.4250%	80,993,695	67,182,139	50,386,604	57,104,818	3,331,446			258,998,702
50 LYNWOOD	71,269	0.7006%	1,439,241	1,193,812	895,359	1,014,740	52,204			4,595,357
51 MALIBU	11,720	0.1152%	236,679	196,319	147,239	166,871	8,596			755,706
52 MANHATTAN BEACH	35,250	0.3465%	711,856	590,465	442,849	501,896	25,827			2,272,893
53 MAYWOOD	27,904	0.2743%	563,507	467,414	350,561	397,302	20,448			1,799,232
54 MONROVIA	37,935	0.3729%	766,078	635,441	476,581	540,125	27,794			2,446,019
55 MONTEBELLO	63,544	0.6246%	1,283,238	1,064,412	798,309	904,751	46,547			4,097,258
56 MONTEREY PARK	60,734	0.5970%	1,226,492	1,017,343	763,007	864,741	44,489			3,916,072
57 NORWALK	105,717	1.0392%	2,134,900	1,770,844	1,328,133	1,505,217	77,431			6,816,524
58 PALMDALE	156,737	1.5407%	3,165,223	2,625,469	1,969,102	2,231,649	114,793	156,737	6,761,056	16,867,291
59 PALOS VERDES ESTATES	13,190	0.1297%	266,365	220,943	165,707	187,802	9,673			850,490
60 PARAMOUNT	55,461	0.5452%	1,120,006	929,016	696,762	789,663	40,628			3,576,075
61 PASADENA	144,842	1.4238%	2,925,010	2,426,218	1,819,664	2,062,286	106,082			9,339,259
62 PICO RIVERA	63,374	0.6230%	1,279,805	1,061,565	796,174	902,330	46,423			4,086,296
63 POMONA	154,817	1.5218%	3,126,449	2,593,308	1,944,981	2,204,311	113,387			9,982,436
64 RANCHO PALOS VERDES	41,731	0.4102%	842,736	699,027	524,271	594,173	30,573			2,690,781
65 REDONDO BEACH	66,994	0.6586%	1,352,909	1,122,203	841,652	953,872	49,074			4,319,710
66 ROLLING HILLS	1,874	0.0184%	37,844	31,391	23,543	26,682	5,000			124,461
67 ROLLING HILLS ESTATES	8,066	0.0793%	162,889	135,112	101,334	114,845	5,920			520,100
68 ROSEMEAD	54,363	0.5344%	1,097,833	910,623	682,968	774,030	39,824			3,505,277
69 SAN DIMAS	33,945	0.3337%	685,502	568,606	426,454	483,315	24,872			2,188,748
70 SAN FERNANDO	25,207	0.2478%	509,042	422,237	316,678	358,902	18,473			1,625,332

PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8 (continued)

LOCAL JURISDICTION	Population DOF Report 2020 data ⁽¹⁾	Population as % of County	Proposition A Local Return Estimate ⁽²⁾	Proposition C Local Return Estimate ⁽²⁾	Measure R Local Return Estimate ⁽²⁾	Measure M Local Return Estimate	TDA Article 3 Ped & Bike (A)	TDA Article 8 (S & H)		Total
								Population	Article 8 Allocation	
71 SAN GABRIEL	40,104	0.3942%	809,880	671,774	503,830	571,008	29,382			2,585,874
72 SAN MARINO	13,087	0.1286%	264,285	219,218	164,413	186,335	9,597			843,848
73 SANTA CLARITA	221,932	2.1816%	4,481,802	3,717,537	2,788,153	3,159,907	162,535	221,932	9,573,328	23,883,262
74 SANTA FE SPRINGS	18,295	0.1798%	369,458	306,456	229,842	260,487	13,411			1,179,654
75 SANTA MONICA	92,357	0.9079%	1,865,102	1,547,053	1,160,290	1,314,995	67,647			5,955,087
76 SIERRA MADRE	10,816	0.1063%	218,424	181,177	135,882	154,000	7,934			697,417
77 SIGNAL HILL	11,712	0.1151%	236,518	196,185	147,139	166,757	8,590			755,190
78 SOUTH EL MONTE	21,204	0.2084%	428,204	355,184	266,388	301,906	15,541			1,367,223
79 SOUTH GATE	97,003	0.9535%	1,958,926	1,624,877	1,218,658	1,381,146	71,049			6,254,656
80 SOUTH PASADENA	25,458	0.2503%	514,111	426,442	319,831	362,475	18,657			1,641,516
81 TEMPLE CITY	36,150	0.3554%	730,031	605,541	454,156	514,710	26,486			2,330,924
82 TORRANCE	145,546	1.4307%	2,939,226	2,438,011	1,828,508	2,072,309	106,598			9,384,652
83 VERNON	297	0.0029%	5,998	4,975	3,731	4,229	5,000			23,933
84 WALNUT	29,929	0.2942%	604,401	501,334	376,001	426,134	21,931			1,929,801
85 WEST COVINA	105,999	1.0420%	2,140,595	1,775,567	1,331,676	1,509,232	77,637			6,834,707
86 WEST HOLLYWOOD	36,203	0.3559%	731,101	606,429	454,822	515,465	26,525			2,334,342
87 WESTLAKE VILLAGE	8,212	0.0807%	165,837	137,558	103,168	116,924	6,027			529,514
88 WHITTIER	86,801	0.8533%	1,752,901	1,453,986	1,090,489	1,235,888	63,578			5,596,842
89 UNINCORP LA COUNTY	1,034,689	10.1710%	20,895,011	17,331,862	12,998,896	14,732,082	1,677,975	136,022	5,867,487	73,503,313
90 TOTAL	10,172,951	100.0000%	\$ 205,437,500	\$ 170,405,000	\$ 127,803,750	\$ 144,844,250	\$ 8,788,481	680,319	\$ 29,346,452	\$ 686,625,433

NOTES:

(1) Population estimates are based on State of California Department of Finance's (DOF) 2020 population estimates. The Unincorporated Population figure for TDA Article 8 is based on 2007 estimates by Urban Research.

(2) Proposition A, Proposition C, Measure R and Measure M Local Return funds are allocated their share of estimated revenues (minus administration) without carryover since payments are made based on actual revenues received.

TDA Article 3 Allocation:

(A) 15% of the estimated revenue is first awarded to the City of Los Angeles and Los Angeles County (30%-70% split) as Supplemental Allocation.

(B) City of Industry has opted out of the TDA Article 3 program indefinitely.

Bus Transit Subsidies
FEDERAL FORMULA GRANTS

Los Angeles County Share of Los Angeles-Long Beach-Anaheim UZA

1	Section 5307 Urbanized Area Formula Grants:		
	Estimated Revenue		\$ 248,331,152
2	Estimated Revenue	\$ 248,331,152	
3	Off the Top:		
	1% Enhancement Allocation	(2,483,312)	
4		<u>\$ 245,847,840</u>	
5	85% Formula Allocation	\$ 208,970,664	
6	15% Discretionary Allocation	36,877,176	
7		<u>\$ 245,847,840</u>	
8	Section 5339 Bus and Bus Facilities Formula Grants:		
	Estimated Revenue		\$ 25,629,423
	Section 5337 State of Good Repair (LA County Share of LA UZA 2):		
	High Intensity Fixed Guideway:		
9	Directional Route Miles (DRM) Generated	\$ 32,674,355	
10	Vehicle Revenue Miles (VRM) Generated	56,620,344	
11		<u>\$ 89,294,699</u>	
	High Intensity Motorbus:		
12	Directional Route Miles (DRM) Generated	\$ 2,486,258	
13	Vehicle Revenue Miles (VRM) Generated	3,101,047	
14		<u>\$ 5,587,305</u>	
15	Section 5337 State of Good Repair Total Estimated Revenue		\$ 94,882,004
16	Total Federal Formula Funds Available		\$ 368,842,579

Fiscal Year 2022
FEDERAL FORMULA GRANTS (Estimated - to be Adjusted to Actual apportionment)

Operators	Urbanized Formula Program (Section 5307)			Bus & Bus Facilities (Section 5339)			State of Good Repair (Section 5337)			Total
	FY22\$Allocation	Fund Exchanges	Adjusted \$ Allocation	FY22 \$Allocation	Fund Exchange	Adjusted \$ Allocation	FY22 \$Allocation	Fund Exchange	Adjusted \$ Allocation	
Included Operators:										
1 Metro Bus Ops	\$ 160,454,715	\$ (12,853,597)	\$ 147,601,118	\$ 17,332,749	\$ 8,296,674	\$ 25,629,423	\$ 89,995,080	\$ 4,886,924	\$ 94,882,004	\$ 268,112,545
Municipal Operators:										
2 Arcadia	345,389	42,361	387,750	42,361	(42,361)	-	-	-	-	387,750
3 Claremont	124,470	15,266	139,736	15,266	(15,266)	-	-	-	-	139,736
4 Commerce	3,380,492	88,506	3,468,998	88,506	(88,506)	-	-	-	-	3,468,998
5 Culver City	4,892,225	374,483	5,266,709	374,483	(374,483)	-	-	-	-	5,266,709
6 Foothill Transit	20,505,513	5,604,899	26,110,411	2,198,637	(2,198,637)	-	3,406,262	(3,406,262)	-	26,110,411
7 Gardena	5,366,743	328,854	5,695,597	328,854	(328,854)	-	-	-	-	5,695,597
8 La Mirada	139,602	17,122	156,724	17,122	(17,122)	-	-	-	-	156,724
9 Long Beach	16,017,208	1,482,416	17,499,624	1,653,233	(1,653,233)	-	159,183	(159,183)	-	17,499,624
10 Montebello	4,017,975	492,789	4,510,764	492,789	(492,789)	-	-	-	-	4,510,764
11 Norwalk	3,293,711	180,859	3,474,570	180,859	(180,859)	-	-	-	-	3,474,570
12 Redondo Beach	712,269	87,357	799,626	87,357	(87,357)	-	-	-	-	799,626
13 Santa Monica	12,856,702	1,288,489	14,145,191	1,210,882	(1,210,882)	-	77,607	(77,607)	-	14,145,191
14 Torrance	3,049,724	374,037	3,423,760	374,037	(374,037)	-	-	-	-	3,423,760
15 Sub-Total	74,702,023	10,377,436	85,079,459	7,064,384	(7,064,384)	-	3,643,052	(3,643,052)	-	85,079,459
Eligible Operators:										
16 Antelope Valley	958,643	557,369	1,516,013	29,588	(29,588)	-	527,782	(527,782)	-	1,516,013
17 LADOT	9,508,940	1,715,967	11,224,908	999,877	(999,877)	-	716,090	(716,090)	-	11,224,908
18 Santa Clarita	2,706,830	202,825	2,909,655	202,825	(202,825)	-	-	-	-	2,909,655
19 Foothill BSCP	-	-	-	-	-	-	-	-	-	-
20 Sub-Total	13,174,414	2,476,161	15,650,575	1,232,290	(1,232,290)	-	1,243,872	(1,243,872)	-	15,650,575
21 Total Excluding Metro	87,876,437	12,853,597	100,730,034	8,296,674	(8,296,674)	-	4,886,924	(4,886,924)	-	100,730,034
22 Grand Total	\$ 248,331,152	\$ -	\$ 248,331,152	\$ 25,629,423	\$ -	\$ 25,629,423	\$ 94,882,004	\$ -	\$ 94,882,004	\$ 368,842,579

Note: Totals may not add due to rounding.

FEDERAL SECTION 5307 CAPITAL ALLOCATION

(Estimated - to be Adjusted to Actual apportionment)

OPERATOR	LA UZA 2 NET FORMULA SHARE	85% FORMULA ALLOCATION	15% DISCRETIONARY ALLOCATION		1% ENHANCEMENT ALLOCATION		TOTAL	TDA Fund Exchange	S5339/S5337 Fund Exchange (1)	Total Funds Available
			Project Title	Amount	Project Title	Amount				
1 Antelope Valley	0.1154%	\$ 241,244	Battery Electric Commuter Coach Replacement	\$ 717,399			\$ 958,643		\$ 557,369	\$ 1,516,013
2 Arcadia	0.1653%	345,389					345,389		42,361	387,750
3 Claremont	0.0596%	124,470					124,470		15,266	139,736
4 Commerce	0.3453%	721,639	CNG Replacement Buses	2,121,733	Eastern Avenue Transit Hub	537,120	3,380,492		88,506	3,468,998
5 Culver City	1.4611%	3,053,365	Battery Electric Buses	1,676,860	Design and Build 10 TAILS	162,000	4,892,225		374,483	5,266,709
6 Foothill Transit	8.5786%	17,926,685	Zero-Emission Hydrogen Fuel Cell Buses	2,578,828			20,505,513		5,604,899	26,110,411
7 Gardena	1.2831%	2,681,326	CNG Replacement Buses	2,685,417			5,366,743		328,854	5,695,597
8 LADOT	3.9013%	8,152,545	Propane to Electric Buses	1,356,395			9,508,940		1,715,967	11,224,908
9 La Mirada	0.0668%	139,602					139,602		17,122	156,724
10 Long Beach Transit	6.4505%	13,479,708	Admin., Operating & Maintenance Facility Rehab	1,740,000	Bus Stop Improvements - Phase 2	467,500	16,017,208 (2)	(330,000)	1,812,416	17,499,624
11 Montebello	1.9227%	4,017,975	Regional Training (2)	330,000			4,017,975		492,789	4,510,764
12 Metro Bus Ops.	67.6283%	141,323,358	Bus Midlife Refurbishment - 900 New Flyer Xcelsior	18,273,588	Bus Stop Lighting with Security Enhancements	857,769	160,454,715 (2)	330,000	(13,183,597)	147,601,118
13 Norwalk	0.7057%	1,474,642	Five Battery Electric Buses	1,598,146	Phase IV Bus Stop Improvement Program	220,923	3,293,711		180,859	3,474,570
14 Redondo Beach	0.3408%	712,269					712,269		87,357	799,626
15 Santa Clarita	0.7914%	1,653,740	Commuter Bus Replacement	1,053,090			2,706,830		202,825	2,909,655
16 Santa Monica	4.7246%	9,872,982	Bus Replacement	2,745,720	Bus Stop Enhancements	238,000	12,856,702		1,288,489	14,145,191
16 Torrance	1.4594%	3,049,724					3,049,724		374,037	3,423,760
17 TOTAL	100.0000%	\$ 208,970,664		\$ 36,877,176		\$ 2,483,312	\$ 248,331,152	\$ -	\$ 0	\$ 248,331,152

Notes: Total may not add due to rounding.

(1) Operators' share of Section 5337 and 5339 will be exchanged with Metro's share of Section 5307 allocation.

(2) Second year of fund allocations to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit. Funds to the SCR TTC will be exchanged with Metro's TDA share.

FEDERAL SECTION 5337 - STATE OF GOOD REPAIR

(Estimated - to be Adjusted to Actual apportionment)

LOS ANGELES COUNTY SHARE (UZA 2)	Directional Route Miles (DRM) Allocation			Vehicle Revenue Miles (VRM) Allocation			Total \$ Allocation	Fund Exchange	Net Funds Available ⁽¹⁾	
	DRM	DRM%	DRM \$Allocation	VRM	VRM%	VRM \$Allocation				
High Intensity Fixed Guideway:										
1	Metro (Including Metrolink)	462.9	99.763%	\$ 32,596,894	27,318,023	98.591%	\$ 55,822,811	\$ 88,419,705	\$ 874,994	\$ 89,294,699
2	Long Beach Transit	0.5	0.108%	35,209	60,669	0.219%	123,974	159,183	(159,183)	-
3	Santa Monica	0.6	0.129%	42,251	17,302	0.062%	35,356	77,607	(77,607)	-
4	Foothill Transit	-	0.000%	-	312,318	1.127%	638,204	638,204	(638,204)	-
5	Sub-total	464.0	100.000%	32,674,355	27,708,312	100.000%	56,620,344	89,294,699	-	89,294,699
High Intensity Motorbus:										
6	Antelope Valley	23.6	15.003%	373,018	110,163	4.991%	154,764	527,782	(527,782)	-
7	Foothill Transit	39.4	25.048%	622,750	1,527,057	69.180%	2,145,308	2,768,058	(2,768,058)	-
8	LADOT	35.1	22.314%	554,785	114,819	5.202%	161,305	716,090	(716,090)	-
9	Metro Bus Ops.	59.2	37.635%	935,705	455,325	20.628%	639,670	1,575,375	4,011,930	5,587,305
10	Sub-total	157.3	100.00%	2,486,258	2,207,364	100.000%	3,101,047	5,587,305	-	5,587,305
11	Total LA County Share - UZA 2	621.30		\$ 35,160,613	29,915,676	200.000%	\$ 59,721,391	\$ 94,882,004	\$ -	\$ 94,882,004

Note:

(1) Operators' share of Section 5337 will be exchanged with Metro's share of Section 5307 allocation.

FEDERAL SECTION 5339 - BUS AND BUS CAPITAL ALLOCATION

(Estimated - to be Adjusted to Actual apportionment)

	OPERATOR	LA UZA 2 NET FORMULA SHARE	Net Formula Share	Fund Exchange	Net Funds Available ⁽¹⁾
1	Antelope Valley	0.1154%	\$ 29,588	\$ (29,588)	\$ -
2	Arcadia	0.1653%	42,361	(42,361)	-
3	Claremont	0.0596%	15,266	(15,266)	-
4	Commerce	0.3453%	88,506	(88,506)	-
5	Culver City	1.4611%	374,483	(374,483)	-
6	Foothill	8.5786%	2,198,637	(2,198,637)	-
7	Gardena	1.2831%	328,854	(328,854)	-
8	LADOT	3.9013%	999,877	(999,877)	-
9	La Mirada	0.0668%	17,122	(17,122)	-
10	Long Beach	6.4505%	1,653,233	(1,653,233)	-
11	Montebello	1.9227%	492,789	(492,789)	-
12	Metro Bus Ops.	67.6283%	17,332,749	8,296,674	25,629,423
13	Norwalk	0.7057%	180,859	(180,859)	-
14	Redondo Beach	0.3408%	87,357	(87,357)	-
15	Santa Clarita	0.7914%	202,825	(202,825)	-
16	Santa Monica	4.7246%	1,210,882	(1,210,882)	-
17	Torrance	1.4594%	374,037	(374,037)	-
18	TOTAL	100.0000%	\$ 25,629,423	\$ -	\$ 25,629,423

Note:

(1) Operators' share of Section 5339 will be exchanged with Metro's share of Section 5307 allocation.

CAPITAL ALLOCATION % SHARE CALCULATION

	OPERATOR	MILEAGE CALCULATION (FY19 data)				ACTIVE FLEET CALCULATION (FY19 data)						
		Local Vehicle Miles [Input]	Express Vehicle Miles [Input]	Total Miles Weighted 60% Local/ 40% Express	1/3 Weight	Active Fleet (1) [Input]	Peak Bus Fixed Route (2) [Input]	Allowable Peak Bus (Peak+20%)	DAR Seats (3) [Input]	Bus Eqvt. (44 Seats per Bus)	Total Active Vehicle	1/3 Weight
1	Antelope Valley	2,446,104	1,358,830	2,011,194	0.8153%	80	71	80.0	0	0.0	80.0	0.6989%
2	Arcadia DR	103,481	-	62,089	0.0252%	0	0	0.0	102	2.3	2.3	0.0203%
3	Arcadia MB	188,621	-	113,173	0.0459%	8	6	7.2	0	0.0	7.2	0.0629%
4	Claremont	48,300	-	28,980	0.0117%	0	0	0.0	218	5.0	5.0	0.0433%
5	Commerce	475,304	-	285,182	0.1156%	19	15	18.0	48	1.1	19.1	0.1668%
6	Culver City	1,832,828	-	1,099,697	0.4458%	54	44	52.8	0	0.0	52.8	0.4613%
7	Foothill Transit	10,319,428	6,972,134	8,980,510	3.6405%	347	303	347.0	0	0.0	347.0	3.0316%
8	Gardena	1,770,445	-	1,062,267	0.4306%	54	43	51.6	0	0.0	51.6	0.4508%
9	LADOT	2,982,484	2,943,835	2,967,024	1.2028%	199	170	199.0	0	0.0	199.0	1.7386%
10	La Mirada	73,476	-	44,086	0.0179%	0	0	0.0	208	4.7	4.7	0.0413%
11	Long Beach	8,195,601	-	4,917,361	1.9934%	234	196	234.0	40	0.9	234.9	2.0523%
12	Montebello	2,466,913	77,933	1,511,321	0.6127%	72	67	72.0	40	0.9	72.9	0.6370%
13	Metro Bus Ops.	82,830,000	5,360,000	51,842,000	21.0156%	2,419	1,963	2,355.6	0	0.0	2,355.6	20.5803%
14	Norwalk	1,089,677	-	653,806	0.2650%	34	24	28.8	0	0.0	28.8	0.2516%
15	Redondo Beach	487,557	-	292,534	0.1186%	20	14	16.8	75	1.7	18.5	0.1617%
16	Santa Clarita	2,249,325	1,086,067	1,784,022	0.7232%	83	69	82.8	0	0.0	82.8	0.7234%
17	Santa Monica	5,417,000	242,000	3,347,000	1.3568%	196	166	196.0	0	0.0	196.0	1.7124%
18	Torrance	1,634,000	613,000	1,225,600	0.4968%	56	48	56.0	48	1.1	57.1	0.4988%
19	TOTAL	124,610,544	18,653,799	82,227,846	33.3333%	3,875	3,199	3,797.6	779	17.7	3,815.3	33.3333%

Notes:

Include only MTA Funded Programs:

(1) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode MB), Number of Active Vehicles in Fleet". LADOT's total active vehicles is reported separately.

(2) Source: NTD Report Form S-10 "Service Non-Rail (Mode MB), Vehicles Operated in Annual Maximum Service". LADOT's figure is from TPM excluding Community Dash.

(3) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode DR), Seating Capacity". Redondo Beach's Seating Capacity is apportioned between FAP and non-FAP vehicles.

CAPITAL ALLOCATION % SHARE CALCULATION (Continued)

OPERATOR	FARE UNITS (FY19 data)				UNLINKED PASSENGERS (FY19 data)		Gross Formula Share	Re-Allocate AVTA And Santa Clarita's Non-LA2 UZA Share	LA UZA 2 Net Formula Share
	Passenger Revenue [Input]	Base Fare \$ [Input]	Fare Units	1/2 of 1/3 Weight	Unlinked Passengers [Input]	1/2 of 1/3 Weight			
1 Antelope Valley	\$4,706,264	\$ 1.50	3,137,509	0.3188%	2,301,868	0.1078%	1.9408%	-1.8253%	0.1154%
2 Arcadia DR	5,087	0.50	10,174	0.0010%	22,841	0.0011%	0.0475%	0.0014%	0.0490%
3 Arcadia MB	7,526	0.50	15,052	0.0015%	54,902	0.0026%	0.1129%	0.0034%	0.1163%
4 Claremont	37,700	2.50	15,080	0.0015%	26,500	0.0012%	0.0578%	0.0018%	0.0596%
5 Commerce (1)	-	-	309,059	0.0314%	455,961	0.0213%	0.3351%	0.0102%	0.3453%
6 Culver City	2,908,933	1.00	2,908,933	0.2955%	4,600,876	0.2154%	1.4181%	0.0431%	1.4611%
7 Foothill	16,079,595	1.50	10,719,730	1.0891%	12,053,307	0.5644%	8.3256%	0.2529%	8.5786%
8 Gardena	2,235,072	1.00	2,235,072	0.2271%	2,920,856	0.1368%	1.2453%	0.0378%	1.2831%
9 LADOT	6,411,286	1.50	4,274,191	0.4343%	8,769,797	0.4106%	3.7863%	0.1150%	3.9013%
10 La Mirada	35,602	1.00	35,602	0.0036%	43,686	0.0020%	0.0648%	0.0020%	0.0668%
11 Long Beach	13,854,161	1.25	11,083,329	1.1260%	23,248,158	1.0886%	6.2603%	0.1902%	6.4505%
12 Montebello	3,972,587	1.10	3,611,443	0.3669%	5,328,407	0.2495%	1.8661%	0.0567%	1.9227%
13 Metro Bus Ops.	191,776,000	1.75	109,586,286	11.1338%	275,603,000	12.9047%	65.6344%	1.9939%	67.6283%
14 Norwalk	1,246,966	1.25	997,573	0.1014%	1,427,804	0.0669%	0.6849%	0.0208%	0.7057%
15 Redondo Beach	328,405	1.00	328,405	0.0334%	366,810	0.0172%	0.3308%	0.0100%	0.3408%
16 Santa Clarita	3,159,143	1.00	3,159,143	0.3210%	2,565,484	0.1201%	1.8877%	-1.0963%	0.7914%
17 Santa Monica	11,431,000	1.25	9,144,800	0.9291%	12,536,000	0.5870%	4.5853%	0.1393%	4.7246%
18 Torrance	2,473,000	1.00	2,473,000	0.2513%	3,620,000	0.1695%	1.4164%	0.0430%	1.4594%
19 TOTAL	\$260,668,327		164,044,380	16.6667%	355,946,257	16.6667%	100.0000%	0.0000%	100.0000%

Note:

(1) Commerce Fare Units are calculated as follows: ((Total Fare Units w/out MTA and Commerce) / (Total Unlinked Passengers w/out MTA and Commerce)) * Commerce Unlinked Passengers.

FORM FFA10, SECTION 9 STATISTICS PASSENGER MILES IS USED TO CALCULATE AVTA AND SANTA CLARITA'S RE-ALLOCATION OF CAPITAL MONIES.

	ANTELOPE VALLEY			SANTA CLARITA		
	Passenger Miles	%	Re-Allocated Share	Passenger Miles	%	Re-Allocated Share
20 Non-LA 2 UZA (AV 123 for AVTA, AV 176 for Santa Clarita)	28,383,366	94.0517%	1.8253%	11,404,989	58.0772%	1.0963%
21 UZA number LA 2	1,795,116	5.9483%	0.1154%	8,232,648	41.9228%	0.7914%
22 Total	30,178,482	100.0000%	1.9408%	19,637,637	100.0000%	1.8877%

Los Angeles County Metropolitan Transportation Authority
2022 Transit Fund Allocations

RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY FOR FISCAL YEAR 2021-2022 FOR LOCAL TRANSPORTATION, TRANSPORTATION DEVELOPMENT ACT, AND STATE TRANSIT ASSISTANCE FUND ALLOCATIONS

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is the designated Transportation Planning agency for the County of Los Angeles and is, therefore, responsible for the administration of the Transportation Development Act (TDA), Public Utilities Code Section 99200 et seq.; and

WHEREAS, under Chapter 2.5, Article 5, the State Transit Assistance Fund (STA) Section 6753, allocations to claimants shall be made and take effect by resolution and shall designate: 1) the fiscal year for which the allocation is made; 2) the amount allocated to the claimant for each of the purposes defined in Sections 6730 and 6731; and 3) any other terms and conditions of the allocation; and

WHEREAS, Section 6659 requires that allocation instructions be conveyed each year to the county auditor by written memorandum of its executive director and accompanied by a certified copy of the authorizing resolution; and

WHEREAS, the resolution shall also specify conditions of payment and may call for a single payment, for payments as moneys become available, or for payment by installments monthly, quarterly, or otherwise; and

WHEREAS, the amount of a regional entity's allocation for a fiscal year that is not allocated to claimants for that fiscal year shall be available to the regional entity for allocation in the following fiscal year; and

WHEREAS, Section 6754 requires that the regional entity may allocate funds to an operator or a transit service claimant only if, in the resolution allocating the funds, it finds all of the following:

- a.1 The claimant's proposed expenditures are in conformity with the Regional Transportation Plan.
- a.2 The level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of PUC Section 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant.
- a.3 The claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended.

**Los Angeles County Metropolitan Transportation Authority
2022 Transit Fund Allocations**

- a.4 The sum of the claimant's allocations from the state transit assistance fund and from the local transportation fund does not exceed the amount the claimant is eligible to receive during the fiscal year.
- a.5 Priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

WHEREAS, the regional entity may allocate funds to an operator for the purposes specified in Section 6730 only if, in the resolution allocating the funds, it finds all of the following:

- b.1 The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244.
- b.2 A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle code, as required in PUC Section 99251. The certification shall have been completed within the last 13 month, prior to filing claims.
- b.3 The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7

WHEREAS, the regional entity may allocate funds to an operator to exchange funds pursuant to PUC Section 99314.4(b) only if, in the resolution allocating the funds made available pursuant to PUC Section 99231, it find that the operator is eligible to receive State Transit Assistance funds; and

WHEREAS, LACMTA staff in consultation with the Transit Operators and Cities has developed allocations in accordance with the Transportation Development Act as previously specified.

NOW THEREFORE,

- 1.0 The LACMTA Board of Directors approves the allocation of TDA and STA for the Fiscal Year 2021-22 to each claimant for each of the purposes as specified in Attachments A.
- 2.0 The Board of Directors hereby finds that a claimant's proposed expenditures are in conformity with the Regional Transportation Plan., the level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements; the claimant is making full use of federal funds

**Los Angeles County Metropolitan Transportation Authority
2022 Transit Fund Allocations**

available under the Urban Mass Transportation Act of 1964; the sum of the claimant's allocations from the State Transit Assistance fund and from the Local Transportation Fund do not exceed the amount the claimant is eligible to receive during the fiscal year; and that priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

- 3.0 The Board of Directors hereby finds that, for the purposes specified in Section 6730, the operators eligible for funding have made reasonable efforts to implement the productivity improvements recommended pursuant to PUC Section 99244. A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, has been remitted. The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7
- 4.0 The Board of Directors hereby authorizes that the operators listed in Attachment A are eligible to receive State Transit Assistance funds.
- 5.0 The Board of Directors hereby authorizes that the operators may receive payments upon meeting the requirements of the STA eligibility test and submittal of TDA and STA claims.

CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on June, 2021.

COLLETTE LANGSTONE
Board Secretary

DATED:
(SEAL)

Summary of Significant Information, Methodologies & Assumptions for Revenue Estimates

- Sales tax revenue estimates are projected to increase by 2.9% over FY 2020-21 (FY21) amended budget based upon review of several economic forecasts.
- In FY21, the Coronavirus Aid, Relief and Economic Security (CARES) Act provided financial relief to transit operators in LA County. The CARES funding was allocated to offset the estimated sales tax revenue losses. To minimize future fiscal disruptions, Metro staff proposed, and all regional operators agreed, to deviate from traditional policy and incorporate the FY20 sales tax revenue losses within FY21 total funds available in lieu of including the FY20 loss in FY22. Actual FY20 sales tax revenues were somewhat better than expected and the difference in forecast versus actual results are reflected as an increase in available FY22 local subsidy funding.
- Assumed Consumer price index (CPI) growth of 2.0% represents a composite index from several economic forecasting sources.
- To accommodate the impacts of the COVID-19 pandemic, in March 2021, Bus Operations Sub-Committee (BOS) members concurred with the use of a weighted average of FY19 and FY20 Vehicle Service Miles statistics to allocate State and Local funds.
- Senate Bill (SB) 1, known as the Road Repair and Accountability Act of 2017, allocates formula funds to transit agencies for two different programs: 1) State of Good Repair (SGR) and 2) State Transit Assistance. SGR is a program funded by the increase in Vehicle License Fees. In order to be eligible for SGR funding, eligible transit agencies must comply with various reporting requirements. The second program augments the base of the State Transit Assistance program with a portion of the new sales tax on diesel fuel. Recipients are asked to provide supplemental reporting on the augmented State Transit Assistance funding received each fiscal year to allow for transparency and accountability of all SB 1 expenditures. Recipients are asked to report on the general uses of STA expenditures. These funds are allocated using FAP calculation methodology to Included and Eligible Operators.
- Pursuant to section 130004, up to 1 percent of annual TDA revenues shall be allocated to Metro and up to $\frac{3}{4}$ percent shall be allocated to Southern California Association of Governments (SCAG) for transportation planning and programming process. Beginning in FY20, Metro increased the TDA planning allocation to the full 1 percent of annual TDA revenues.

- Formula Equivalent funds are allocated by formula to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40% Discretionary funds. Fund source is Prop A 95% of 40% growth over CPI.
- Federal formula grants (urbanized Formula Section 5307, Bus and Bus Facilities Section 5339, and State of Good Repair Section 5337) are presented for budgetary purposes only and will be adjusted upon receipt of the final apportionments. To accommodate the impacts of the COVID-19 pandemic, in March 2021, Bus Operations Sub-Committee (BOS) members agreed to follow the FTA apportionment approach and use FY19 data as the allocation basis.
- Federal Sections 5307 and 5339 are calculated using the Capital Allocation Procedure (CAP) as adopted by the Bus Operations Subcommittee (BOS). Section 5337 is calculated based on the directional route miles and vehicle revenue miles formula used by the Federal Transit Administration (FTA). Operators' shares of Sections 5339 and 5337 will be exchanged with Metro's share of Section 5307 allocation.

Bus Transit Subsidies (\$1,258.0M)

Formula Allocation Procedure (\$742.4M)

Allocations of transit subsidy funds (STA, TDA Article 4, and Proposition A 95% of 40% Discretionary) are based on the Formula Allocation Procedure (FAP) that was adopted by the Los Angeles County Metropolitan Transportation Authority (LACMTA) Board of Directors and legislated through SB 1755 (Calderon – 1996). Los Angeles County Included and Eligible Operators' Transit Performance Measures (TPM) data is used for the FAP calculations. This data was validated and used in the calculations. The FAP as applied uses 50% of operators' vehicle service miles and 50% of operators' fare units. (Fare units are defined as operators' passenger revenues divided by operators' base cash fare).

In November 2008, the Board approved a Funding Stability Policy, where operators who increase their fares will have their fare units frozen at their level prior to the fare increase until such time that fare unit calculation based on the new higher fare becomes greater than the frozen level.

In FY 2008, the Board set aside \$18.0 million from GOI fund to provide operating assistance to Tier 2 Operators including LADOT Community Dash, Glendale, Pasadena and Burbank fixed route transit programs. Allocation is calculated using the same methodology as in the FAP and does not negatively impact the existing Included and Eligible Operators. This program was funded \$6.0 million each year for three years beginning FY 2011. With the Board's approval, we will continue to fund this program in FY 2022 in the amount of \$6.8 million. Funding includes \$842,008 in in CRRSAA

Funding as approved by the Board of Directors. CRRSAA funds will be exchange with local funds.

Measure R Allocations (\$187.5M)

- Measure R 20% Bus Operations (\$177.5M)**
 Measure R, approved by voters in November 2008, allocates 20% of the revenues for bus service operations, maintenance and expansion. The 20% bus operations share is allocated using FAP calculation methodology to Included and Eligible Operators.
- Clean Fuel Bus Capital Facilities and Rolling Stock Fund (\$10.0M)**
 The Measure R ordinance also provides a lump sum allocation of \$150.0 million over the life of the ordinance for clean fuel and bus facilities. This fund is allocated to Metro and LA County Municipal Operators at \$10 million in every even year.

Measure M 20% Transit Operations (\$176.9M)

Measure M, approved by voters of Los Angeles County in November, 2016 to improve transportation and ease traffic congestion. As defined in Section 3 of the Measure M Ordinance, the 20% Transit Operations share is allocated according to FAP calculation methodology to Included and Eligible Operators.

Proposition C 5% Security (\$40.2M)

Ninety percent of Proposition C 5% Security fund is allocated to Los Angeles County transit operators and Metro Operations for security services. State law requires that each operator's share of funds be based on its share of unlinked boardings to total Los Angeles County unlinked boardings. Due to the significant decrease in ridership across the region, In March 2021 BOS working group agreed that fare revenue and unlinked passengers' data to be held constant at FY19 level. Therefore, the unlinked boardings used for allocating these funds are based on the operators' FY19 TPM reports of LACMTA approved services. The remaining ten percent is allocated to Metro to mitigate other security needs.

Proposition C 40% Discretionary Programs (\$67.3M)

The following programs are funded with Prop C 40% Discretionary funds:

- Municipal Operators Service Improvement Program (MOSIP).** MOSIP was adopted by the Board in April 2001. The program is intended to provide bus service improvements to the transit dependent in Los Angeles County by reducing overcrowding and expanding services. In the past, funding was increased by 3% from the previous year's funding level. All Municipal Operators

participate in this program and funds are allocated according to FAP calculation methodology.

- **Zero-Fare Compensation.** The City of Commerce is allocated an amount equivalent to its FAP share as compensation for having zero fare revenues.
- **Foothill Mitigation.** This fund is allocated to operators to mitigate the impact of Foothill becoming an Included Operator. The Foothill Mitigation Program is calculated similarly to the TDA and STA portion of the normal FAP, except that Foothill's data is frozen at its pre-inclusion level. The result of this calculation is then deducted from the TDA and STA portion of the normal FAP to arrive at the Foothill Mitigation funding level. This methodology was adopted by the BOS in November 1995.
- **Transit Service Expansion Program (TSE).** Created in 1990 to increase ridership by providing funds for additional services to relieve congestion. The TSE Program continues for eight Municipal Operators including Culver City, Foothill Transit, Gardena, Long Beach, Torrance, Antelope Valley, Santa Clarita, and LADOT for expansion or introduction of fixed-route bus service in congested corridors. Metro Operations does not participate in this program.
- **Base Re-Structuring Program (Base-Re).** The Base Restructuring Program continues for four Municipal Operators who added service before 1990. These operators are Commerce, Foothill Transit, Montebello and Torrance.
- **Bus Service Improvement Program (BSIP).** Created in 1996 to provide additional buses on existing lines to relieve overcrowding. Metro Operations and all other Los Angeles County transit operators participate in this program, except for Claremont, Commerce, and La Mirada.

Federal Funds (\$368.8M)

Section 5307 Urbanized Formula Program (\$248.3 M)

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes Federal resources available to urbanized areas for transit capital and operating assistance in urbanized areas and for transportation related planning. Based on federal revenue estimates for FY22, \$248.3 million in Federal Section 5307 Urban Formula funds are allocated to Los Angeles County transit operators and LACMTA Operations. Eighty-five percent (85%) of these funds have been allocated based on a capital allocation formula consisting of total vehicle miles, number of vehicles, unlinked boardings, passenger revenue and base fare. The 15% Capital Discretionary fund and the 1% Transit Enhancement Act fund have been allocated on a discretionary basis with BOS review and concurrence.

At its April 21, 2020 meeting, the BOS allocated \$330,000 each year for the next three years to the Southern California Regional Transit Training Consortium (SCR TTC) from the 15% discretionary fund. SCR TTC provides a training resource network comprised of Community Colleges, Universities, Transit Agencies, Public and Private Organizations focused on the development and delivery of training and employment of the transit industry workforce that is proficient at the highest standards, practices, and procedures for the industry. The funds will be exchanged with Metro's TDA Article 4 share and disbursed through Long Beach Transit.

Section 5339 Bus and Bus Facilities (\$25.6M)

Section 5339 is a grant program authorized by 49 United States Code (U.S.C) Section 5339 as specified under the Federal Reauthorization Moving Ahead for Progress in the 21st Century or "MAP 21". The Program provides capital funding to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities. Based on federal revenue estimates for FY22, \$25.6 million is allocated to Los Angeles County operators and Metro operations using the Capital Allocation Procedure adopted by the BOS. Operators' shares are swapped with Metro's share of Federal Section 5307 to minimize administrative process.

Section 5337 State of Good Repair (\$94.9M)

Section 5337 provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors. This program defines a new category of eligible projects, known as core capacity projects, which expand capacity by at least 10% in existing fixed guideway transit corridors that are already at or above capacity today, or are expected to be at or above capacity within five years. The program also includes provisions for streamlining aspects of the New Starts process to increase efficiency and reduce the time required to meet critical milestones. This funding program consists of two separate formula programs:

- **High Intensity Fixed Guideway** - provides capital funding to maintain a system in a state of good repair for rail and buses operating on lanes for exclusive use of public transportation vehicles, i. e. bus rapid transit. Based on federal revenue estimates for FY22, \$89.3 million is allocated to Metro and Municipal operations.
- **High Intensity Motorbus** - provides capital funding to maintain a system in a state of good repair for buses operating on lanes not fully reserved only for public transportation vehicles. Based on federal revenue estimates for FY22, \$5.6 million is allocated to Metro Operations and Los Angeles County operators following the FTA formula: the fund allocated with Directional Route Miles (DRM) data is allocated using the operators' DRM data while the fund allocated with Vehicle Revenue Miles (VRM) data is allocated using the operators' VRM data. Operators' shares are swapped with Metro's share of Federal Section 5307 to minimize administrative process.

Proposition A Incentive Programs (\$24.8M)

In lieu of TDA Article 4.5, five percent (5%) of Proposition A 40% Discretionary funds have been allocated to local transit operators through Board-adopted Incentive Program guidelines. Programs include the Sub-Regional Paratransit Program, the Voluntary NTD Reporting Program and the Sub-Regional Grant Projects. Under the Voluntary NTD Reporting Program, local transit operators report operating data for entitlement to the Federal FTA Section 5307 funds. Operators participating in the Voluntary NTD Reporting Program and who are not receiving Sub-Regional Paratransit funds are allocated an amount equal to the Federal FTA Section 5307 funds they generate for the region. In FY22, \$24.8M is allocated to fund PA Incentive programs. Fund includes \$7,565,663 in CRRSAA funding as approved by LACMTA Board of Directors. CRRSAA fund will be exchanged with local funds.

Under the Sub-Regional Grant Projects, Avalon's Ferry, which provides a lifeline service to its residents who commute between Avalon and the mainland, will receive \$996,512 in subsidy which includes \$296,512 in CRRSAA funding.

At its May 16, 2017 meeting, the Local Transit System Subcommittee (LTSS) approved an additional \$50,000 to Avalon's Transit Services annual subsidy increasing the funding level to \$300,000. In FY22, \$68,366 and \$240,877 were added to Avalon's Transit Service and the Hollywood Bowl Shuttles from CRRSAA funding to increase the subsidy level to \$368,366 and \$1,297,877, respectively.

Local Returns (\$648.5M)

Proposition A 25% (\$205.4M)
Proposition C 20% (\$170.4M)
Measure R 15% (\$127.8M)
Measure M 17% (\$144.8M)

Local Return estimates are apportioned to all Los Angeles County cities and the County of Los Angeles based on population shares according to state statutes and Proposition A, Proposition C, Measure R and Measure M ordinances.

TDA Article 3 funds (\$8.9M)

TDA Article 3 funds are for Bicycle and Pedestrian Facilities and split into two parts:

- The 15% of TDA Article 3 funds are allocated towards maintenance of regionally significant Class I bike paths as determined by LACMTA policy and in current

Los Angeles County Metropolitan Transportation Authority
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TDA Article 3 Guidelines. This portion is divided in a ratio of 30% to 70% to City of Los Angeles and County of Los Angeles, respectively.

- The 85% of the funds are allocated to all Los Angeles County cities and the County of Los Angeles based on population shares. TDA Article 3 has a minimum allocation amount of \$5,000. The City of Industry has opted out of the TDA Article 3 program indefinitely. The Street and Freeway Subcommittee and the Technical Advisory Committee (TAC) have approved this redistribution methodology in prior years, and it remains unchanged.

TDA Article 8 funds (\$29.3M)

TDA Article 8 funds are allocated to areas within Los Angeles County, but outside the Metro service area. This includes allocations to Avalon, Lancaster, Palmdale, Santa Clarita and portions of unincorporated areas of Los Angeles County. The amount of TDA funds for Article 8 allocation is calculated based on the proportionate population of these areas to the total population of Los Angeles County.



Board Report

File #: 2021-0324, File Type: Budget

Agenda Number: 9.

FINANCE, BUDGET, AND AUDIT COMMITTEE
JUNE 16, 2021

SUBJECT: ACCESS SERVICES PROPOSED FISCAL YEAR 2022 BUDGET

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

A. APPROVING local funding request for Access Services (Access) in an amount not to exceed \$122,582,419 for FY22. This amount includes:

- Local funds for operating and capital expenses in the amount of \$120,217,213;
- Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of \$2,365,206; and

B. AUTHORIZING the Chief Executive Officer (CEO) to negotiate and execute all necessary agreements to implement the above funding programs.

ISSUE

Access provides mandated Americans with Disabilities Act (ADA) paratransit service on behalf of Metro and Los Angeles County fixed route operators. In coordination with Metro staff and in consultation with the Access Board of Directors, Access has determined that a total of \$219,662,843 million is required for its FY22 operating and capital needs, and an additional \$2,365,206 million is required for Metrolink's participation in Access' Free Fare Program for a total of \$222,028,049 million. Of this total, \$96,283,734 million will be funded from federal grants, including Federal Surface Transportation Block Grant (STBG) Program funds, passenger fares, and other income generated by Access. The remaining amount of \$125,744,315 million will be funded with Measure M ADA Paratransit Service (MM 2%) funds, Proposition C 40% Discretionary (PC 40%) funds, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) equivalent funds, and FY20 carryover funds. See Attachment A for funding details.

BACKGROUND

Metro, in its role as the Regional Transportation Planning Authority, provides funding to Access to administer the delivery of regional ADA paratransit service for Metro and the 44 other public fixed route operators in Los Angeles County consistent with the adopted Countywide Paratransit Plan. The provision of compliant ADA-mandated service is considered a civil right under federal law and shall be appropriately funded.

This year, Metro is continuing to support Access given the reduction in sales tax revenue as a result of the COVID-19 pandemic. Funds have been appropriated under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) so Access can continue to provide ADA paratransit services. A total of \$30.59 million of CRRSAA equivalent funding has been allocated to Access.

In FY22, Access is projected to provide more than 2,536,173 passenger trips to more than 130,000 qualified ADA paratransit riders in a service area covering over 1,950 square miles of Los Angeles County by utilizing accessible vehicles and taxicabs. Access' service area is divided into six regions (Eastern, Southern, West Central, Northern, Santa Clarita and Antelope Valley) operated by six contractors to ensure efficient and effective service.

As it did at the beginning of the pandemic, Metro continued to support Access' initiatives to respond to the COVID-19 emergency. Access proactively redesigned its system to enhance physical distancing and cleaning protocols to help protect the health of customers and frontline employees, particularly vehicle operators. These initiatives included the elimination of shared rides and funding for enhanced cleaning protocols where vehicles were disinfected twice a day and high contact surfaces were wiped down after each passenger trip and a face-covering mandate. Access' eligibility process is still being done remotely over the phone rather than in-person.

Implementation of Recovery Plans: Access has continuously monitored the COVID-19 pandemic and has been developing plans to normalize its operations as the pandemic subsides. Given the successful rollout of vaccines and the related reopening of Los Angeles County, service demand has continued to rise, which combined with a significant increase in traffic congestion, led to a rapid decline in service quality in late March/early April. In response, Access staff reduced vehicle disinfection mandates (vehicles are still disinfected at the end of the day) and scaled back meal/grocery delivery programs significantly. In addition, same day service was restricted and limited shared rides were reintroduced on April 12th. On May 1st, Access ended its temporary same day ride program and allowed shared rides on all vehicles. Access anticipates, barring any unanticipated developments with COVID-19, that it will operate its pre-pandemic, shared-ride service model for FY22. Access also expects to restart its in-person eligibility process in the coming fiscal year.

Other initiatives also include:

Transportation to vaccine sites: As of mid-April, Access has provided 2,170 trips to drop off vaccination sites and 267 trips to drive through vaccination sites. All vaccination trips will continue to

be provided without shared rides.

Meal and grocery delivery: During the pandemic, Access worked with a number of public and private entities, including a veteran's charity, to deliver over 430,000 meals and grocery boxes to the most vulnerable populations in the County.

DISCUSSION

Ridership

Access' budget is based on paratransit ridership projections provided by an independent third-party consulting firm, HDR Engineering, Inc. (HDR). The paratransit demand analysis uses economic factors, historical data, and other variables to form the basis for the ridership projections. Passengers are then converted to passenger trips. The number of trips and the contractual cost per trip are the major cost drivers in the Access budget.

Access recently asked HDR to prepare a revised ridership projection for FY22 based on ridership data through January 2021. HDR's projection assumes a 56.9 percent increase in ridership (3,240,253 passengers vs. projected 2,064,785 FY21 passengers) for next fiscal year. It should be noted, given the unprecedented nature of the COVID-19 pandemic, that ridership projections remain speculative and uncertain for the upcoming fiscal year. The FY22 Budget will fund Access' request, reflecting HDR's FY22 projected ridership. However, as done in past years, Metro will set aside a reserve amount of \$20 million.

Cost Per Trip

Access' 94 percent of costs come from the delivery of paratransit and eligibility services which are paid for on a contractual per-trip basis. Prior to the pandemic, the cost of paratransit trips was increasing primarily due to legislated changes in the minimum wage in Los Angeles City and Los Angeles County. Since the new minimum wage schedule took effect in 2016, the minimum wage has risen from \$10 to \$15 on July 1, 2020. In addition, costs have increased with the inclusion of new key performance measures and liquidated damages into contracts, which have improved customer service, operational performance, and safety system-wide.

In FY22, the pandemic continues to impact the Agency's projected budget request. The average cost per trip in FY21 was estimated at \$104 due to no-share ride service, implementation of special services and decline in trip demand. When the trip volume decreases, the average cost per trip increases because of the fixed transportation costs and the change in trip demand. In contrast, when the trip volume increases, the average cost per trip declines. As a result, in FY22 the average cost per trip will be estimated at \$67 because ridership demand is returning to the new normal that is close to pre-pandemic level. The cost decrease is due to the phasing out of special services that were provided in response to the pandemic. In particular, the restarting of shared rides significantly improves contractor productivity and lowers per trip costs.

FY22 Proposed Budget

Given the significant projected increases in ridership due to the waning of the pandemic, Access is projecting a 23 percent increase in its operating budget for FY22 as outlined in the table below. In addition to the projected increase in Direct Operations, the increase in Contracted Support is due to the forecasted increase in in-person eligibility applicants. Management/Administration’s increase is due to additional costs as demand returns and the Agency returns to full staffing. Capital costs are increasing due mostly to the timing of various grants, the availability of vehicles and increases to the cost of vehicles.

Access Services - Budget				
Expenses	FY21 Budget	FY22 Budget Proposed	\$ Change	% Change
Direct Operations	\$144,257,406	\$176,329,428	\$32,072,021	22.2%
Contracted Support	\$9,712,433	\$13,774,416	\$4,061,983	41.8%
Management/Administration	\$11,613,966	\$12,951,999	\$1,338,033	11.5%
Total Operating Cost	\$165,583,805	\$203,055,843	\$37,472,038	22.6%
Total Capital Costs	\$13,200,000	\$16,607,000	\$3,407,000	25.8%
Total Expenses	\$178,783,805	\$219,662,843	\$40,879,038	22.9%
Carryover	\$3,711,539	3,161,896	(\$549,643)	-14.8%

FY20 Carryover Funds

Each year, Metro includes Access in the consolidated audit process to ensure that it is effectively managing and administering federal and local funds in compliance with applicable guidelines. The FY20 audit determined that Access had approximately \$3,161,896 million dollars of unspent or unencumbered funds. Per Access’ FY21 Memorandum of Understanding (MOU), Access has the option to either return the funds to Metro or request that such funds be carried over to the next fiscal year for use in FY22 for operating expenses. Access has requested to carryover a total amount of \$3,161,896 from FY20 into the FY22 proposed budget.

Performance

In FY18, the Access Board of Directors adopted additional key performance indicators (KPIs) and liquidated damages to ensure that optimal levels of service are provided throughout the region. Overall system statistics are published monthly in a Board Box report. A yearly comparison summary of the main KPIs is provided below:

Key Performance Indicators (KPIs)	FY 2020	FY 2021
On Time Performance - ≥ 91%	92.20%	93.70%
Excessively Late Trips - ≤ 0.10%	0.10%	0.04%
Excessively Long Trips - ≤ 5%	2.90%	0.00%
Missed Trips - ≤ 0.75%	0.46%	0.29%

Denials - 0	18	2
Access to Work On Time Performance - $\geq 94\%$	95.90%	98.30%
Average Hold Time (Reservations) - ≤ 120 seconds	71	44
Calls On Hold > 5 Min (Reservations) - $\leq 5\%$	3.30%	1.70%
Calls On Hold > 5 Min (ETA) - $\leq 10\%$	4.10%	1.20%
Complaints Per 1,000 Trips - ≤ 4.0	2.5	2.1
Preventable Incidents - ≤ 0.25	0.19	0.10
Preventable Collisions (Weighted) - ≤ 0.50	0.67	0.48
Miles Between Road Calls - $\geq 25,000$	60,999	64,104

Overall service performance (reported here through mid-April) has been excellent in FY21.

Agency Update

In FY21, Access implemented the following major initiatives:

- Pandemic services as discussed above including successfully working with partners to rapidly enable drive through vaccination services at major sites around the County;
- Awarded a paratransit operations contract for the Southern Region, Access' largest service area;
- Website redesign.

In FY22, Access plans to implement the following:

- A restart of its in-person eligibility process;
- An analysis of the impact of Metro's NextGen plan on the Access service area;
- A modified Parents with Disabilities program throughout Los Angeles County;
- Enhancements to the *Where's My Ride* (WMR) app using \$330,000 Mobility for All grant funds;
- Beta testing online reservations in the Northern region (San Fernando Valley);
- Award a paratransit operations contract for the Antelope Valley operational region. (The RFP was released in March 2021.)

Metro Oversight Function

Metro will continue oversight of Access to ensure system effectiveness, cost efficiency and accountability. Metro staff has been and will continue to be an active participant on Access' Board of Directors and the Transportation Professionals Advisory Committee. Access will continue to be included in Metro's yearly consolidated audit. Additionally, at the request of the Metro Finance, Budget and Audit Committee, Access will provide quarterly updates that include an overview of Access' performance outcomes and service initiatives.

FINANCIAL IMPACT

The Proposed Budget for FY22 was requested in Cost Center 2413, Project 410011 and Account 54001 in the FY22 Metro Annual Budget for adoption at the May 2021 Board meeting.

Impact to Budget

Access' funding will come from Measure M 2% funds in the amount of \$12.75 million, \$30.59 million in CRRSAA-equivalent funds, and Proposition C 40% funds in the amount of \$79.24 million, for a total amount of \$122.58 million. The CRRSAA-equivalent and Proposition C 40% funds are eligible for bus and rail operations. Given the region is fully funding its projected ADA paratransit obligation, there will be no financial impact on Metro's bus and rail operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

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

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

ALTERNATIVES CONSIDERED

Not fully funding Access to provide the mandated ADA paratransit services for FY22 would place Metro and the other 44 Los Angeles County fixed route operators in violation of the ADA, which mandates that fixed route operators provide complementary paratransit service within $\frac{3}{4}$ of a mile of local rail and bus lines. This would impact Metro's ability to receive federal grants.

NEXT STEPS

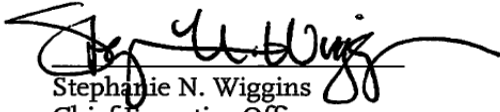
Upon approval, staff will execute all MOUs and agreements to ensure proper disbursement of funds.

ATTACHMENTS

Attachment A - FY22 Access Services ADA Program

Prepared by: Fayma Ishaq, Accessibility Program Manager, (213) 922-492

Reviewed by: Jonaura Wisdom, Chief Civil Rights Programs Officer, (213) 418-3168



Stephanie N. Wiggins
Chief Executive Officer

FY22 ACCESS SERVICES ADA PROGRAM	
<u>Expenses</u>	(\$ in millions)
FY22 Access Proposed Budget	\$219.6
Metrolink Free Fare Program (Paid by Metro)	\$2.3
Total Access Services ADA Program	\$222.0
Federal/Fares	
Federal STBG Program	\$71.3
Passenger Fares, 5317 Grants & Misc. Income	\$8.3
Capital	\$16.6
Subtotal	\$96.2
New Funding Request - Operating and Capital	
<u>Measure M 2%</u>	
FY22	Total Measure M 2% Subtotal
	\$12.7
<u>Proposition C 40%</u>	
Carryover from FY20 into FY22	\$3.1
FY22	\$56.8
CRRSAA Equivalent Funds	\$30.5
Operating Reserve	\$20.0
Metrolink Free Fare Program (Paid by Metro)	\$2.3
Total Proposition C 40% Subtotal	\$112.9
TOTAL FY22 LOCAL FUNDING REQUEST	\$125.7

Access Services - FY22 Budget Request

Finance, Budget & Audit Committee

Access Services – FY22 Budget

FY22 ACCESS SERVICES ADA PROGRAM	
<u>Expenses</u>	(\$ in millions)
FY22 Access Proposed Budget	\$219.6
Metrolink Free Fare Program (Paid by Metro)	\$2.3
Total Access Services ADA Program	\$222.0
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Federal STBG Program	\$71.3
Passenger Fares, 5317 Grants & Misc. Income	\$8.3
Capital	\$16.6
Subtotal	\$96.2
New Funding Request - Operating and Capital	
<u>Measure M 2%</u>	
FY22	Total Measure M 2% Subtotal \$12.7
<u>Proposition C 40%</u>	
Carryover from FY20 into FY22	\$3.1
FY22	\$56.8
CRRSAA Equivalent Funds	\$30.5
Operating Reserve	\$20.0
Metrolink Free Fare Program (Paid by Metro)	\$2.3
Total Proposition C 40% Subtotal	\$112.9
TOTAL FY22 LOCAL FUNDING REQUEST	\$125.7

Access Services – Expenses

Access Services - Budget					
Expenses	FY2021 Budget	FY2022 Budget Proposed	\$ Change	% Change	Notes
Direct Operations	\$144,257,406	\$176,329,428	\$32,072,021	22.2%	Projected increase in ridership due to waning of the pandemic.
Contracted Support	\$9,712,433	\$13,774,416	\$4,061,983	41.8%	Projected increase in in-person eligibility evaluations.
Management/ Administration	\$11,613,966	\$12,951,999	\$1,338,033	11.5%	Additional staffing and CPI increases for contracts.
Total Operating Cost	\$165,583,805	\$203,055,843	\$37,472,038	22.6%	
Total Capital Costs	\$13,200,000	\$16,607,000	\$3,407,000	25.8%	Increase due to grant timing, vehicle availability and costs.
Total Expenses	\$178,783,805	\$219,662,843	\$40,879,038	22.9%	
Carryover	\$3,711,539	3,161,896	(\$549,643)	-14.8%	

Access Services – Key Performance Indicators (KPIs)

Key Performance Indicators (KPIs)	FY 2020	FY 2021
On Time Performance - $\geq 91\%$	92.20%	93.70%
Excessively Late Trips - $\leq 0.10\%$	0.10%	0.04%
Excessively Long Trips - $\leq 5\%$	2.90%	0.00%
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Preventable Incidents - ≤ 0.25	0.19	0.10
Preventable Collisions (Weighted) - ≤ 0.50	0.67	0.48
Miles Between Road Calls - $\geq 25,000$	60,999	64,104

- Service performance based on pandemic service model (no share rides).
- Overall service performance (reported here through mid-April) has been excellent in FY21.

FY21 Accomplishments/FY22 Initiatives

FY21 Accomplishments

- Pandemic services including successfully working with partners to rapidly enable drive through vaccination services at major sites around the County;
- Awarded a paratransit operations contract for the Southern Region, Access' largest service area;
- Website redesign.

FY22 Initiatives

- A restart of its in-person eligibility process;
- An analysis of the impact of Metro's NextGen plan on the Access service area;
- A modified Parents with Disabilities program throughout Los Angeles County;
- Enhancements to the *Where's My Ride* (WMR) app using \$330,000 Mobility for All grant funds;
- Beta testing online reservations in the Northern region (San Fernando Valley);
- Award a paratransit operations contract for the Antelope Valley operational region. (The RFP was released in March 2021.)

Recommendations

- A. APPROVING local funding request for Access Services (Access) in an amount not to exceed \$122,582,419 for FY22. This amount includes:**
- **Local funds for operating and capital expenses in the amount of \$120,217,213;**
 - **Local funds paid directly to Metrolink for its participation in Access' Free Fare Program in the amount of \$2,365,206; and**
- B. AUTHORIZING the Chief Executive Officer (CEO) to negotiate and execute all necessary agreements to implement the above funding programs.**



Board Report

File #: 2021-0242, File Type: Plan

Agenda Number: 10.

**FINANCE, BUDGET AND AUDIT COMMITTEE
MAY 19, 2021**

SUBJECT: MANAGEMENT AUDIT SERVICES FY 2021 THIRD QUARTER REPORT; AND FY 2022 AUDIT PLAN

ACTION: RECEIVE AND FILE

RECOMMENDATION

CONSIDER:

- A. RECEIVING AND FILING the Management Audit Services (MAS) quarterly report for the period ending March 31, 2021; and
- B. APPROVING the FY 2022 Audit Plan.

ISSUE

MAS is required to provide a quarterly activity report to Metro's Board of Directors (Board) that includes information on audits that have been completed or in progress including information related to audit follow-up activities.

In addition, MAS is required to complete an annual agency-wide risk assessment (AWRA) and submit an annual audit plan to the Board of Directors for approval.

BACKGROUND

It is customary practice for Management Audit Services to deliver the quarterly audit report. This report covers Q3 of FY 2021.

Additionally, in January 2018, the Board adopted modifications to the FY07 Financial Stability Policy. The Financial Stability Policy requires MAS to develop an annual risk assessment and audit plan, and present it to the Board. It also requires that the Finance, Budget and Audit Committee provide input and approval of the audit plan.

DISCUSSION

MAS provides audit services in support of Metro's ability to provide responsive, accountable and trustworthy governance. The department performs internal and external audits. Internal audits evaluate the processes and controls within the agency while external audits analyze contractors, cities and/or non-profit organizations that are recipients of Metro funds. The department delivers management audit services through functional groups which are Performance Audit, Contract, Financial and Compliance Audit, and Audit Support. Performance Audit is mainly responsible for internal audits related to Operations, Finance and Administration, Planning and Development, Program Management, Information Technology, Communications, Risk, Safety and Asset Management including the Chief Executive Office and other internal areas. Contract, Financial and Compliance Audit is primarily responsible for external audits in Planning, Program Management and Vendor/Contract Management. MAS's functional units provide assurance to the public that internal processes and programs are being managed efficiently, effectively, economically, ethically, and equitably and that desired outcomes are being achieved. This assurance is provided by the MAS's functional units conducting audits of program effectiveness, economy and efficiency, internal controls, and compliance. Audit Support is responsible for administration, financial management, budget coordination, and audit follow-up and resolution tracking.

A. THIRD QUARTER FY21 ACTIVITY

The summary of MAS activity for the quarter ending March 31, 2021 is as follows:

Performance Audits: One project was completed during the third quarter; and eight were in progress.

Contract, Financial and Compliance Audits: Three audits with a total value of \$10 million were completed during the third quarter; and 83 audits were in progress.

Financial and Compliance Audits of Metro: 132 financial and compliance audits were issued by external CPA firms.

Audit Follow-up and Resolution: Seven recommendations were closed during third quarter.

*Note: MAS performs audit follow-up for the Office of Inspector General (OIG), which 12 OIG recommendations were closed during the reporting period.

The third quarter FY 2021 report is included as Attachment A.

B. FY 2022 AUDIT PLAN

In accordance to Metro's Financial Stability Policy and applicable audit statutes, MAS performs an agency-wide risk assessment (AWRA), which serves as the basis for the agency's annual audit plan. In 2020, MAS completed an extensive AWRA that lent to the development of the FY 2021 Audit Plan.

Recognizing the FY 2021 Audit Plan and the AWRA was sufficiently robust; and the FY 2021 Audit Plan has not been fulfilled, the determination has been made to carry forward the FY 2021 Audit Plan for which it will serve as the FY 2022 Audit Plan with a modification.

The FY 2022 Audit Plan has been developed with consideration to the current state of the agency as result of the impacts of the COVID-19 pandemic, and the results of the AWRA, including input from Metro's senior leadership. In addition, the audit plan includes financial and compliance audits which are completed annually.

In effort to ensure due diligence for FY 2022, MAS performed a review of agency governance documentation such as Board reports, committee agendas, minutes; and various Metro senior leadership team presentations. MAS also conducted targeted outreach to the designated departmental Audit Liaisons to obtain input in regard to newly presented risks, issues and matters. The additional input including the independent research is reflected in the FY 2022 Audit Plan.

The FY 2022 Audit Plan is flexible, relevant and risk based; and includes audit projects that will provide actionable information to support risk management efforts, add value to the agency and lend to the achievement of organizational goals in alignment to Metro's Vision 2028 Strategic Plan.

The FY 2022 Audit Plan is provided as Attachment B.

DETERMINATION OF SAFETY IMPACT

Approval of the FY 2022 Audit Plan will not impact the safety of Metro patrons or employees.

FINANCIAL IMPACT

Funding for the FY 2022 Audit Plan has been included Management Audit's FY 2022 budget and corresponding cost center.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Receive and file of this item supports Metro Vision 2028 Goal #5: Provide responsive, accountable, and trustworthy governance within the Metro organization. The projects included in the FY 2022 Audit Plan directly or indirectly support various goals outlined in Metro's Vision 2028 Strategic Plan.

ALTERNATIVES CONSIDERED

An alternative is not to approve the annual Audit Plan. This is not recommended since the Audit Plan is a management tool to systematically assign resources for the delivery of an agency-wide audit plan in accordance to the Financial Stability Policy. Additionally, the development of an annual internal audit plan is in accordance to MAS' Charter and the Generally Accepted Government Auditing Standards.

NEXT STEPS

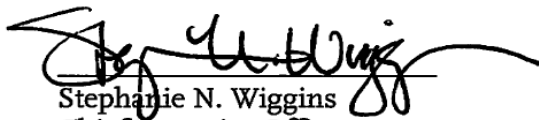
Upon Board approval, MAS will develop the Audit Plan schedule; and deliver quarterly status reports to the Board of Directors.

ATTACHMENT

- A. Management Audit Services Third Quarterly FY 2021 Report
- B. FY 2022 Audit Plan

Prepared by: Lauren Choi, Sr. Director, Audit
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Alfred Rodas, Sr. Director, Audit
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Monica Del Toro, Audit Support Manager
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Reviewed by: Shalonda Baldwin, Executive Officer, Administration
(213) 418-3265


Stephanie N. Wiggins
Chief Executive Officer

Quarterly Report to Metro Board of Directors

FY 2021 Quarter 3



Metro

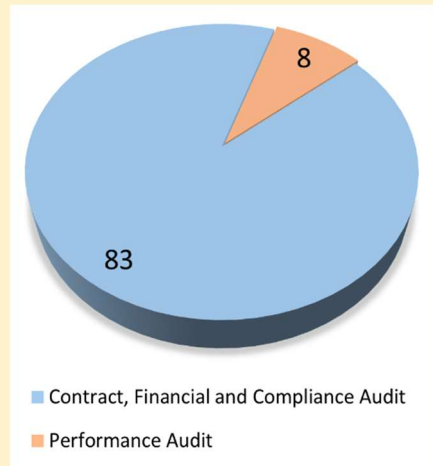
**MANAGEMENT
AUDIT SERVICES**

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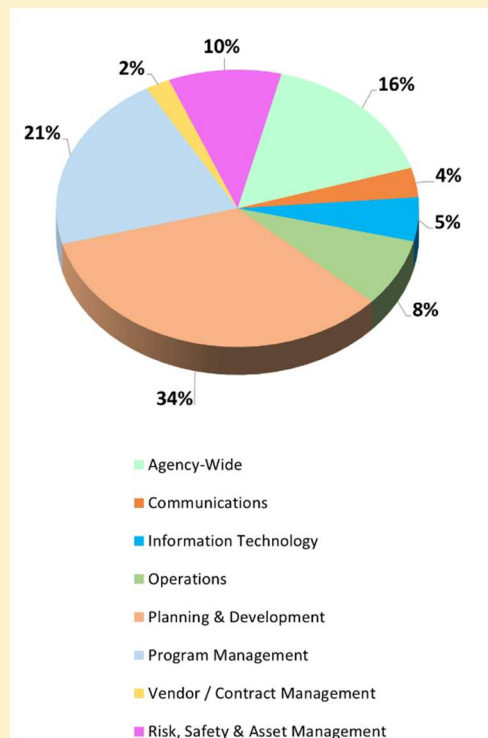
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Executive Summary

In Progress Audit
as of March 31, 2021



Summary of Audit Activity by Department
Reporting Period
January 1, 2021 – March 31, 2021



Summary of In Progress Audit Activity

Management Audit Services (MAS) has 91 in progress projects as of March 31, 2021; which include 8 performance audits and 83 contract, financial and compliance audits. The in-progress performance audits are listed in Appendix A.

As of the reporting period, there are 45 MAS open audit recommendations. In addition, there are 38 open OIG audit recommendations.

Summary of Q3 Completed Audit Activity

MAS completed 136 projects and closed 19 recommendations. The projects are comprised of 1 performance audit; 3 contract, financial and compliance audits; and 132 financial and compliance audits of Metro issued by independent certified public accountant (CPA) firms.

The completed performance audits are highlighted on page 4. The completed contract, financial and compliance audits are highlighted on page 5. The financial and compliance audits of Metro issued by the external CPA firms are highlighted on page 6. A summary of closed and open audit recommendations for MAS and OIG are included on page 9.

Performance Audits

This section includes performance audits completed according to Generally Accepted Government Auditing Standards in addition to other types of projects performed by the Performance Audit team to support Metro. The other types of projects may include independent reviews, analysis or assessments of select areas. The goal of non-audit projects is to provide Metro with other services that help support decision making and promote organizational effectiveness.

Business Interruption Fund (BIF) Pilot Program

MAS contracted with BCA Watson Rice (BCA) to conduct an audit of Pacific Coast Regional Small Business Development Corporation's (PCR) compliance with the Los Angeles County Metropolitan Transportation Authority's (Metro) Business Interruption Fund (BIF) Administrative Guidelines and Fund Disbursement Procedures as listed in the notes to the BIF Pilot Program.

The objective of this audit was to determine PCR's compliance with Metro's BIF Administrative Guidelines and Fund Disbursement Procedures for periods covering March 1, 2019 to June 30, 2019 and July 1, 2019 to June 30, 2020.

The auditors found that PCR complied, in all material respects, with Metro's Business Interruption Fund Administrative Guidelines and Fund Disbursement Procedures as listed in the notes to the BIF Pilot Program.

Contract, Financial & Compliance Audits

MAS staff completed 3 independent auditor's report on agreed-upon procedures of:

- HNTB Corporation's interim incurred cost for the period July 15, 2013 through June 30, 2018 for the Doran Street Grade Separation;
- iNet Inc.'s (dba iParq) Interim Incurred Cost for the period March 1, 2016 through December 31, 2017 for the Permit Parking Management Program; and
- I-5 Consortium Cities Joint Powers Authority (I-5 JPA)'s close-out incurred costs for the I-5 Pre-Construction Mitigation Project.

MAS staff reviewed \$10 million of funds and identified \$623 thousand or 6% of funds that may be reprogrammed.

Details on Contract, Financial and Compliance Audits completed during Q3 FY 2021 are included in Appendix B.

Financial and Compliance Audits of Metro

The following highlights the financial and compliance audits of Metro completed by the external CPA firms:

Financial and Compliance Audits – Issued Various Dates

MAS contracted with two firms, Simpson & Simpson, CPAs (Simpson) and Vasquez & Company (Vasquez), to conduct the financial and compliance audits of the following programs for the year ended June 30, 2020:

- Local Funding Program to 88 cities and Unincorporated Los Angeles County
 - Proposition A Local Return
 - Proposition C Local Return
 - Measure M Local Return
 - Measure R Local Return
 - Transportation Development Act (TDA) Article 3, Article 4 and Article 8 Programs
 - Proposition A Discretionary Incentive Program
- Prop A Discretionary Incentive Grant
 - Antelope Valley Transit Authority
 - Pomona Valley Transportation Authority
- Transit System Operators of Commerce, Redondo Beach, Torrance
 - Transit System Funds
 - Measure M 20%
 - Measure R 20%
- Proposition A Growth Over Inflation (GOI) Fund to Burbank, Glendale, LADOT and Pasadena
- Fare Subsidies Programs
 - Immediate Needs Transportation Program (INTP)
 - Support for Homeless Re-Entry (SHORE) Program
 - Low-Income Fare is Easy (LIFE) Program
- Metrolink Program
- EZ Transit Pass Program
- Access Services
- LADOT

Local Return

Proposition A and C

Vasquez and Simpson found that the Cities and County complied, in all material respects, with the requirements in the Ordinances and the Proposition A and Proposition C Local Return Guidelines that are applicable to the Proposition A and Proposition C Local Return program for the fiscal year ended June 30, 2020.

The auditors found 50 instances of non-compliance for Proposition A and C, consisting of 33 minor findings related to untimely form submittals. Seventeen findings with questioned costs totaling \$1.8 million for Proposition A and \$827 thousand for Proposition C represent approximately 1% of each total fund reviewed. The Local Return Program Manager is working with the cities to resolve the findings. The respective auditors will validate the resolution of the findings identified in these audits in the following years' audits.

Measure R

Vasquez and Simpson found that the Cities and County complied, in all material respects, with the requirements in the Ordinance and the Measure R Local Return Guidelines that are applicable to the Measure R Local Return program for the fiscal year ended June 30, 2020.

The auditors found 21 instances of non-compliance for Measure R, consisting of 10 minor findings related to untimely form submittals. Eleven findings with questioned costs totaling \$2 million for Measure R represent approximately 2% of the total amount reviewed. The Local Return Program Manager is working with the cities to resolve the findings. The respective auditors will validate the resolution of the findings identified in these audits in the following years' audits.

Measure M

Vasquez and Simpson found that the Cities and County complied, in all material respects, with the requirements in the Ordinance that are applicable to the Measure M Local Return program for the fiscal year ended June 30, 2020.

The auditors found 21 instances of non-compliance for Measure M, consisting of 10 minor findings related to untimely form submittals. Eleven findings with questioned costs totaling \$1.5 million for Measure M represent less than 1% of the total amount reviewed. The Local Return Program Manager is working with the cities to resolve the findings. The respective auditors will validate the resolution of the findings identified in these audits in the following years' audits.

Non-Local Return

The auditors found that schedules/financial statements for the various programs included in the Consolidated Audit present fairly, in all material respects. They also found that the entities complied, in all material respects, with the compliance requirements of their respective guidelines. However, the auditors noted several compliance findings; two findings for Metrolink program and twelve findings for the TDA Article 3 program. One compliance finding was also identified in the Immediate Needs Transportation Program (INTP) and one in the EZ Transit Pass Program. Metro Program

Managers are working with the funds recipients to resolve the findings. The respective auditors will validate the resolution of the findings identified in these audits in the following years' audits.

A receive and file report with additional details on the Consolidated Audit will be brought to the committee in the coming months.

Audit Support

Audit Follow-Up and Resolution

The tables below summarize the open and closed audit recommendations as of March 31, 2021.

MAS and External Audit Recommendations					
Executive Area	Closed	Late	Extended	Not Yet Due / Under Review	Total Open
Operations	2	1	10	16	27
Program Management			1		1
Risk, Safety & Asset Management			2	1	3
Systems Security and Law Enforcement	5		7	2	9
Vendor/Contract Management			5		5
Total	7	1	25	19	45

OIG Audit Recommendations					
Executive Area	Closed	Late	Extended	Not Yet Due / Under Review	Total Open
Congestion Reduction			1		1
Human Capital & Development				31	31
Information Technology Services	10				
Operations	2			6	6
Total	12		1	37	38

Details of open audit recommendations for MAS and OIG are included in Appendix C and D.

Appendix A

Performance Audit - In Progress Audits as of March 31, 2021				
No.	Area	Audit Number & Title	Description	Estimated Date of Completion
1	Operations	20-OPS-P02 Follow up Audit of Contracted Bus Services Project Management	Evaluate if prior Contracted Bus Service Project Management corrective actions were implemented.	4/2021
2	Communications / Finance & Budget	20-COM-P01 Performance Audit of Expanded Discount Programs	Determine the adequacy and effectiveness of internal controls over the expanded discount (special fares for patrons) programs.	5/2021
3	Agency-Wide	20-ITS-P01 Performance Audit of IT Security Awareness	Evaluate the extent of information technology security awareness for selected business units within the Agency.	5/2021
4	Operations	18-AGW-P01 Performance Audit of Internal Controls over Overtime Payments for AFSCME	Evaluate adequacy of the internal controls over overtime payments for AFSCME union employees within Operations for selected positions.	5/2021
5	Systems Security and Law Enforcement / Risk, Safety & Asset Management	21-RSK-P02 Performance Audit of COVID Compliance	Determine Metro's compliance with the COVID-19 planned document as well as with applicable state transit industry guidelines.	5/2021
6	Planning & Development	21-PLN-P01 Micro Mobility Vehicles Program	Assess the progress made in achieving program goals and objectives, including assessing the consideration given to the Metro rapid equity assessment tool.	7/2021
7	Risk, Safety & Asset Management	21-RSK-P03 Transit Asset Inventory Records	Evaluate the adequacy of the records for this area, with a focus on accuracy, completeness and proper controls over asset records.	8/2021
8	Operations / Risk, Safety / Environmental Compliance	20-OPS-P01 Performance Audit of Personal Protective Equipment for Maintenance	Determine the adequacy of training and utilization of personal protective equipment by Metro workers performing clean-ups of Metro facilities impacted by activities of homeless individuals.	Project is on Hold

Appendix B

Contract, Financial and Compliance Audit - Audits Completed as of March 31, 2021				
No.	Area	Audit Number & Type	Auditee	Date Completed
1	Program Management	19-HWY-A01 - Closeout	I-5 Consortium Cities Joint Powers Authority	3/2021
2	Program Management	18-CON-A22 - Agreed-Upon Procedures	HNTB Corporation	3/2021
3	Planning & Development	18-HCD-A01 - Agreed-Upon Procedures	iNet Inc. (dba iParq)	3/2021

Appendix C

Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
1	Systems Security and Law Enforcement	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	1a	We recommend that the Emergency Management Unit collaborate with the business units, starting with V/CM, to ensure that the business unit COOPs, and all related documents (e.g., SOPs), include the essential content necessary to support the agency-wide program. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist V/CM.	6/30/2020	6/30/2021
2	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	1b	We further recommend that over the next 12 to 18 months, V/CM should consider focusing its efforts on completing and including the following content with Emergency Management's support and guidance: criteria for COOP activation and relocation decisions; flow charts and decision trees; step-by-step instructions applicable to Gateway or agency-wide emergencies; names, titles and contact details such as phone numbers and emails for all continuity personnel (e.g., Advance Team, CMG, and successors); distribution and logistics dependencies, such as MEFs, mission essential systems, records, databases, supplies and equipment; mission essential records and database storage locations. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist V/CM.	10/30/2020	10/31/2021
3	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	2	We recommend that V/CM management review and reassess the COOP and SOPs periodically to verify that any resulting updates are implemented, including updating V/CM's COOP contact details in the event of key personnel changes. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist V/CM.	4/30/2020	9/30/2021
4	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	3	We recommend that V/CM management work with Emergency Management to arrange for COOP execution training by an emergency management expert concurrently with each annual update. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist V/CM.	7/31/2020	9/30/2021

Any findings that have not been corrected 90 days after the due date are reported as late.

Appendix C

Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
5	Program Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	4	We recommend that the Chief Program Management Officer take the lead role in collaborating with all responsible parties, such as V/CM, Project Delivery Third Party Coordination, County Counsel, etc., to establish agreements with utility companies to guarantee service continuity and restoration in emergency situations. Update: Metro is negotiating Essential Use designation with SCE, DWP & CPUC as a basis for utility emergency service agreements.	3/31/2020	6/30/2021
6	Vendor/Contract Management	18-RSK-P01 Performance Audit of Vendor / Contract Management's (V/CM's) Continuity of Operations Plan (COOP)	5	We recommend that V/CM management consider referencing all the existing COOP-related SOPs to the COOP and/or attaching them as appendices to the COOP, doing the same to the SOPs under development as they are completed. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist V/CM.	10/30/2020	4/30/2021
7	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	5	We recommend Operations management immediately perform all the needed corrections for underpayments and overpayments for all LIP eligible hours from July 1, 2017 to date. Update: Operations' staff prepared a partial LIP retroactive pay calculation which has been verified; remaining pay calculations are still either in progress or under verification.	12/31/2019	5/31/2021
8	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	6	We recommend Operations management, after completing recommendation number 5 above, partner with ITS to perform periodic true ups to determine any over/underpayment, and submit required corrections to Payroll regularly and in a timely manner until calculations can be automated. Update: ITS / Operations implemented various revised automated fixes. Testing continues to confirm that the latest fix works correctly. The final periodic true-up is included in the pay calculations above.	12/31/2019	4/30/2021
9	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	7	We recommend Operations management reinforce the training with the Division Staff to properly record all LIP eligible hours and pay codes including special conditions for non-certified Line Instructors. Update: ITS / Operations implemented various revised automated fixes. Testing continues to confirm that the latest fix works correctly.	12/31/2019	4/30/2021

Any findings that have not been corrected 90 days after the due date are reported as late.

Appendix C

Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
10	Operations	18-ITS-P01 Performance Audit of the HASTUS System – Implementation of Collective Bargaining Agreement Changes	8	We recommend Operations management collaborate with ITS, in consultation with Employee and Labor Relations, to assess possibilities to automate LIP calculations and reporting as practical in either HASTUS or the Payroll system. Update: ITS / Operations implemented various revised automated fixes. Testing continues to confirm that the latest fix works correctly.	12/31/2019	4/30/2021
11	Systems Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	1	We recommend that Emergency Management should coordinate with Payroll to facilitate training and add the additional details to Finance (Payroll)'s COOP and SOPs, including criteria for COOP activation and relocation decisions, flow charts, decision trees and step-by-step instructions. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist Finance.	2/28/2021	7/29/2021
12	Systems Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	2	We recommend that Emergency Management should coordinate with Payroll to create an SOP template to include names, titles and contact details (phone numbers and emails) for all continuity personnel, such as the CMG, key continuity positions and successors. Advance team references should state "provided by ITS". Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist Finance.	7/31/2020	7/29/2021
13	Systems Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	3	We recommend that Emergency Management should coordinate with Payroll to review and assess the COOP and SOPs annually and verify that any resulting updates are implemented. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist Finance.	7/31/2020	7/29/2021
14	Systems Security and Law Enforcement	18-RSK-P02 Performance Audit of Finance (Payroll)'s Continuity of Operations Plan	4	We recommend that Emergency Management should coordinate with Payroll to schedule COOP execution training by an emergency management expert concurrently with each annual COOP update. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist Finance.	7/31/2020	7/29/2021
15	Operations	19-OPS-P02 Performance Audit of the Rail Communications Systems	8 Total	The recommendations included in this report address findings in Metro's Operational System. Update: As of December 2020, 4 of 12 recommendations were closed.	On-going	

Any findings that have not been corrected 90 days after the due date are reported as late.

Appendix C

Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
16	Operations	19-OPS-P03 Performance Audit of the SCADA Security Controls	9 Total	The recommendations included in this report address findings in Metro's Operational System. Update: As of December 2020, 4 of 13 recommendations were closed.	On-going	
17	Risk, Safety & Asset Management	16-OPS-P03 Performance Audit of Accident Prevention Practices in the Operations Department	2	We recommend that the Chief Risk, Safety & Asset Management Officer raise awareness of the FOF program. Update: A new mandatory FOF online training program has been set to release in November 2020 to train all supervisory personnel, including the proper fashion for completing a FOF, discussion items while conducting a FOF and requirements of the FOF Policy. FOFs are regularly discussed at LSC meetings and a FOF awareness campaign is currently being discussed with Operations.	3/31/2020	12/31/2021
18	Risk, Safety & Asset Management	16-OPS-P03 Performance Audit of Accident Prevention Practices in the Operations Department	3	We recommend that the Chief Risk, Safety & Asset Management Officer develop additional input controls in the Transit Safe System, by designating required FOF form fields as mandatory, including Supervisors sign-off to review for accuracy of information, to prevent the close out of FOF records without completion of all required fields and to ensure quality of information is maintained. Update: The TransitSafe system is no longer supported for updates or modifications since the system will be replaced soon with a new safety system (Cority). The new system will include management of the FOF program and will include supervisory sign-off/verification of FOF review. Mandatory fields for FOFs will be included in the system. Cority is currently being configured.	7/31/2020	6/30/2021
19	Risk, Safety & Asset Management	16-OPS-P03 Performance Audit of Accident Prevention Practices in the Operations Department	4	We recommend that the Chief Risk, Safety & Asset Management Officer incorporate recommendation #3, above, in the upcoming replacement system of Transit Safe.	12/31/2021	
20	Systems Security and Law Enforcement	19-RSK-P01 Performance Audit of System Security & Law Enforcement's Continuity of Operations Plan	1	We recommend that Emergency Management collaborate with SS&LE to establish at least three new locations to accommodate emergency back-up SS&LE command centers. As a suggestion, not more than one facility should be close to Gateway Plaza. The other two should be far enough away from Gateway and from each other that there is little risk that a wide area emergency could affect all three locations. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist Finance.	7/30/2020	7/29/2021

Any findings that have not been corrected 90 days after the due date are reported as late.

Appendix C

Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
21	Systems Security and Law Enforcement	19-RSK-P01 Performance Audit of System Security & Law Enforcement's Continuity of Operations Plan	3	We recommend that Emergency Management should coordinate with SS&LE to facilitate training and add the additional details to the SS&LE COOP and SOPs, including criteria for COOP activation and relocation decisions, flow charts, decision trees and step-by-step instructions.	7/30/2021	
22	Systems Security and Law Enforcement	19-RSK-P01 Performance Audit of System Security & Law Enforcement's Continuity of Operations Plan	4	We recommend that Emergency Management should coordinate with SS&LE to create a Standard Operating Procedures template to include names, titles and contact details (phone numbers and emails) for all continuity personnel, such as the CMG, key continuity positions and successors; and reference and attach all COOP-related SOPs as Appendices to the COOP. Update: Emergency Management resources have been fully committed to COVID-19 related emergency operations since March, and are unavailable to assist Finance.	7/30/2020	7/29/2021
23	Systems Security and Law Enforcement	19-RSK-P01 Performance Audit of System Security & Law Enforcement's Continuity of Operations Plan	7	We recommend that Emergency Management should coordinate with SS&LE to schedule COOP execution training by an emergency management expert concurrently with each annual COOP update (See COOP Appendix M).	7/31/2021	
24	Vendor/Contract Management	17-VCM-P02 Performance Audit of Change Order Internal Controls	1	We recommend that Vendor / Contract Management consider providing supplemental guidance to ACQ-2 Manual Chapter 14-11 Change Orders J to define what is considered a "significant sum" when there is a difference between the negotiated price adjustment, Metro's Independent Cost Estimate, and the prenegotiation position that must be explained. Update: VCM has developed draft language which has been presented to the SLT for review and approval that addresses the audit recommendation and that is planned for inclusion in the ACQ-2 manual. However, this draft language is still under review by County Counsel and not yet officially adopted, but VCM still anticipates that the final approval of the draft language should be received by the end of FY 21.	12/31/2020	6/30/2021
25	Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering and Maintenance Training	1a	We recommend that the Chief Operations Officer require Wayside Systems Engineering and Maintenance management to perform a training needs assessment to accurately determine the number of Instructors required to ensure that formal refresher training is provided regularly within the Signal, Track, and Traction Power departments.	7/31/2021	

Any findings that have not been corrected 90 days after the due date are reported as late.

Appendix C

Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
26	Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering and Maintenance Training	1b	We recommend that the Chief Operations Officer require Wayside Systems Engineering and Maintenance management to develop a Formal Refresher Training that supports the technical competence of maintenance personnel and supports the improvement of system reliability of assets. Refresher Training should be focused on areas where the increasing number of failures or repeat write-ups are occurring within the Signal, Track, and Traction Power departments.	2/28/2021	
27	Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering and Maintenance Training	1c	We recommend that the Chief Operations Officer require Wayside Systems Engineering and Maintenance management to develop Key Performance Indicators that identify leading indicators. The information from the Key Performance Indicators should be utilized to help develop Technical Refresher Training courses. Update: Closed as of April 2021.	12/31/2020	
28	Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering and Maintenance Training	2a	We recommend that the Chief Operations Officer consult with ITS management and require Signal, Track and Traction Power departments to make use of the OTTS as a monitoring and notification system control for upcoming employee training to help ensure that Wayside employees complete all required training on time. This should lead to a system implementation that would notify employees and managers about upcoming training requirements based on a 30-60-90-day outlook. Update: Closed as of April 2021.	12/31/2020	
29	Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering and Maintenance Training	2b	We recommend that the Chief Operations Officer consult with ITS management and require Signal, Track and Traction Power departments to expand the reporting and documentation capabilities of the OTTS in order to maintain a more complete training record and have training records stored in a centralized location to help ensure that Wayside employees complete all required training on time. Update: Closed as of April 2021.	12/31/2020	
30	Operations	19-OPS-P01 Performance Audit of Wayside Systems Engineering and Maintenance Training	2c	We recommend that the Chief Operations Officer consult with ITS management and require Signal, Track and Traction Power departments to remind Supervisors or leads to verify the currency of training and certifications prior to scheduling crew work assignments to help ensure that Wayside employees complete all required training on time. Update: Closed as of April 2021.	12/31/2020	

Appendix D

OIG Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
1	Operations	17-AUD-04 Review of Metro Safety Culture and Rail Operational Safety	6 Total	The 117 recommendations included in this report address findings in Safety Culture, Red Signal Violations, Safety Assessment of Infrastructure Elements, Technology, Operations and Maintenance, Human Resources, and etc. Update: As of December 2020, 111 of 117 recommendations were closed.	Pending	
2	Congestion Reduction	20-AUD-06 Review of LA Metro's Freeway Service Patrol Program	6	LA Metro FSP should set a target for its Benefit-to-Cost ratio, either in comparison to the statewide average or develop its own annual target. This is especially important as costs are expected to rise over the next several years as insurance and vehicle costs continue to escalate. If such the annual target is not met, it would trigger LA Metro FSP to conduct a deeper evaluation of its program and identify potential strategies to improve the following year's performance.	10/1/2020	7/1/2021
3	Human Capital & Development	21-AUD-02 Audit of Internal Controls Over Pension Payments for Deceased Retirees	1	We recommend that the Pension and Benefit Department continue with plans to seek reimbursement for the three overpayments and any future overpayments. Update: Closed as of April 2021.	3/31/2021	
4	Human Capital & Development	21-AUD-02 Audit of Internal Controls Over Pension Payments for Deceased Retirees	2	We recommend that the Pension and Benefit Department formally document their procedures for identifying deceased retirees using PBI. Update: Closed as of April 2021.	3/31/2021	
5	Human Capital & Development	21-AUD-02 Audit of Internal Controls Over Pension Payments for Deceased Retirees	3	We recommend that the Pension and Benefit Department formally document in writing their unwritten policy regarding the date of death being used to determine if an overpayment has occurred and should be pursued. Update: Closed as of April 2021.	3/31/2021	
6	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	1	Employ Oracle Talent Acquisition Cloud (OTAC), Metro's new Applicant Tracking System, to obtain and utilize talent analytics	Pending	
7	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	2	Hold hiring process stakeholders accountable for faster decision making	Pending	
8	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	3	Decrease post-testing communication time for the candidates	Pending	
9	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	4	Select interview dates and interviewers prior to the Hiring Plan Meeting	Pending	
10	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	5	Implement a digital workflow to autoroute forms and utilize electronic signatures and assign a back-up signatory	Pending	

Appendix D

OIG Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
11	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	6	Implement digital interview note-taking, scoring, and uploading of candidate results	Pending	
12	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	7	Improve communication between Talent Acquisition (TA) and Hiring Managers regarding changes in the hiring process	Pending	
13	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	8	Encourage greater use of department interviews	Pending	
14	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	9	Allow Qualified Candidate Pools (QCPs) with similar Minimum Qualifications (MQs) to be shared	Pending	
15	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	10	Clarify decision-making roles and responsibilities throughout the entire hiring process	Pending	
16	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	11	Grant Hiring Managers greater decision-making authority in screening	Pending	
17	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	12	Ensure full adoption of the OTAC system coupled with adoption of an effective change management process	Pending	
18	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	13	Expand Hiring Managers' influence by allowing additional Minimum Qualifications to a position	Pending	
19	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	14	Reevaluate the use of blind screening in 12 months	Pending	
20	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	15	Transition Equal Employment Opportunity (EEO) role from active participant to advisor, auditor, and trainer	Pending	
21	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	16	Utilize self-service portal for candidates to provide evidence of education and references	Pending	
22	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	17	Provide stakeholders with the ability to receive live application status updates	Pending	
23	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	18	Communicate to Metro employees why it lacks a promotion process	Pending	
24	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	19	Ensure OTAC's application portal meets candidates' needs	Pending	
25	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	20	Update auto-generated communications to applicants after application submission to improve hiring process expectations	Pending	
26	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	21	Institute a combination of standardized and non-standardized interview questions	Pending	

Appendix D

OIG Open Audit Recommendations as of March 31, 2021						
No.	Area	Audit Number & Title	Rec. No.	Recommendation	Original Completion Date	Extended Completion Date
27	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	22	Update initial communication to candidates placed on QCP	Pending	
28	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	23	Send periodic automated emails to candidates in QCP to keep them engaged and aware of opportunities for which they may be considered	Pending	
29	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	24	Request complete employment history earlier in the process	Pending	
30	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	25	Consider characteristics other than years of direct work experience when determining salary offers and when screening applications	Pending	
31	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	26	Reduce required memos and forms and expedite their completion	Pending	
32	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	27	Consider increasing the 15% cap on raises for internal candidates	Pending	
33	Human Capital & Development	20-AUD-09 Personnel Hiring Process Study	28	Decrease the job posting salary ranges	Pending	



Management Audit Services

FY 2022 Audit Plan

The FY22 Audit Plan includes 21 audit projects broken down into two categories: priority and discretionary. The priority audit projects will be given primary focus and initiated at the onset of the annual plan. The discretionary audit projects will be reassessed by MAS staff at mid-year review and initiated based on the status of priority audits, internal capacity and/or resources. MAS staff may also exercise the discretion to carry-forward discretionary audit projects to the FY 23 annual audit plan.

Table with 2 columns: FY 22 Priority Projects, Status. Rows include Business Interruption Fund, COOP - Rail Operations, COVID-19 Regulatory Compliance, Cybersecurity Follow Up, M3 Replacement - Controls and Readiness, Metrolink Rehabilitation Projects, Micro Mobility Program, Telecommuting - Policy Revision, Transit Asset Inventory Records, Westside Purple Line Extension, and *Metro Oversight of Caltrans Highway Project Delivery.

Priority Projects

Vision 2028 Goal #1 – Provide high-quality mobility options that enable people to spend less time traveling

	Title	Objective	Area
1.	Metro Oversight of Caltrans Highway Project Delivery	Assess Metro’s oversight and monitoring of Caltrans project management and funding of Highway projects.	Program Management
2.	Continuity of Operations Plan (COOP) – Rail Operations	Evaluate the adequacy of the rail COOP and SOPs to support the achievement of Mission Essential Functions in emergency situations.	Operations
3.	Transit Asset Inventory Records	Evaluate the adequacy of the records for this area, with a focus on accuracy, completeness and proper controls over asset records.	Risk, Safety and Asset Management

Vision 2028 Goal #3 – Enhance communities and lives through mobility and access to opportunity

	Title	Objective	Area
1.	Micro Mobility Program	Assess the progress made in achieving program goals and objectives, including assessing the consideration given to the Metro rapid equity assessment tool.	Planning and Development

FY 2022 Audit Plan

Appendix A

Vision 2028 Goal #5 – Provide responsive, accountable, and trustworthy governance within the Metro organization

	Title	Objective	Area
1.	Pre-Award Audits	Pre-award audits for procurements and modifications.	Vendor / Contract Management
2.	Incurred Cost Contract Audits	Verify that costs are reasonable, allowable and allocable on cost reimbursable contracts for contractors.	Vendor / Contract Management
3.	Incurred Cost Grant Audits	Verify that costs are reasonable, allowable and allocable on cost reimbursable contracts for Caltrans, Cities & County MOUs.	Planning & Development / Program Management
4.	Financial and Compliance External Audits	Complete legally mandated financial and compliance audits.	Agencywide
5.	Business Interruption Fund	Validate compliance with administrative guidelines and fund disbursement procedures.	Vendor / Contract Management
6.	Cybersecurity Follow Up	Verify if corrective actions have been taken by ITS on the prior external audit recommendations provided for this area.	Information Technology Services
7.	M3 Replacement – Controls and Readiness	Assess if system controls and other aspects of project preparedness have been adequately considered prior to project implementation.	Information Technology Services

FY 2022 Audit Plan

Appendix A

	Title	Objective	Area
8.	COVID-19 Regulatory Compliance	Determine Metro's compliance with the COVID-19 planned document as well as with applicable state transit industry guidelines.	Systems, Security & Law Enforcement
9.	Westside Purple Line Extension	Evaluate mid-life efficiency and effectiveness over project management, including monitoring of schedule, budget, risk management and quality assurance.	Program Management

Discretionary Projects

Vision 2028 Goal #1 – Provide high-quality mobility options that enable people to spend less time traveling

	Title	Objective	Area
1.	3 rd Party Coordination	Assess the effectiveness and efficiency of the third-party coordination process related to major construction projects.	Program Management

Vision 2028 Goal #2 – Deliver outstanding trip experiences for all users of the transportation system

	Title	Objective	Area
1.	Microtransit Pilot Program	Determine whether the Micro-transit pilot program has appropriate system controls to ensure the accuracy, completeness, timeliness, and proper distribution of pilot program data.	Office of Extraordinary Innovation / Operations
2.	Rail Overhaul – Project Management	Assess Metro’s project management practices for rail overhaul & refurbishment projects to as compared to established procedures & best practice frameworks.	Operations

Vision 2028 Goal #3 – Enhance communities and lives through mobility and access to opportunity

	Title	Objective	Area
1.	Access Services Operations and KPIs	Evaluate the effectiveness and efficiency of Access Services operations and assess the reliability of data used to support KPIs.	Office of Civil Rights

Vision 2028 Goal #5 – Provide responsive, accountable, and trustworthy governance within the Metro organization

	Title	Objective	Area
1.	EAMS Pre-Implementation Reviews	Evaluate the condition of selected processes prior to the EAMS implementation.	Information Technology Services
2.	IT Awareness Third Party Vendors	Assess third party vendors level of awareness of Metro’s information security policies.	Information Technology Services
3.	Pre-Award Cost Price Analysis	Evaluate the adequacy of the process performed by contract administrators for pre-award cost-price analyses.	Vendor / Contract Management
4.	Real Estate Management System	Determine if prior audit findings and recommendations have been considered as part of the upcoming implementation of the new Real Estate Management System.	Planning & Development

**Board Report**

File #: 2021-0048, **File Type:** Program**Agenda Number:** 12.

**FINANCE, BUDGET AND AUDIT COMMITTEE
JUNE 16, 2021****SUBJECT: EXCESS LIABILITY INSURANCE PROGRAM****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to negotiate and purchase Public Entity excess liability policies with up to \$300 million in limits at a cost not to exceed \$18.9 million for the 12-month period effective August 1, 2021 to August 1, 2022.

ISSUE

Metro's Public Entity excess liability insurance policies (which includes transit rail and bus operations) expire August 1, 2021. Insurance underwriters will not commit to final pricing until roughly six weeks before our current program expires on August 1st. Consequently, we are requesting a not-to-exceed amount for this renewal pending final pricing and carrier selection. Without this insurance, Metro would be subject to unlimited liability for bodily injury and property damage claims resulting from, primarily, bus and rail operations.

DISCUSSION

Our insurance broker, USI Insurance Services ("USI"), is responsible for marketing the excess liability insurance programs to qualified insurance carriers. Quotes are in the process of being received for our Public Entity program by our broker from carriers with A.M. Best ratings indicative of acceptable financial soundness and ability to pay claims.

Staff and USI developed a 2021-2022 Public Entity excess liability insurance renewal strategy with the following objectives. First, our insurance underwriter marketing presentations emphasized the low risk of light rail and bus rapid transit services in addition to safety enhancements and pilot programs added over the past years in order to mitigate insurer's concerns with increased operating exposures. Second, we desired to maintain a continuing diversified mix of international and domestic insurers to maintain competition and reduce our dependence on any single insurance carrier. Third, we desired to obtain total limits of \$300 million while maintaining an \$8 million self-insured retention for rail claims and \$10 million for all other claims but were open to increasing our self-insured retention structure if needed to retain reasonable premium pricing.

USI is presenting Metro's submission to all potential insurers in the U.S., London, European and

Bermuda markets representing over 25 carriers in order to create competition in all layers of our insurance program. Our broker communicated with principals in the markets starting in February of this year. Insurance executives both nationally and internationally articulated continuing increased underwriting discipline particularly for transportation risks. Insurers asked for detailed loss information on Metro risks and performed detailed actuarial valuations on our book of business to establish their premiums. We are awaiting final insurance quotes from carriers for the Public Entity policies from our broker.

Since Metro has a newer rail system, our systems incorporated industry leading safety enhancements before other transit agencies, additionally due to a robust claims management process, we benefit from favorable acceptance of our risk in the marketplace which differentiates us from other transit risk profiles. Last year, we obtained \$250 million in Public Entity coverage with \$8 million retention for rail claims and \$10 million for all other claims with selected additional retention for the first claim for \$14.1 million. The relatively calm market we enjoyed for over 17 years changed drastically over the last several years. Extensive loss development specifically related to auto liability, caused the market to “harden” significantly last year resulting in less carrier capacity and higher premiums. The trend continues this year. “Nearly all commercial insurance lines can expect to see rate increases and reductions in capacity through 2021”, according to the 2020-2021 Commercial Property & Casualty Market Outlook Q4 Update from USI. To further complicate the situation, the COVID-19 pandemic significantly exacerbated market conditions.

Metro proves no exception to the international trend. USI faces many challenges in marketing Metro’s liability insurance renewal. Carrier results from public agencies, particularly in California, have been significantly worse than other states and carriers have been leaving the niche. A very limited pool of carriers is willing to even consider writing public entity policies. Metro is no exception primarily due to the size of our system and the fact that we are in Los Angeles County (considered to be a plaintiff-friendly jurisdiction). The loss development the carriers are experiencing on their accounts, including Metro, resulted in many of the carriers ceasing operations entirely in California, with some of them pulling out of the U.S. entirely. At least 20 carriers ceased to write transit or public entity in California in the past 18 months which includes four carriers in Metro’s primary \$30 million layers. According to Risk and Insurance Magazine, “The biggest villain in this sad tale is the trend known as nuclear verdicts, the granting of multimillion-dollar payments or settlements by the courts in liability cases involving transportation companies. Liability payments worth millions of dollars have mushroomed, and insurers have grown ever wary of putting capacity on the line for this kind of risk.” In 2020, Metro lost nearly \$100 million in capacity (including our lead incumbent carrier of many years), replacing insurance carriers proved daunting. The loss in capacity has resulted in Metro assuming additional risk in the first \$25 million of coverage. Replacing retreating carriers in the first \$25 million layer of our program proved challenging, especially considering Metro’s recent loss history. Consequently, we are anticipating another rate increase in our Public Entity general liability program premiums.

Metro’s August 1st insurance placement will reflect higher insurance premiums necessitated by tightened underwriting guidelines, the need to replace carriers who exited our class of business and negative developments in auto liability losses. Our renewal program also includes a self-insured retention to \$10 million for bus and other non-rail related risks. Carriers are not willing to insure Metro’s bus operations risk for less. USI recommends a bifurcated program where Metro will retain

an \$8 million self-insured retention on rail related risks. We were also presented with several approaches within our bus program where Metro will retain a quota share of a loss in addition to the self-insured retention within a layer to reduce our renewal premium. USI will continue to seek options (including alternate retentions and quota share options) and more favorable premiums through July.

To put this into perspective, the most recent USI state of the industry report provides the following insight: "Auto liability, aviation, casualty, construction, financial lines, marine, professional liability, and property rate increases ranged from an average 11% to 30% upon renewal for U.S. account. Tighter underwriting standards and markets exiting certain classes of business have accelerated over the past year and we do not see this trend abating soon, and, anticipate this will continue throughout 2021 and into 2022. In particular, umbrella and excess liability lines, have experienced the most firming over the past few months and in some cases, we are seeing pricing up over 100% with total capacity decreasing at least 25% and underlying attachment points increasing, especially for automobile liability" (USI 2021-2022 Commercial Property & Casualty Market Outlook Q1 Update).

Attachment A provides an overview of the current Public Entity program, renewal options and estimated associated premiums, and the agency's loss history. The Recommended Program, Option A, includes total limits of \$250 million with a bifurcated retention and provides terrorism coverage at all levels. Attachment B shows the tentative Public Entity program carriers selected and program structure.

DETERMINATION OF SAFETY IMPACT

Approval of this recommendation will not impact the safety of Metro's patrons or employees.

FINANCIAL IMPACT

Funding for eleven months of \$18.9 million for this action is included in the FY22 budget request in cost center 0531, Risk Management - Non Departmental Costs, under projects 300022 - Rail Operations - Blue Line, 300033 - Rail Operations - Green Line, 300044 - Rail Operations - Red Line, 300055 - Gold Line, 300066 - Rail Operations - Expo Line, 301012 - Metro Orange Line, 306001 - Operations Transportation, 320011 - Union Station, and 405533 - Commuter Rail in account 50602 (Ins Prem For Gen Liability). Additional funds required to cover premium costs beyond FY22 budgeted amounts will be addressed by fund reallocations during the year.

The remaining month of premiums will be included in the FY23 budget request, cost center 0531, Risk Management - Non Departmental Costs, under projects under projects 300022 - Rail Operations - Blue Line, 300033 - Rail Operations - Green Line, 300044 - Rail Operations - Red Line, 300055 - Gold Line, 300066 - Rail Operations - Expo Line, 301012 - Metro Orange Line, 306001 - Operations Transportation, 320011 - Union Station, and 405533 - Commuter Rail in account 50602 (Ins Prem For Gen Liability).

Impact to Budget

The current fiscal year funding for this action will come from the Enterprise, General and Internal Service funds paralleling funding for the actual benefiting projects charged. No other sources of

funds were considered because these are the activities that benefit from the insurance coverage. This activity will result in an increase to operating costs from the prior fiscal year.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goal # 5 “Provide responsive, accountable and trustworthy governance within the LA Metro organization.” The responsible administration of Metro’s risk management programs includes the use of insurance to mitigate large financial risks resulting from unlimited liability for bodily injury and property damage claims resulting from, primarily, bus and rail operations.

ALTERNATIVES CONSIDERED

Various deductibles and limits of coverage options were considered as outlined in Attachment A for the Public Entity program of insurance. Option A maintains \$250 million limits and bifurcates the program to achieve self-insured retentions (SIR) for bus and non-rail operations at \$10 million plus a 50% share of losses in the primary layer and a SIR for rail operations at \$8 million without any additional share of losses. Option B structure utilizes \$300 million limits and bifurcates the program to achieve self-insured retentions (SIR) for bus and non-rail operations at \$10 million plus a 50% share of losses in the primary layer and a SIR for rail operations at \$8 million without any additional share of losses. Option C incorporates an SIR of \$10 million with a quota share of 50% of losses in primary layer of coverage. Option A is recommended as the most cost effective while retaining a reasonable amount of risk. Option B increases our insurance limits to \$300 million. Option C is not recommended as it provides for retroactive premium capture and could expose Metro to additional premiums over several years.

NEXT STEPS

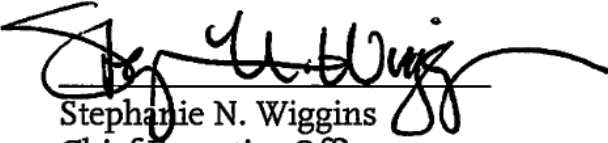
Upon Board approval of this action, we will advise USI to proceed with placement of the excess liability insurance program outlined herein effective August 1, 2021.

ATTACHMENTS

Attachment A - Options, Premiums and Loss History
Attachment B - Proposed Public Entity Carriers and Program Structure

Prepared by: Tim Rosevear, Manager, Risk Financing, (213) 922-6354

Reviewed by: Kenneth Hernandez, Chief Risk, Safety and Asset Management Officer, (213) 922-2990



Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

Options, Premiums and Loss History

Public Entity Program Insurance Premium and Proposed Options

	CURRENT PROGRAM	OPTIONS (Estimated)		
		A	B	C
Self-Insured Retention	\$8.0 mil rail, \$10.0 mil bus & other non-rail	\$8.0 mil rail, \$10.0 mil bus & other non-rail	\$8.0 mil rail, \$10.0 mil bus & other non-rail	\$10.0 mil Combined rail, bus & other
Quota Share	50% bus in primary layer + \$2.5M x \$22.5M	50% bus in primary layer + \$2.5M x \$22.5M	50% bus in primary layer + \$2.5M x \$22.5M	50% in primary layer
Limit of Coverage	\$250 mil	\$250 mil	\$300 mil	\$300 mil
Terrorism Coverage	Yes	Yes	Yes	Yes
Premium	\$14.5 mil	\$17.8 mil	\$18.9 mil	\$15.6 mil*

***Plus \$2.75M if losses exceed contract amount**

**Premium History for Excess Liability Policies
Ending in the Following Policy Periods**

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Self-Insured Retention	\$7.5 mil	\$7.5 mil	\$7.5 mil	\$7.5 mil	\$7.5 mil	\$8.0 mil	\$8.0 mil	\$8/\$10 mil
Insurance Premium	\$3.6 mil	\$3.7 mil	\$3.6 mil	\$3.7 mil	\$4.1 mil	\$4.1 mil	\$6.2 mil	\$14.5 mil
Claims in Excess of Retention	1	1	0	2	1	1	1	0
Estimated Amount in Excess of Retention	\$1.3 mil	\$0	\$0	\$10.0 mil	TBD	TBD	TBD	TBD



USI Insurance Services
 NTE Liability Insurance Summary 2021 - 2022
 Los Angeles County Metropolitan Transportation Authority

ATTACHMENT B

Excess Limit		Layer(s)		Participation	Carrier	Premium
\$300M	Excess Liability	\$50M xs \$250M		\$50,000,000	Pending	\$1,050,200.00
\$250M	Excess Liability	\$10M xs \$240M		\$10,000,000	Munich Re	\$220,625.00
\$240M	Excess Liability	\$40M xs \$200M		\$10,000,000 \$10,000,000 \$10,000,000 \$10,000,000	Liberty Specialty CHUBB AIG AWAC	\$1,050,000.00
\$200M	Excess Liability	\$30M xs \$170M		\$15,000,000 \$5,000,000 \$10,000,000	Hiscox Convex Argo	\$912,829.00
\$170M	Excess Liability	\$70M xs \$100M		\$15,000,000 \$7,500,000 \$5,000,000 \$7,500,000 \$10,000,000 \$7,500,000 \$15,000,000 \$2,500,000	Aspen Apollo Ascot Canopus Argo Hamilton XL Bermuda Queen's Island	\$2,555,921.00
\$100M	Excess Liability	\$17.5M xs \$82.5M		\$7,500,000 \$10,000,000	Apollo Hamilton	\$745,481.00
\$82.5M	Excess Liability	\$7.5M xs \$75M		\$7,500,000	Sompo	\$338,125.00
\$75M	Excess Liability	\$10M xs \$65M		\$10,000,000	XL	\$600,000.00
\$65M	Excess Liability	\$15M xs \$50M		\$15,000,000	AWAC	\$1,170,000.00
\$50M	Excess Liability	\$10M xs \$40M		\$10,000,000	Great American	\$1,100,000.00
\$40M	Excess Liability	\$15M xs \$25M		\$4,000,000 \$1,500,000 \$1,000,000 \$2,500,000 \$1,000,000 \$5,000,000	Hiscox Inigo Helix Ascot MAP Pending	\$2,434,210.00
\$25M	Primary Liability	\$17M Rail - Gemini/Queens Island	\$15M Bus/All Other - Gemini	\$17,000,000	Queens Island Rail	\$1,004,111.00
				\$2,500,000	Self-Insured	N/A
				\$2,500,000	Lexington	\$1,618,750.00
				\$10,000,000	Gemini Quota Share w/Metro 50%	\$3,500,000.00
\$8M Rail SIR Per Occurrence						
\$10M Bus/All Other SIR Per Occurrence						
Estimated Program Premium						\$17,250,052
Tax and Fees (T&F)						\$560,626.69
Estimated Program Not-To-Exceed Total						\$17,810,679

Terrorism pricing is included above.

*Subject to finalization of on-going negotiations with carriers

Program Total Including \$50x\$250 **\$18,895,010**

**Board Report**

File #: 2021-0271, **File Type:** Agreement**Agenda Number:** 13.

**PLANNING AND PROGRAMMING COMMITTEE
JUNE 16, 2021****SUBJECT: 1ST & LORENA JOINT DEVELOPMENT****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to execute an amendment to the Joint Development Agreement (JDA) with A Community of Friends (Developer) and fund \$1,460,037 into an escrow account to be repaid by the Developer at construction closing in order to facilitate the reabandonment of an oil well on Metro-owned property at the northeast corner of 1st and Lorena Streets in Boyle Heights (Site).

ISSUE

In April 2021, the Developer learned that it cannot secure a building permit for its affordable housing project from the City of Los Angeles until the oil well on the Site is reabandoned to current regulatory standards, which was originally contemplated to occur during the ground lease term. Both obtaining the building permit and securing all funding to construct the affordable housing project are conditions to the closing of the ground lease under which the Developer will construct its project. Since Metro has not granted the Developer the right to access and develop the Site, the Developer is unable to secure financing to cover the estimated \$1,460,037 cost to reabandon the well.

Staff is seeking authorization to amend the Joint Development Agreement (JDA) so that Metro can advance the \$1,460,037 into an escrow account that the Developer will draw from to pay for the cost of the oil well reabandonment. The JDA amendment will require the Developer to repay Metro for any use of the \$1,460,037 when the ground lease closing occurs. The JDA amendment will be accompanied by a license agreement granting site access to perform the reabandonment. Without the requested Board action, the Developer will be at an impasse in its affordable housing development.

BACKGROUND*Site and Project Overview*

The Site is an approximately 0.8-acre portion of the approximately 1.3 acres of Metro-owned property situated on the northeast corner of 1st and Lorena Streets, just north of the Metro L Line (Gold). The remaining Metro-owned property is occupied by a traction power substation for the operation of the

Metro L Line and is not part of the Site. In March 2021, Metro and the Developer entered into a JDA for the construction and operation of a 49-unit affordable housing project with up to 7,500 square feet of ground floor commercial space (the "Project") on the Site. The JDA included a \$1,460,037 discount to the ground-lease payment to accommodate the required reabandonment of the oil well.

Oil Well Reabandonment

The oil well on the Site was used for exploratory purposes only and was abandoned in 1949, a week after it was drilled. To develop the Project, this well must be reabandoned to current regulatory standards as required and established by the California Geologic Energy Management Division (CalGEM) and the Los Angeles Office of Petroleum and Natural Gas Administration and Safety. This well reabandonment action is required by Public Resources Code (PRC) §3208.1 "when a well could be potentially impacted by planned property development or construction activities resulting in significant and potentially dangerous issues associated with development near oil, gas, and geothermal wells". This action is also consistent in LA Metro's policy *GEN 49: Environmental Liabilities Assessment and Reporting* to reduce environmental liabilities.

The cost to reabandon the oil well is up to \$1,460,037 based on bids obtained by the Developer and reviewed by Metro's Environmental Compliance and Sustainability Department and environmental consultant. Metro and the Developer previously contemplated that the Developer would perform the reabandonment during the first several months of the ground lease term.

DISCUSSION

In April 2021, the Developer learned that the Los Angeles Fire Department would not sign off on the Project's Building Clearance Summary Sheet-a necessary condition for awarding a building permit through the City of Los Angeles-until the oil well is reabandoned and all regulatory agencies have signed off on the work. The Project is anticipated to receive an allocation of tax credits in June 2021, after which the Developer will need to secure a building permit for the Project by December 2021. The Developer must start the oil well reabandonment in July 2021 in order to obtain a building permit by December 2021. If the Developer does not meet this deadline, it will lose its tax credit financing, resulting in a \$22 million financing gap and an a minimum one-year delay in Project delivery.

As a non-profit affordable housing developer, the Developer has exhausted other potentially viable financing alternatives for the oil well reabandonment. Unsecured financing would force the Developer to guarantee loans and provide investments into Metro-owned property without secured long-term development rights to construct and operate the Project. The Developer explored applying its awarded Infill Infrastructure Grant funds from the California Department of Housing and Community Development (HCD), however HCD deemed this option infeasible because it requires the Developer to have full site control via a ground lease prior to disbursing funds. The Developer also explored several grant options from the Department of Toxic Substances Control (DTSC) but found the DTSC programs require the applicant sites be either a Brownfield Site or an Underutilized Property as defined by California Health and Safety Code Section 25395.20. The Site does not qualify under either definition.

JDA Amendment and License Agreement

The JDA amendment will allow the Developer to perform the well reabandonment prior to the

Project's construction period. It will require the Developer to refund any use of the escrow funds upon construction closing, which is anticipated to occur in December 2021. All other terms of the existing JDA will remain unchanged.

Upon Board approval of the JDA amendment, Metro will also execute a license agreement with the Developer to grant them access to the Site to perform the re-abandonment. The license agreement will include the terms in which the Developer may request disbursement from the escrow account. The license will require a performance bond and include a cross-default provision so that default under the license agreement would be a default under the JDA. Oil well reabandonment costs in excess of \$1,460,037 will be the Developer's responsibility. Metro will retain ownership and, in the event of a default, the value of any work completed on the Site would be recouped through increased value of the land as a result of mitigating the environmental condition.

EQUITY PLATFORM

Consistent with the Equity Platform, the eventual development of the Project provides an opportunity to "focus and deliver" by adding much needed transit-accessible, affordable housing to an Equity Focus Community.

DETERMINATION OF SAFETY IMPACT

Approval of this item will improve safety as it facilitates reabandonment of the oil well. CalGEM's requirements for reabandonment, as indicated in Public Resources Code § 3106, "prevent as far as possible, damage to life, health, property, and natural resources; damage to underground oil, gas and geothermal deposits; and damage to underground and surface waters suitable for irrigation or domestic purposes."

Reabandonment of the oil well will reduce the environmental issues at the property as well as potential Metro environmental liability.

Under the license agreement, the Developer is also required to submit both a health and safety plan and work plan for Metro's review and approval before commencing the reabandonment work.

FINANCIAL IMPACT

The funding source is general fund and is eligible for bus and rail operations and capital projects.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended action supports the Strategic Plan Goal to "enhance communities and lives through mobility and access to opportunity." By approving this recommendation and advancing the Project, Metro will specifically implement Initiative 3.2, which states the agency "will leverage its transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made."

ALTERNATIVES CONSIDERED

The Board could choose not to authorize execution of the JDA amendment. Staff does not recommend this alternative since proceeding with the Project is the quickest and surest way to bring much needed transit-accessible, affordable housing and commercial space to the Boyle Heights community. The Developer's longstanding commitment to the Project, including its financial investment to date, provides further reason not to choose this alternative. This recommended action also mitigates the existing environmental issue on this Metro-owned property.

NEXT STEPS

Upon approval of the recommended action, Metro and the Developer will execute the JDA amendment and license agreement and initiate reabandonment of the oil well. The reabandonment is expected to be completed by December 2021.

Once the reabandonment is complete, the Developer will secure its building permit from City of Los Angeles. Metro and the Developer anticipate execution of a ground lease in the fourth quarter of 2021 in accordance with the terms and conditions set forth in the Term Sheet approved by the Board in February 2021. Construction of the Project is expected to commence promptly thereafter and should be completed in two years.

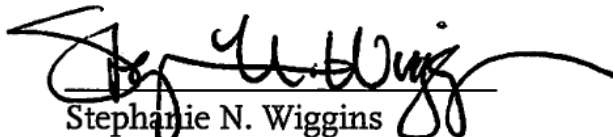
ATTACHMENTS

None.

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Stephanie N. Wiggins
Chief Executive Officer



Next stop: vibrant communities.

1st & Lorena Joint Development
Planning & Programming Committee
June 16, 2021
Legistar File: 2021-0271



Recommendation

CONSIDER:

AUTHORIZING the Chief Executive Officer (CEO) to execute an amendment to the Joint Development Agreement (JDA) with A Community of Friends (Developer) and fund \$1,460,037 into an escrow account to be repaid by the Developer at construction closing in order to facilitate the re-abandonment of an oil well on Metro-owned property at the northeast corner of 1st and Lorena Streets in Boyle Heights (Site).

Background

- Proposed Project:
 - 49 apartments
 - Up to 7,500 sq. ft. of commercial space
- June 2013: Exclusive Negotiation Agreement and Planning Document (ENA) executed.
- March 2021: Joint Development Agreement (JDA) executed.
- April 2021: Developer learned that oil well must be re-abandoned prior to receiving building permit from the City of LA (originally planned to occur during ground lease).



Issue

- Developer must start the oil-well re-abandonment in July 2021 in order to obtain a building permit by December 2021.
- If the Developer does not meet this deadline, it will lose its tax credit financing, resulting in a \$22 million financing gap and an at least one-year delay in Project delivery.
- Estimated cost to re-abandon well is \$1,460,037. Developer is unable to secure financing for re-abandonment.

JDA Amendment and License Agreement

- JDA amendment will allow the Developer to perform the well re-abandonment prior to the Project's construction period.
- It will require the Developer to refund any use of the escrow funds upon construction closing, which is anticipated to occur in December 2021.
- Metro will also execute a license agreement with a cross-default to the JDA
- Metro retains ownership and the value of any work completed on the Site

Next Steps

- JDA amendment and license agreement executed and re-abandonment initiated.
- Once the re-abandonment is complete, the Developer will secure its building permit from City of Los Angeles.
- Late 2021: Ground Lease executed.
- Early 2022: Construction begins and is estimated to take two years to complete.



Board Report

File #: 2021-0192, File Type: Policy

Agenda Number: 15.

PLANNING AND PROGRAMMING COMMITTEE JUNE 16, 2021

SUBJECT: JOINT DEVELOPMENT POLICY UPDATE

ACTION: ADOPT UPDATED JOINT DEVELOPMENT POLICY

RECOMMENDATION

ADOPT updated Joint Development Policy (Attachment A).

ISSUE

In order to strengthen Metro's response to the housing crisis, staff recommends adoption of the updated Joint Development (JD) Policy which will increase the effectiveness of delivering JD projects and supporting equitable transit-oriented communities (TOCs). To inform the recommended JD Policy update, staff consulted key stakeholders, researched best practices, and analyzed the pipeline of future JD sites using a custom financial model, all of which informed a Joint Development Affordable Housing Policy Paper (Policy Paper) which was presented to the Board in January 2021. The findings of the Policy Paper informed a virtual community event with over 300 attendees, an online survey, and additional conversations with key stakeholders, all of which have been reflected in the updated JD Policy (Attachment A). Key changes to the JD Policy are summarized in the Matrix of Changes (Attachment B).

BACKGROUND

The Metro JD Program is a real estate management program that creates partnerships with private sector developers to build developments on Metro properties. The JD Program is guided by the existing JD policy document, the Joint Development Program: Policy ("JD Policy"), which was last updated in January 2017. The Metro JD Program has generated nearly 2,200 units of housing on Metro property to date, more than 1/3 of which are affordable. The number of units will more than double in the next few years bringing more than 1,000 affordable units online. Yet the issue of housing undersupply, affordability and homelessness have only worsened in LA County, and the Metro Board directed JD staff to assess what more Metro could do to address this regional crisis. Staff convened an internal working group, a series of roundtables with external stakeholders, issued several on-line surveys and hosted a Metro Conversations virtual event to broaden public input into the project. In January 2021, staff filed a Policy Paper (Attachment C) with the Metro Board that evaluated the potential policies under consideration. The draft Policy was posted on metro.net from May 7 to June 1 along with a survey to gather feedback and comments.

DISCUSSION

Metro Housing Nexus

As Metro builds out the Measure M transit system, achieving equitable outcomes from this investment will depend in large part on the ability to ensure the availability of affordable housing near the stations. Metro JD provides the opportunity to demonstrate community-driven, equitable development that advances TOC goals. Furthermore, Metro transit investments have the potential to increase land values near transit; in order to protect lower income residents and core riders from displacement and serve vulnerable populations, transit-oriented affordable housing is essential to equitable TOCs.

Policy Update Process

Throughout 2020, JD staff collected more than 150 suggestions for changes to the JD Policy from Board Directors, community stakeholders, advocates, industry experts, and colleagues. Precedent research scanned the national policy landscape for lessons learned and best practices. The tools that could be analyzed quantitatively were tested in a custom financial model that allowed staff to evaluate the impact of potential changes on the feasibility of development on future JD sites. Staff distilled the findings from this research and analysis into a Policy Paper which was delivered to the Metro Board in January 2021 and served as a basis for further stakeholder discussions and feedback.

Outreach

To build an equitable and successful Policy, staff sought input through a variety of stakeholder groups and formats. Key outreach included:

- Roundtable listening sessions with affordable housing and market rate developers, community-based organizations, institutional partners, local government partners, and academics. Participating organizations included UCLA, Abundant Housing, ACT LA, West Angeles Community Development Corporation, Enterprise Community Foundation, Abode Communities, Watt Companies, City of Los Angeles, Thomas Safran Housing, the Southern California Association of Non-Profit Housing (SCANPH), Community Power Collective and Little Tokyo Service Center, among others.
- An on-line survey of existing and prospective development partners, which sought to test the sensitivity of certain policies on project feasibility and invited comments on opportunities to streamline our process.
- Presentations to the Metro Policy Advisory Council, local organizations and neighborhood councils.
- An online comment form and survey soliciting feedback from the public.
- A virtual community event hosted April 7, 2021 to invite feedback on the Policy Paper and spur discussion with stakeholders.

- The public posting of the draft JD Policy for 24 days on Metro.net for review and comment.
- Eblasts to Metro's Joint Development stakeholders with updates on the policy and opportunities for feedback.
- Posting "Frequently Asked Questions" to the website and distributing to stakeholders to provide public responses to questions received.

Portfolio Model

A consultant was retained to assess the impact of various policies on the aggregate potential to develop affordable units on Metro-owned land. Among other things, the model revealed that

- establishing a threshold affordability requirement is feasible insofar as it aligns with local and state density bonuses that increase the development potential of a property;
- discounting Metro property has a diminishing benefit beyond 15%; and,
- because the cost to construct and maintain parking is a major component of development cost, limiting parking can substantially improve project feasibility (and hence the potential to develop more affordable units overall).

Staff used the findings from this model to inform the recommendations that follow. Assuming the implementation of these policies, in the next decade the JD portfolio could expand from its current size of 2,221 units to approximately 10,000 units, approximately half of which would be income restricted.

Staff will report the percentage and total units of the portfolio that is income restricted. Staff considered recommending a new portfolio-wide percentage goal for affordable units. However, staff does not recommend adopting a percentage goal as it may distract from the core need of delivering as many affordable housing units as possible, as quickly as possible. Further, in some cases, the current percentage goal has led to the misunderstanding that each JD project must achieve this goal, when the focus should instead be placed on projects' ability to maximize the number of affordable units near transit. For example, plans to construct 80 units of affordable housing (100% affordable) at one site faltered because there was not enough project revenue to cover the cost to construct over Metro's infrastructure. Today, Metro is negotiating for the construction of approximately 668 units on and adjacent to its property, of which 234 units (35%) would be income restricted. In this, and many other instances, it has been essential to focus not on the percentage of affordable units, but instead on the absolute number that may be delivered.

Policy Changes

After a year of careful analysis, outreach, and consideration, staff has prepared an updated JD Policy that describes the policy tools that best position Metro JD to combat the LA housing affordability crisis on Metro-owned land. The updated JD Policy includes, among other updates, the following key provisions:

Affordability

- Require that all JD sites first be pursued for 100% income-restricted housing. Income restriction guidelines are established each year by the United States Department of Housing and Urban Development (HUD) and published annually by the California Department of Housing and Community Development (HCD).
- HUD guidance determines income restrictions based on county-level area median income (AMI). JD projects will align affordability levels with neighborhood incomes and rents using a Neighborhood AMI analysis.
- Where a 100% income-restricted project is not feasible, require that a minimum of 25% of housing units be affordable to households earning 80% or less of AMI (or an equivalent minimum, to be determined by an affordability score).

Resources

- Adjust the existing policy that allows up to 30% proportional land discount to require that any discount provided is expressed as a dollar subsidy, with no percentage cap, when required for feasibility or specific benefits.
- Limit parking to 0.5 parking spaces per bedroom.
- Prioritize projects where need is highest, and the greatest benefit may be realized fastest.
- Reinvest JD proceeds into TOC activities.
- Use the Metro Acquisition Policy as a general guideline to pursue fair and open competition and seek best value for the public; manage developer solicitation within the JD department.

Unsolicited Proposals

- Only accept unsolicited proposals from developers who bring unique benefit to a Metro site such as adjacent property.
- Consult impacted stakeholders before advancing unsolicited proposals for Board consideration.

Metrics

- Expand the metrics used to track the delivery of affordable homes. The portfolio-wide affordability percentage would continue to be tracked and reported, however the metrics would be expanded to track the total number of units, the speed at which they are delivered, and other outcomes such as job generation and community benefits.
- Analyze outcomes using a program database and tenant surveys.
- Establish a Metro “Housing Lab” to drive innovation around transit-oriented housing and pursue new methods of engagement, financing, and construction in order to deliver projects faster and more equitably.

All of the recommended changes were evaluated in detail in the January 2021 Policy Paper and are summarized in Attachment B.

Proposed TOC Reinvestment

The updated JD Policy would allow for proceeds from JD projects to be reinvested in TOC activities. By strategically leveraging a relatively modest revenue stream, Metro can amplify returns and maximize community benefits. For example, JD revenues could be used to acquire additional property in what might otherwise be a partial take to support a new transit station, and in so doing unlock a transit-oriented development and affordable housing opportunity that might not otherwise be feasible.

Proposed Housing Lab

While delivering on its core program, Metro may also explore housing innovations, on a pilot basis, to test new methods for achieving outcomes quicker, more cost-effectively, and more equitably. This Housing Lab would consist of a partnership with academic and private sector interests, other non-profit partners and/or legal advisors to test and evaluate housing strategies, such as:

- Land banking or community land trusts
- Partnerships with public or private entities to provide equity or debt
- Modular, prefabricated, or 3-D printed units
- Micro units, co-housing, live/work or interim use housing
- Passive house, net zero, or geothermally powered buildings
- Design contests, publications, or speaker series

Updated Policy Applicability and Legal Framework

If adopted, the updated JD Policy would apply to all new JD projects that are not yet in negotiations. While the spirit of the JD Policy may influence deal points that have yet to be determined on Projects for which Exclusive Negotiations Agreements or Joint Development Agreements with developers are in place, key disposition terms or scope definition on several of these projects have already been negotiated and would not necessarily be changed to conform to the updated JD Policy. Properties acquired with Federal resources are subject to Federal Transit Administration guidance on Joint Development. The updated JD Policy requires compliance with applicable Federal, State and local regulations.

Equity Platform

The updated JD Policy reflects the four pillars of the Equity Platform:

- I. Enhanced processes for community outreach will ensure staff can listen and learn;
- II. Targeted analysis of potential JD sites and ongoing metrics of JD projects will define and measure;
- III. New affordability priorities will enable staff to focus and deliver housing to low-income households and historically marginalized communities; and
- IV. The on-going system for monitoring outcomes and innovative housing pilots will allow staff to train and grow.

DETERMINATION OF SAFETY IMPACT

The updated JD Policy will have no impact on safety.

FINANCIAL IMPACT

The recommended JD Policy specifies that JD proceeds are reinvested into TOC activities. JD proceeds currently are considered general revenue and are eligible for transit operations. JD revenues are typically received in the form of one-time capitalized ground lease payments, or as annual payments that currently average approximately \$3 million per year.

Impact to Budget

Adoption and implementation of the updated JD Policy would not impact the Fiscal Year 2021 Budget.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The updated JD Policy is fulfilling Strategic Plan Goal 3.2 by seeking to catalyze TOCs with affordable housing and stabilize neighborhoods, and Goal 3.4 by playing a leadership role in addressing homelessness.

NEXT STEPS

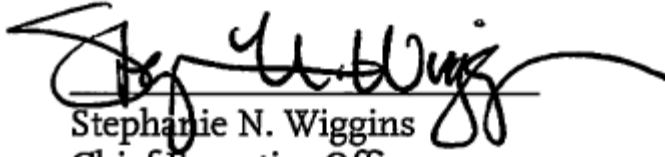
Upon the Board’s approval, the JD Policy will take effect immediately. Staff will revisit the pipeline of future joint development projects to ensure consistency with the adopted guidelines for project prioritization and new project solicitations will follow the updated procedures and requirements. Internal operating procedures, templates, informational media, and training resources will be updated, and staff will implement a “dashboard” to track the number and percentage of affordable units in Metro’s JD portfolio and other new performance metrics, with results communicated annually to the Board. Finally, staff will explore potential partnerships and initiate program design for the proposed Housing Lab.

ATTACHMENTS

- Attachment A - Joint Development Policy
- Attachment B - Joint Development Policy Matrix of Changes
- Attachment C - Metro Joint Development Affordable Housing Policy Paper
- Attachment D - Stakeholder Feedback Summary

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Metropolitan Transportation Authority

Joint Development Policy



Metro[®]

JUNE 2021

I. INTRODUCTION

Vision 2028 Strategic Plan

The Los Angeles County Metropolitan Transportation Authority (Metro) Vision 2028 Strategic Plan encourages the development of affordable housing near transit in order to give more people, especially in low-income communities, better access to transit.

Metro Joint Development

The Metro Joint Development (JD) Program is a real estate development program for properties owned by Metro.

This document serves to inform communities in which JD projects are constructed, developers who build them, and the general public, about the values, policies, and processes that govern the JD Program.

Land Use and Transit

Transit systems are most effective if they are surrounded by transit-supportive land uses that includes jobs, housing, schools, and amenities. While Metro does not have land use authority in Los Angeles County (the local jurisdictions hold this power), Metro can leverage the land it owns on behalf of the public, usually adjacent or proximate to Metro's transit infrastructure to deliver transit-supportive uses (to the extent these uses comply with local land use policies).

Housing Affordability

Los Angeles County is suffering from a severe housing affordability crisis which is disproportionately impacting low-income residents, who make up Metro's core ridership.

Purpose

This policy is intended to enable Metro to build as much quality housing near transit as possible for those who need it most, as soon as possible. Additionally, the Policy will continue to enable the development of other transit-serving uses (beyond housing) that will increase access to opportunity and support an efficient transit network.

II. VALUES & GOALS

Equity & Inclusion

- Deliver housing and amenities for everyone, focusing benefits for historically disadvantaged communities.
- Actively engage community members.

Access

- Preserve, protect and promote transit infrastructure and use.
- Respect communities around transit by stabilizing and enhancing housing and other amenities.
- Increase transit ridership and decrease single occupancy vehicle use.

Performance

- Leverage the value of the JD portfolio to maximize and accelerate positive impact.
- Streamline process to deliver projects faster without compromising quality or cutting corners.
- Measure the impact of the JD Program with specific performance metrics.

Innovation

- Lead the region and nation by driving innovation around transit-oriented housing.
- Pursue new methods of engagement, financing, and construction to deliver projects faster and more equitably.

MISSION STATEMENT: Create high-quality homes, jobs, and places near transit for those who need them most, as soon as possible.

III. POLICIES

A. Income-Restricted Housing

1. Affordable First.

Metro will pursue all new JD sites for housing developments with 100% of residential units as Income-Restricted to persons and families of Extremely Low, Very Low, Lower or Moderate Income, in alignment with neighborhood incomes, as further described below.

2. Neighborhood Alignment.

Metro will consider the local context and select an appropriate range of housing types to meet the needs of a diversity of household incomes, sizes, and ages. Metro will determine the affordability levels of any Income-Restricted Units by evaluating neighborhood income and rent levels as further described in the Process Section.

3. Minimum Affordability.

If development of 100% Income-Restricted Units are determined to be infeasible, at least 25% of units will be affordable to Lower Income households or below, or an equivalent number of Income-Restricted Units at income levels calculated to an equivalent “Affordability Score,” defined below. A Mixed-Income Project may also be pursued if a greater number or depth of Income-Restricted units can be generated in a Mixed-Income Project than in a 100% Income-Restricted project.

4. Affordability Definitions.

The “Affordability Score” is a measure of the overall project affordability levels determined by the percentage of Income-Restricted Units and their depth of affordability. Scores will be determined consistent with the following equivalent unit mixes. Scores may also be adjusted to encourage additional housing-related benefits.

- Extremely Low Income: 11% of units
- Very Low Income: 15% of units
- Lower Income: 25% of units
- Moderate Income: 50% of units

“Area Median Income” or “AMI” is the median annual income for a family or household in the County of Los Angeles. This amount is established each year by the United States Department of Housing and Urban Development (HUD) and published annually by the California Department of Housing and Community Development (HCD). As a point of reference, in April 2021, the Los Angeles County AMI for a three-person household was \$106,400. The commonly used income categories are approximately as follows, subject to variations for household size and other factors:

- Extremely Low Income: 0-30% of AMI
- Very Low Income: >30% to 50% of AMI
- Lower Income: >50% to 80% of AMI
- Moderate Income: >80% to 120% of AMI

“Income-Restricted Units” are housing units that are reserved for people or households earning no more than a certain threshold income.

A “Mixed-Income Project” is a JD project with both Income-Restricted Units and market rate units.

“Neighborhood AMI” is a measure of the median income in a neighborhood surrounding a proposed JD project and will only be used to inform income levels for Income-Restricted Units where Neighborhood AMI is lower than County AMI.

B. Transportation & Access

1. Transit-Supportive Land Use.

Metro will prioritize trip generating uses on JD sites to allow more people to drive less and access transit more. Projects will be prioritized which include more housing units for transit riders or a greater intensity of activity.

2. Preservation of Transit Facilities.

Metro must retain authority over its transit facilities and services, and development shall not negatively impact existing or future public transportation facilities.

3. Transit Connections.

Metro will maximize connections to transit facilities from and through JD projects, where appropriate. Projects are encouraged which provide for increased station access using buses, active transportation, and other alternative modes of travel. Projects should include provisions for effective and flexible curbside management of last-mile goods delivery and shared mobility services such as rideshare, microtransit, carshare, and carpools to minimize unintended consequences.

4. Parking.

Metro will require projects that include parking spaces for residential uses to be at a ratio no higher than 0.5 parking spaces per bedroom. If the resulting residential parking is less than the minimum required by local land use policies, then JD projects will include residential parking at ratios no higher than the minimum required by such local policies. For JD projects built on existing park and ride lots or providing park and ride spaces, Metro will consider parking demand and pricing strategies when determining a strategy for replacement parking, if applicable.

- Unbundled Parking. All off-street parking spaces related to residential uses in a JD project must be “unbundled” (i.e., marketed and rented separately from the units within the project) in order to capture the actual cost to construct and maintain the dedicated parking spaces. An exception may be granted for Income-Restricted Units, if required by funding sources.
- Shared Parking. Metro will evaluate and pursue, wherever possible, shared parking strategies with the overarching goal of reducing the total number of off-site spaces constructed on the JD site.
- Replacement Parking. In the event that a Metro JD project is pursued on an existing Metro park and ride lot, demand-responsive considerations should inform replacement parking, if any.

5. Equity.

Metro will ensure that all projects are consistent with the Metro Equity Platform. Projects will be analyzed with Metro equity analysis tools and will strive to address past unintended consequences and provide the most opportunity to the most vulnerable populations, especially transit-dependent residents. In addition, Metro will ensure that JD projects comply with FTA Title VI Civil Rights and Environmental Justice requirements. Compliance with Title VI will be required of developer’s selected for JD projects.

C. Resources

1. Maximize Benefit.

Metro will seek the project that secures the best value for the public which may include affordable housing, public amenities or financial return that can be reinvested into Transit Oriented Communities activities.

2. Land Subsidies.

Where appropriate, and necessary for project feasibility, Metro may, subject to the approval of the Metro Board of Directors (“Board”), subsidize JD projects by discounting ground leases below the fair market value in order to accommodate transit infrastructure, Income-Restricted Units or other community benefits. Ground lease discounts from fair market value will be disclosed to the Board in an absolute dollar amount when transaction terms are presented to the Board for approval.

3. Collaborative Contribution.

Projects are encouraged which obtain capital, loans, grants, in-lieu contributions, or strategic partnerships from other agencies, including use of Local Return dollars in accordance with the Board-adopted TOC Policy, to create greater community economic benefit to JD projects.

4. Land Ownership.

Metro will retain fee ownership of its land, relying on long-term ground leases to develop its property. In exceptional cases where Metro's continued ownership of a property is neither convenient nor necessary, Metro may sell the property in fee to the developer. In the event that a fee disposition of Metro property is necessary for a JD project, Metro will place a covenant on the property requiring that any Income-Restricted Units developed remain Income-Restricted in perpetuity, where feasible, and in any case for a period of not less than 99 years.

5. Use of Proceeds.

Proceeds from JD projects will be reinvested in Transit Oriented Communities activities.

6. Strategic Acquisition.

To encourage opportunities for JD projects surrounding transit investments, Metro will evaluate transit corridor projects in the initial planning (e.g., during the environmental and preliminary engineering phases) and shall seek to create the most advantageous conditions for JD projects in the acquisition of required property, location of new station sites, and construction of station facilities.

D. **Community Outreach**

1. Community Engagement.

Metro will pro-actively engage with the communities throughout the JD process and require that developers do so as well.

2. CBO Participation.

Metro will require, wherever feasible, that developers collaborate with local Community Based Organizations (CBOs), both formally as development partners or informally as community partners providing independent community-level input on the project scope, design and program.

3. Local Collaboration.

Metro will consult and work cooperatively with local jurisdictions and developers to encourage transit-supportive, high-quality development at stations and surrounding properties. All JD projects must follow local laws and land use policies of the jurisdiction in which they are located.

E. Developer Solicitation.

1. Competitive Solicitation.

Metro's preferred method for selection of developers for its JD projects is conducted through a full, open and competitive selection process that is further detailed in the Process section.

2. Unsolicited Proposals.

Staff may consider unsolicited proposals that seek the right to develop or improve Metro property by bringing unique benefit to a Metro site such as adjacent property or innovative design. For example, a successful proposal might add additional land area to a Metro site that would enable the combined properties to support a superior development than the Metro property alone. Unsolicited proposals must comply with all policies set forth herein.

If pursued, Metro will conduct market and zoning analysis, study the surrounding Neighborhood AMI, and seek input of impacted stakeholders to ensure the unsolicited proposal is in alignment with community needs.

F. Project Requirements.

1. Small & Disadvantaged Businesses.

Development teams shall provide opportunities for Metro-certified Small Business Enterprises (SBE), Disadvantaged Business Enterprises (DBE), Disabled Veterans Business Enterprises (DVBE), and Minority and Women Business Enterprises to partner in their projects through the delivery of professional or construction services.

2. Design Excellence.

Metro is committed to design excellence in JD projects. Metro will promote context sensitive planning, architectural integration, and quality materials for all programmatic elements of JD sites. Metro will ensure that projects demonstrate a high quality of design that is both sensitive to community context and enhances the surrounding community. If applicable, staff may require developers to incorporate community-appropriate public art and/or Metro directional signage into the proposed project.

JD projects will often require a signage and wayfinding program connecting the development to the transit system. These designs must reinforce Metro's brand identity and shall be prepared by a professional environmental graphic design consultant contracted by the Developer. JD projects may also provide opportunities for developers to commission public art in order to support cultural equity and articulate a community identity. Emphasis should be focus on spaces with high visibility and opportunity for architectural integration.

3. Sustainability.

Metro will require that JD projects shall be built to the latest green building codes and in accordance with the Metro Moving Beyond Sustainability plan.

4. Project Labor.

Metro will apply its agency-wide Project Labor Agreement and Construction Careers Policy to JD projects that meet the following thresholds: a mixed-use project containing both a residential and a commercial component, where there are more than sixty (60) residential units being built; a residential only project that exceeds sixty (60) residential units; or a commercial only project (retail, office or hotel) that exceeds forty thousand (40,000) square feet of space.

IV. PROCESS

While this document is Board-adopted, Metro may continue to refine this Process section administratively as needed, so long as any refinements are in keeping with the Policy statements set forth in the previous Policy Section.

A. Site Selection

1. Acquisition.

In the initial planning of a transit corridor project (e.g., during the environmental and preliminary engineering phases), Metro may conduct site analysis and evaluate proposed station sites for their JD potential. Working with Metro's Corridor Planning, Real Estate and Program Management departments, JD staff shall review proposed transit project property acquisitions for JD potential before the acquisition footprint is established and cleared during environmental review.

2. Site Prioritization.

The JD staff has finite resources; therefore, the decision to begin a JD project must be made carefully, factoring in several criteria including, but not limited to market conditions, community input, ability to generate Income-Restricted Units, potential for local jurisdiction partnerships, and Metro resources. The JD workplan will prioritize projects with consideration of the following:

- Neighborhood Stabilization. Metro will prioritize projects located in areas at higher risk of displacement based on the most recent and reputable data available.
- Equity Focus Communities (EFCs). Metro will prioritize projects that fall within the Equity Focus Community geographies which have lacked investment and experienced disenfranchisement, as defined in Metro's Long Range Transportation Plan.
- Access to Opportunities. Metro will prioritize projects that deliver Income-Restricted Units in areas with greater access to opportunities, such as jobs, schools, and other amenities.
- Streamlining. Metro will evaluate projects based on their potential to be delivered quickly and with the least cost to Metro.
- Maximizing Impact. Metro will prioritize projects that can best leverage transit supportive land use policies and deliver the greatest public benefit.

B. Project Scoping

1. Site Analysis.

At the outset of the site selection process, staff shall conduct zoning and market analysis to determine the capacity of a JD site for housing units, community benefits and financial potential. Staff will conduct a community needs assessment and asset mapping to identify opportunities for the development program to leverage existing community resources and fill gaps where they exist. Potential JD sites will be evaluated through Metro equity analysis tools to address past unintended consequences and provide the most opportunity to the most vulnerable populations, especially transit-dependent residents. Metro will estimate any additional costs of upgrades required to develop the property in a manner that preserves existing transit infrastructure and operations. Examples of such costs include adding a new entrance, building replacement park and ride parking, or development features necessary to span or otherwise accommodate existing transit infrastructure.

2. Neighborhood Income Analysis.

As part of the site analysis, Metro will evaluate income and rent data for the area that is within an approximately 15-minute walk of the site. The evaluation will include an historic “lookback” to determine a baseline “Neighborhood AMI” that will inform the threshold of household income levels and rents that will be targeted for projects with Income-Restricted Units. The neighborhood income and rent data will inform the outreach and preparation of Development Guidelines, with a goal of aligning housing affordability levels with the needs of the neighborhood and ensuring a realistic conversation about tradeoffs.

3. Community Engagement.

Outreach should focus on upfront visioning and community updates throughout the process. In conducting outreach, Metro will utilize a breadth of outreach tools designed to broaden participation beyond traditional channels for gathering community input including, but not limited to focus groups, one-on-one meetings, workshops, pop-up events, attending other community meetings and events, intercept surveys, participation in community events, as well as virtual and online tools such as online surveys and virtual workshops to reach a broader stakeholder base.

Metro will consult with local jurisdictions and conduct outreach to solicit input from the community surrounding a JD site. JD staff, working closely with Metro Community and Construction Relations staff, shall work with community stakeholders and the local jurisdiction to define a vision for the potential project.

4. Development Guidelines.

Upon determination of a unified vision that is desirable to the community and economically feasible, Metro will prepare Development Guidelines which will be presented to the Board for approval. The Development Guidelines will articulate the following project expectations:

- Scale and Program. Results of the market and zoning analysis, community outreach, and neighborhood income and rent levels will be reflected in the Development Guidelines to set expectations for proposals.
- Transit Infrastructure Requirements. (if applicable). To the extent that additional transit investments are required to create a developable parcel, the scope and estimated cost for such improvements will be disclosed.
- Regulatory and Planning Framework. In communities where there has been a recent community plan or specific plan update or extensive outreach and visioning effort, the Development Guidelines will be informed by that document. The Development Guidelines will also incorporate relevant Metro plans and policies.
- Community-Informed Development Vision. The Development Guidelines will outline site-specific, community-informed priorities based on site analysis and community outreach.
- Project Checklist. Transit-oriented developments are expected to be walkable, human-scaled, and supportive of alternative transportation modes, among other attributes. These attributes will comprise a standardized “project checklist” to include design-related expectations such as the treatment of ground floor uses, pedestrian enhancements, community spaces and the like.
- Design Criteria. The Development Guidelines will specify urban design elements and site plan expectations unique to the site, as well as environmental graphics and public art for each project, if applicable.
- Community-Informed Evaluation Criteria. Community members will be invited to provide input on the evaluation criteria as part of the Development Guidelines so that the ultimate determining factors for selection are transparently communicated before a solicitation.

C. Developer Selection

1. Project Solicitation.

After Board approval of the Development Guidelines, Metro will solicit proposals for development of a JD site through a Request for Information and Qualifications (RFIQ) and/or an Request for Proposals (RFP). Because of the unique nature of JD transactions and their divergence from a typical public procurement of goods or services, the developer solicitation process will use the Metro Acquisition Policy as a general guideline. Unique processes may be pursued in order to bring forward the best value project for Metro and the community. The RFIQ/RFP process will adhere to applicable state and federal codes, and, if the subject site was purchased with federal funding, will conform to Federal Transit

Administration FTA circular 7050.1B, which governs JD projects, as it may be amended from time-to-time.

2. Fostering Partnerships.

During the solicitation process, staff may host a “Building Partnerships” event to highlight small businesses and local CBOs with the goal of connecting them with potential developer proposers.

3. Proposal Evaluation.

Metro will assemble an evaluation panel generally consisting of key Metro personnel, a representative of the local jurisdiction, and a community stakeholder, to the extent feasible and appropriate. Additionally, an urban design or development consultant, financial services consultant, community representative, and/or local jurisdiction technical staff may be used to provide support and advisory services in the evaluation of proposals. The evaluation panel will evaluate JD proposals and select a developer to be recommended to the Board or defer a JD project if none of the proposals maximize JD objectives.

4. Evaluation Criteria.

JD proposals will be evaluated based on their conformance with site-specific Development Guidelines and their support of the JD Policy. The selection team will evaluate various criteria and award points for project attributes including, but not limited to, the following:

1. Vision, Scope and Design. Projects that carry out Metro’s JD Policies herein and the vision for the JD site as described in the site-specific Development Guidelines.
2. Affordability. Projects with a greater number of Income-Restricted Units, and/or deeper affordability levels following the Affordability Score and the alignment of affordability levels with Neighborhood AMI.
3. Transit-supportive Land Uses. Projects with trip-generating uses that allow more people to drive less and access transit more.
4. Financials. Projects with a reasonable and financially feasible proforma that compensates Metro at a fair market value for the land.
5. Implementation Streamlining. Projects that have a clear schedule for implementation, have the potential to be delivered fastest and with the least cost to Metro; projects that are “by-right” and do not require discretionary local actions; and projects with demonstrated community support that are less likely to be delayed by opposition.
6. Development Team. Proposers with demonstrated experience and success and proposers that consist of Community-Based Organizations (CBOs) Small

Business Enterprises (SBE), Disadvantaged Business Enterprises (DBE), Disadvantaged Veteran Business Enterprises (DVBE) and Minority and Women Business Enterprises members.

7. Community Engagement. Proposals that reflect robust engagement with community-based organizations (CBOs) and other community stakeholders as part of the development process.

5. Unsolicited Proposals.

Metro will evaluate unsolicited proposals using a three-phased approach:

- Phase One: Conceptual Proposal
- Phase Two: Detailed Proposal
- Phase Three: Community Outreach and Preliminary Discussions Can we be more explicit about how we say no based on site prioritization and staff time?
-

Metro will respond to unsolicited proposals by following federal procurement guidelines for competitive procurement. Metro may, at any time, choose not to proceed further with any unsolicited proposal.

Phase One – Conceptual Proposal

Phase One includes a basic threshold review and evaluation of conceptual proposals, based on their compliance with the policies set forth in Section III, the site prioritization metrics set forth in Section IV.A.2, and the availability of staff resources at the time of receipt. Unsolicited proposals will only be accepted from developers with site-control of adjacent properties. If staff determines that the Phase One proposal should proceed, staff will request additional detailed information in a Phase Two proposal.

Phase Two – Detailed Proposal

During Phase Two, developers can meet with JD staff to better understand the process and the requirements for the proposed project. A Phase Two proposal will be evaluated based on its advancement of the policy priorities set forth in this document and the evaluation criteria set forth in Section IV.C.4. If Metro intends to move forward with a Phase Two proposal, JD staff and the proposers shall conduct outreach to targeted stakeholders in Phase Three.

Phase Three – Community Outreach and Preliminary Discussions

During Phase Three, Metro and the developer will conduct robust community outreach to understand the reception of the proposed project by the community. This outreach may consist of:

- meeting with local elected officials and municipal staff where the subject property is located;
- meeting with key community and business stakeholder groups;
- convening a public open house seeking community feedback;

- collecting written feedback or survey responses received on-line; and
- conducting virtual workshops, pop-ups, participating in community events, station intercept surveys, etc.

In response to the community input, the developer will be asked to address concerns raised and may submit a revised detailed proposal in response to public feedback. If the project is successful in addressing community concerns and JD staff determines a viable project can move forward, the proposal will be recommended to the Board to enter into an Exclusive Negotiation Agreement.

D. Development Phase

1. Exclusive Negotiation.

Following either the RFIQ/RFP or unsolicited proposal processes described above, Metro may decide to enter into an Exclusive Negotiation Agreement and Planning Document (ENA) with a developer. Before recommending the selected developer's proposal to the Board, Metro will negotiate an (ENA with the developer. Upon approval of a recommended developer and authorization by the Board, Metro will execute the ENA with the developer.

Developer Responsibilities under the ENA include but are not limited to:

- Create a robust community engagement plan that will carry throughout the design, entitlement and construction process for the project.
- Negotiate in good faith, including such project design and project financing information as necessary for staff to negotiate a transaction.
- In consideration for entering into the ENA, the developer will provide Metro a non-refundable fee and will also provide Metro with a deposit to pay Metro's actual costs to negotiate and evaluate the proposal, including certain Metro in-house and third-party costs.

Metro Responsibilities under the ENA:

- During the negotiation period, provided that the developer is not in default of its obligations under the ENA, Metro will negotiate exclusively and in good faith with the developer a Joint Development Agreement (JDA) and Ground Lease to be entered into between Metro and the developer and will not solicit or entertain offers or proposals from other parties concerning the site.

Term of the ENA:

- ENA terms will consist of a twenty-four (24) month base period with the option to extend up to a total of sixty (60) months administratively, with notifications to the Board which will include a project status update, reasons for the extension, and proposed next steps. In considering an extension, staff will

determine whether substantial progress has been made towards fulfillment of the requirements of the ENA and may require payment of additional fees and/or deposits.

2. FTA Concurrence.

If a JD project will occupy land initially purchased with federal dollars, the project will need to obtain concurrence from the FTA in order to proceed.

3. Environmental Compliance.

Metro cannot enter an agreement that would legally obligate the project's completion until the Board - as a responsible agency under CEQA and/or NEPA - considers and analyzes the environmental impacts of the project. The project must be cleared through CEQA before a JDA or a Ground Lease can be approved by the Board. Metro is not the lead CEQA agency for JD projects; the agency with local regulatory land use authority generally serves that function.

4. Joint Development Agreement.

Upon satisfactory fulfillment of the development requirements in the ENA, negotiation of acceptable terms, and adoption of CEQA findings by the lead agency, Metro will recommend that the Board (a) adopt the CEQA findings as a responsible party and (b) authorize entering into a JDA and Ground Lease for the implementation of a project. The JDA shall describe the rights and responsibilities of both parties as established in the ENA negotiations.

5. Ground Lease.

Upon satisfactory fulfillment of the closing conditions required in the JDA, and receipt of FTA concurrence, Metro will enter into a Ground Lease for the use of the site. The Ground Lease will describe the rights and responsibilities of both parties with respect to the site. The CEO or designee may also enter into such other documents and agreements to implement and administer the project as described in the JDA and Ground Lease.

V. PROGRAM METRICS

A. Outcome Tracking

Metro will monitor and assess the JD Program and revise the JD Policy as needed. Metro will track the JD portfolio via a regularly updated dashboard of both completed and in-progress projects which will include data such as:

- Number and percentage of units by AMI levels
- Developer characteristics (ex. market rate or non-profit, minority and/or women-led firms)
- Number of residents
- Resident employment and income characteristics
- Resident demographics
- Geographic distribution of JD projects
- Associated community benefits such as parks, community space, or street improvements
- Commercial space
- Number and tenure of small businesses
- Construction and permanent jobs created
- First/last mile improvements
- Transit infrastructure improvements
- Revenue to Metro

Developers will be required to allow Metro to conduct annual commercial and residential tenant surveys to gather metrics for ongoing monitoring. Consistent with pillar one of the Equity Platform, requiring ground lessees to allow Metro to conduct an annual tenant survey would enable JD to track policy objectives such as transit use, demographic data (as allowed/feasible), car ownership, move in/move out information, revenue generation and qualitative data on the tenant satisfaction to help inform features of our projects (e.g., design issues, amenities, desired ground floor services, parking, and unit design).

In addition, Metro will conduct regular surveys of both existing and potential JD developers to identify areas of improvement for the JD Program.

VI. LEGAL FRAMEWORK

B. Statutory Basis

The Metro JD Program maintains statutory basis as obtained by a predecessor agency, the Southern California Rapid Transit District. Under California Public Utilities Code, Section 30600: “the district may take by grant, purchase, gift, devise, or lease, or by condemnation, or otherwise acquire, and hold and enjoy, real and personal property of every kind within or without the district necessary or incidental to the full or convenient exercise of its powers. That property includes, but is not limited to, property necessary for, incidental to, or convenient for joint development and property physically or functionally related to rapid transit service or facilities. The Board may lease, sell, jointly develop, or otherwise dispose of any real or personal property within or without the district when, in its judgment, it is for the best interests of the district to do so.”

C. State Regulations

In response to the state housing crisis, a number of new laws have been adopted that prioritize and expedite the development of Income-Restricted Units, specifically on public lands such as Metro JD sites. In pursuing JD projects, Metro will comply with all relevant state laws.

Metro JD sites which were acquired with assistance from State funding sources may be subject to additional State laws or processes and will follow State guidance to ensure compliance.

D. Federal Regulations

Metro JD sites which were acquired with assistance from the FTA are subject to and will follow FTA guidance and will be reviewed individually by the FTA to ensure compliance. Current guidance in FTA Circular 7050.1B on FTA-funded real property for joint development, stipulates that joint developments follow four criteria: subject JD projects

1. Economic Benefit – project must enhance economic benefit or incorporate private investment.
2. Public Transportation Benefit – project must enhance the effectiveness of public transportation and be related physically or functionally to public transportation, or it can establish new or enhanced coordination between public transportation and other modes.

3. Revenue – developer and Metro must negotiate and agree on the amount of revenue the project will provide to Metro. The FTA does not define what amounts to a “fair share of revenue” but Metro will provide FTA with a reasonable determination that the terms and conditions of the joint development project are reasonable and fair to Metro.
4. Fair Share of Costs – developers and commercial tenants must pay a fair share of the costs through rental payments or other means. The FTA does not define what amounts to a fair share of the costs of the facility and will not impose a particular valuation methodology. Metro will determine how to document its reasonable determination that the rental payment, or other means, is reasonable and fair.

E. Local Jurisdictions

Metro JD projects are subject to local land use laws, policies and procedures in the host jurisdiction, similar to any private development. The selected developer for any JD site must follow the land use, zoning, permitting, and entitlement process for the local jurisdiction of that site.

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Joint Development Policy
Matrix of Changes

ATTACHMENT B

Section	Topic	Previous Policy (2017)	Updated Policy (2021)	Rational and Policy Paper Reference
I.	Purpose	The Policy serves to inform communities in which joint developments take place, developers who build them, and the general public, about the objectives, policies, and processes that govern the Joint Development Program.	This policy is intended to enable Metro to build as much quality housing near transit as possible for those who need it most, as soon as possible. Additionally, the Policy will continue to enable the development of other transit-serving uses (beyond housing) that will increase access to opportunity and support an efficient transit network.	Metro's JD portfolio may double in size over the next decade, creating the opportunity to lead the region in progressive, innovative, community-serving housing and other inclusive community benefits. (Introduction)
II.	Values & Goals	<ul style="list-style-type: none"> • Transit Prioritization • Community Integration, Engagement, Affordable Housing and Design • Fiscal Responsibility 	<ul style="list-style-type: none"> • Equity & Inclusion • Access • Performance • Innovation 	At the center of this Policy is the understanding that the people impacted most by this housing affordability crisis are historically marginalized communities. Metro's core riders are often the same historically marginalized communities that are most impacted by the housing crisis. (Policy Values)
II.	Mission Statement	Not included.	Create high-quality homes, jobs, and places near transit for those who need them most, as soon as possible.	Metro can advance equity and reduce disparities while also supporting transit ridership and Metro's mission of world-class transportation in LA County. (Policy Values)
III.A.1	Affordable Housing	Metro's Joint Development Program seeks to facilitate construction of affordable housing units, such that 35% of the total housing units in the Metro joint development portfolio are affordable for residents earning 60% or less of the Area Median Income (AMI).	Staff shall pursue all new JD sites for housing developments with 100% of residential units as Income-Restricted to persons and families of Lower or Moderate Income and below, in alignment with neighborhood incomes, as further described below.	In order to prioritize public land for affordable housing near transit. (Policy Tool A.1.1)

III.A.2	Affordability Levels	Affordable housing is defined as housing that is covenant-controlled, provided on an income-restricted basis to qualifying residents earning 60% or less than AMI as defined by the CA Tax Credit Allocation Committee, and often subsidized by public or non-profit funding sources.	Staff shall consider the local context and select an appropriate range of housing types to meet the needs of a diversity of household incomes, sizes, and ages. Staff shall determine the affordability levels of any Income-Restricted Units by evaluating neighborhood income and rent levels as further described in the Process Section.	In order to ensure that the units created will be affordable to local residents. (Policy Tool A.1.2)
III.A.3	Affordable Minimum	Not included.	If development of 100% Income-Restricted Units are determined to be infeasible, at least 25% of units will be affordable to Lower Income households or below, or an equivalent number of Income-Restricted Units at income levels calculated to an equivalent “Affordability Score,” defined below.	In order to leverage the public market to create income-restricted units without public subsidy. (Policy Tool A.1.3)
III.A.4	Affordability Definitions	Metro will define affordable housing as housing for residents earning 60% or less than AMI, and will prioritize units with even deeper affordability levels for very low income and extremely low income residents	<p>“Income-Restricted Units” are housing units that are reserved for people or households earning no more than a certain threshold income.</p> <p>“Area Median Income” or “AMI” is the median annual income for a family or household in the County of Los Angeles. This amount is established each year by the United States Department of Housing and Urban Development (HUD) and published annually by the California Department of Housing and Community Development (HCD). The commonly used income categories are approximately as follows, subject to variations for household size and other factors:</p> <ul style="list-style-type: none"> • Extremely Low Income: 0-30% of AMI • Very Low Income: >30% to 50% of AMI • Lower Income: >50% to 80% of AMI • Moderate Income: >80% to 120% of AMI <p>“Neighborhood AMI” is a measure of the median income in a neighborhood surrounding a proposed JD project and will only be used to inform income levels for Income-Restricted Units where Neighborhood AMI is lower than County AMI.</p> <p>The “Affordability Score” is a measure of the overall project affordability levels determined by the percentage of Income-Restricted Units and their depth of affordability. Equivalent scores</p>	<p>Expanding the affordable housing definition to 80% AMI allows JD projects to take advantage of State and local density bonuses, which can increase the value of JD sites and allow them to provide additional affordable units, <i>without any public subsidy.</i></p> <p>Furthermore, diversifying the supply of housing to serve a mix of income levels at the neighborhood scale creates strong “ladder” allowing households to “trade up” as their incomes increase without having to leave their neighborhood. (Policy Tool A.1.2)</p>

			<p>will be determined consistent with the table below and may be adjusted by additional housing-related benefits.</p> <p>Scores will be determined consistent with the following equivalent unit mixes:</p> <ul style="list-style-type: none"> • Extremely Low Income: 11% of units • Very Low Income: 15% of units • Lower Income: 25% of units • Moderate Income: 50% of units 	
III.B.4	Parking	Not included.	<p>Staff shall require projects that include parking spaces for residential uses to be at a ratio no higher than 0.5 parking spaces per bedroom. If the resulting residential parking is less than the minimum required by local land use policies, then JD projects will include residential parking at ratios no higher than the minimum required by such local policies. For JD projects built on existing park and ride lots or providing park and ride spaces, staff shall consider parking demand and pricing strategies when determining a strategy for replacement parking, if applicable.</p> <ul style="list-style-type: none"> • <u>Unbundled Parking</u>. All off-street parking spaces related to residential uses in a JD project must be “unbundled.” • <u>Shared Parking</u>. Staff shall evaluate and pursue, wherever possible, shared parking strategies with the overarching goal of reducing the total number of off-site spaces constructed on the JD site. • <u>Replacement Parking</u>. In the event that a Metro JD project is pursued on an existing Metro park and ride lot, demand-responsive considerations should inform replacement parking, if any. 	Reducing parking construction through parking maximums and other incentives makes housing less expensive to build. (Policy Tool A.2.2)
III.C.1	Resources	Maximize Revenue. Joint development projects are expected to generate value to Metro based on maximizing ground rent revenues received, or equivalent benefits negotiated, for the use of Metro property.	Maximize Benefit. Staff shall seek projects that maximize public benefit by including public amenities and/or maximizing financial return from lands that can be reinvested into TOC activities.	Flexibility is key to leveraging the JD real estate portfolio as a unified asset for achieving strategic outcomes.

III.C.2	Land Discount/ Subsidy	Where appropriate, and subject to FTA approval (if applicable), Metro may discount joint development ground leases below the fair market value in order to accommodate affordable housing. The proportional discount of the ground lease may not be greater than the proportion of affordable units to the total number of housing units in the project, with a maximum discount of 30%.	Where appropriate, and necessary for project feasibility, Metro may, subject to the approval of the Metro Board of Directors ("Board"), subsidize JD projects by discounting ground leases below the fair market value in order to accommodate income-restricted housing or other community benefits. Ground lease discounts from fair market value will be disclosed to the Board in an absolute dollar amount when transaction terms are presented to the Board for approval.	Land discounting can be one of the most expensive ways for Metro to produce more affordable units and, for 100% affordable projects, may simply displace other available public subsidies. Subsidizing beyond a 30% discount is not usually helpful in creating more units or deeper affordability because land is a relatively small component of overall project costs. Thirty percent is an arbitrary cap and additional flexibility will be beneficial. (Policy Tool A.2.1)
III.C.4	Land Ownership	Ground Lease Preference. Use of a long term ground lease is generally preferred to fee disposition.	Use of a long-term ground lease is generally preferred to fee disposition. In specific cases where Metro's continued ownership of a property is neither convenient nor necessary, Metro may sell the property in fee to the developer. In the event that a fee disposition of Metro property is necessary for a JD project, staff shall place a covenant on the property requiring that any income-restricted units developed remain income-restricted in perpetuity, if applicable.	The Los Angeles region is experiencing a wave of expiring affordable housing covenants, exposing residents relying on affordable housing to displacement and threatening the supply of affordable housing in the region. (Policy Tool B.4.2)
III.C.6	Use of Proceeds	Not Included.	Proceeds from JD projects will be reinvested in Transit Oriented Communities activities.	While revenues from JD projects are modest compared to the larger Metro budget, these unrestricted funds are well-positioned to support reinvestment in TOC activities (Policy Tool A.2.3)
III.C.6	Strategic Acquisition	To encourage opportunities for joint developments surrounding transit investments, when appropriate, Metro will consider joint development opportunities in the acquisition of required property, location of new station sites, and construction of station facilities.	To encourage opportunities for JD projects surrounding transit investments, staff shall evaluate transit corridor projects in the initial planning (e.g., during the environmental and preliminary engineering phases) and shall seek to create the most advantageous conditions for JD projects in the acquisition of required property, location of new station sites, and construction of station facilities.	Expanding the area of acquisition only slightly in certain instances may lead to far more viable JD sites, which can help achieve transit-oriented communities goals surrounding the station areas, unlock long-term value, and

				decrease the cost of providing affordable housing. (Policy Tool A.2.4)
III.D.2	Community Engagement	Metro will ensure that the Joint Development Process actively engages community members at every development stage.	Staff shall pro-actively engage with the communities throughout the JD process and require that developers do so as well.	Updated Policy with current best practices for outreach and community engagement and align with the Metro Community Based Organization Action Plan.
III.D.3	Community-Based Organization Participation	Metro strongly encourages partnerships with local Community Based Organizations that provide affordable housing and other community serving programs and uses to its joint development sites, as part of the development team.	Staff shall require, wherever feasible, that developers collaborate with local Community Based Organizations (CBOs), both formally as development partners or informally as community partners providing independent community-level input on the project scope, design and program. Points will be awarded to proposals that reflect robust engagement with community-based organizations (CBOs) and other community stakeholders as part of the development process.	In keeping with the agency-wide CBO strategy, this tactic will deliver more equitable and community-informed projects.
III.E.2	Unsolicited Proposals	Metro does not encourage unsolicited proposals. Metro may consider unsolicited proposals in limited cases, as set forth in Metro's <i>Unsolicited Proposals & Public/Private Sector Engagement Policy</i> (Metro UP Policy).	Staff may consider unsolicited proposals that seek the right to develop or improve Metro property by bringing unique benefit to a Metro site such as adjacent property or innovative design. For example, a successful proposal might add additional land area to a Metro site that would enable the combined properties to support a superior development than the Metro property alone. Unsolicited proposals must comply with all policies set forth herein. If pursued, Metro will conduct market and zoning analysis, study the surrounding Neighborhood AMI, and seek input of impacted stakeholders to ensure the unsolicited proposal is in alignment with community needs.	The existing Unsolicited Proposal Process does not allow sufficient communication between JD staff, local jurisdictions and community members. (Policy Tool B.2.5)
III.F.2	Design Excellence	Projects shall demonstrate a high quality of design that is both sensitive to community context and enhances the surrounding community.	Metro is committed to design excellence in JD projects. Staff shall promote context sensitive planning, architectural integration, and quality materials for all programmatic elements of JD sites. Staff shall ensure that projects demonstrate a high quality of design that is both sensitive to community context and enhances the surrounding community. If applicable, staff may require	JD projects are a gateway to the Metro system and a beacon to potential riders that will endure decades. Care must be taken to ensure JD designs are

			<p>developers to incorporate community-appropriate public art and/or Metro directional signage into the proposed project.</p> <p>JD projects will often require a signage and wayfinding program connecting the development to the transit system. These designs must reinforce Metro's brand identity and shall be prepared by a professional environmental graphic design consultant contracted by the Developer. JD projects may also provide opportunities for developers to commission public art in order to support cultural equity and articulate a community identity. Emphasis should be focus on spaces with high visibility and opportunity for architectural integration.</p>	aesthetically appealing and context sensitive.
IV.A.1	Acquisition		In the initial planning of a transit corridor project (e.g., during the environmental and preliminary engineering phases), staff may conduct site analysis and evaluate proposed station sites for their JD potential. Working with Metro's Corridor Planning, Real Estate and Program Management departments, JD staff shall review proposed transit project property acquisitions for JD potential before the acquisition footprint is established and cleared during environmental review.	See Section III.C.6
IV.A.2	Site Prioritization	The determination to select sites for joint development is dependent on several factors including, but not limited to: market conditions, community input, local jurisdictions, and Metro resources. These factors may provide the basis for establishing project priorities, project implementation strategies, and ultimately the creation of Development Guidelines, to ensure maximum attainment of Metro's Joint Development Objectives.	<p>The JD staff has finite resources; therefore, the decision to begin a JD project must be made carefully, factoring in several criteria including, but not limited to market conditions, community input, ability to generate Income-Restricted Units, potential for local jurisdiction partnerships, and Metro resources. The JD workplan will prioritize projects with consideration of the following:</p> <ul style="list-style-type: none"> • Neighborhood Stabilization • Equity Focus Communities (EFCs) • Access to Opportunities. • Streamlining • Maximizing Impact 	More than 40 new JD sites will become available for development and will be added to the JD pipeline over the next 10 years, which will likely lead to a queue of available sites for JD projects that will need to be prioritized. These priorities advance the overarching policy objective of building as much housing as quickly as possible for those who need it most. (Policy Tool B.1)
IV.B.1	Site Analysis	Not Included.	At the outset of the site selection process, staff shall conduct zoning and market analysis to determine the capacity of a JD site for housing units, community benefits and revenue generation. Potential JD sites will be evaluated through Metro equity analysis	This initial analysis can inform the outreach and RFP process to ensure a realistic conversation about the

			<p>tools to address past unintended consequences and provide the most opportunity to the most vulnerable populations, especially transit-dependent residents. Staff shall estimate any additional costs of upgrades required to develop the property in a manner that preserves existing transit infrastructure and operations. Examples of such costs include adding a new entrance, building replacement park and ride parking, or development features necessary to span or otherwise accommodate existing transit infrastructure.</p>	<p>tradeoffs and decision points. Neighborhood-level income analysis should dictate the threshold of income levels and rents that should be targeted for affordable sites. If the site needs market rate housing in order to be viable, the optimal inclusionary scenario can be determined with a financial feasibility study. This key information will be the starting off point for the community conversations and the RFP. (Policy Tool B.2.2)</p>
IV.B.2	Neighborhood Income Analysis	Not Included.	<p>As part of the site analysis, staff shall calculate the median income and median rent for the area that is within an approximately 15-minute walk of the site, which will inform the Neighborhood AMI. The Neighborhood AMI will determine the threshold of household income levels and rents that will be targeted for projects with Income-Restricted Units. The neighborhood income and rent data will inform the outreach and preparation of Development Guidelines, with a goal of aligning housing affordability levels with the needs of the neighborhood and ensuring a realistic conversation about tradeoffs.</p>	<p>The site feasibility process could look closer at the incomes and the prevailing market rents for the neighborhoods in which the projects are proposed and seek units that would be affordable to people who live in the neighborhood. (Policy Tool A.1.2)</p>
IV.B.3	Community Engagement	<p>Once a site has been selected for a potential joint development, Metro will consult with local jurisdictions and conduct outreach to solicit input from the community surrounding the site. The Joint Development Program staff, working closely with Metro Community Relations, will work with the community stakeholders and local jurisdiction to determine a vision for the potential project.</p>	<p>Staff shall consult with local jurisdictions and conduct outreach to solicit input from the community surrounding a JD site. JD staff, working closely with Metro Community and Construction Relations staff, shall work with community stakeholders and the local jurisdiction to define a vision for the potential project.</p> <p>Outreach should focus on upfront visioning and community updates throughout the process. In conducting outreach, staff shall utilize a breadth of outreach tools including, but not limited to focus groups, one-on-one meetings, workshops, pop-up, attending other community meetings and events, intercept surveys, participation in community events, as well as virtual and online tools such as online surveys and virtual workshops to reach a broader stakeholder base.</p>	<p>Outreach should focus on upfront visioning to avoid difficult conversations later in the project when changes may no longer be viable. Strengthening the clarity and transparency of these deliberations can help to ensure that all stakeholders are operating from a common platform. These methods can increase confidence in decision-making, which in turn may accelerate the speed at</p>

				which the JD team is able to deliver projects, in order to address the regional housing needs. (Policy Tool B.2.3)
IV.B.3	Development Guidelines	Upon determination of a unified vision that is desirable to the community and economically feasible, Metro will prepare Development Guidelines specific to the site. The Development Guidelines will articulate the intensity and type of land uses that Metro and the community desire for that site, as well as any desired transit and urban design features. The Development Guidelines will be presented to the Metro Board for approval.	Upon determination of a unified vision that is desirable to the community and economically feasible, staff shall prepare Development Guidelines which will be presented to the Board for approval. The Development Guidelines will articulate the following project expectations: <ul style="list-style-type: none"> • Scale and Program • Transit Infrastructure Requirements (if applicable) • Regulatory and Planning Framework • Community-Informed Development Vision. • Project Checklist • Design Criteria • Community-Informed Evaluation Criteria 	While every community is distinct, there are similarities across many JD sites which can be used to scope projects more efficiently. Transit-oriented developments are always expected to be walkable, human-scaled, and supportive of alternative transportation modes, among other attributes. These attributes can create a somewhat standardized baseline for the Development Guidelines which could allow lessons learned from one site to be transferred to another and can save valuable time and resources to allow more sites to come online faster. (Policy Tool B.2.2)
IV.C.1	Project Solicitation	The standard RFIQ/RFP procedure will be managed through the Vendor/Contract Management Department and will be consistent with Procurement Policies.	After Board approval of the Development Guidelines, staff shall solicit proposals for development of a JD site through a Request for Information and Qualifications (RFIQ) and/or an RFP. Staff shall use the Metro Acquisition Policy as a general guideline to pursue fair and open competition and seek best value for the public. The RFIQ/RFP process will adhere to applicable state and federal codes, and, if the subject site was purchased with federal funding, will conform to Federal Transit Administration FTA circular 7050.1B, which governs JD projects, as it may be amended from time-to-time.	JD proposals are unique in that they are constrained by the parcel footprint and have physical impacts on the communities around them but do not usually contain trade secrets or other sensitive information. Because of these distinctions from traditional public procurements, time and resources can be saved by streamlining solicitations and the unsolicited proposals processes within the JD team. (Policy Tool B.2.4)

IV.C.2	Fostering Partnerships	Not Included.	During the solicitation process, staff may host a “Building Partnerships” event to highlight small businesses and local CBOs with the goal of connecting them with potential developer proposers.	Partnership events can facilitate projects with better community integration and more equitable outcomes.
IV.C.4	Evaluation Criteria	Not Included.	<p>JD proposals will be evaluated based on their conformance with site-specific Development Guidelines and their support of the JD Policy. The selection team will evaluate various criteria and award points for project attributes including, but not limited to, the following:</p> <ul style="list-style-type: none"> • Vision, Scope and Design • Affordability • Transit-supportive Land Uses. • Financials • Implementation Streamlining • Development Team • Community Engagement 	In addition to the typical proposal evaluation process which scores project submissions based on qualifications of the team, approach, and the vision presented, these evaluation metrics can aid the JD team in selecting a project proposal and project developer that advance equity and other policy values. (Policy Tool B.3)
IV.D.5	Unsolicited Proposals	<p>Included as part of agency-wide unsolicited proposals process with two phases:</p> <ul style="list-style-type: none"> • Phase One: Conceptual Proposal • Phase Two: Detailed Proposal 	<p>Staff shall evaluate unsolicited proposals using a three-phased approach:</p> <ul style="list-style-type: none"> • Phase One: Conceptual Proposal • Phase Two: Detailed Proposal • Phase Three: Community Outreach and Preliminary Discussions 	The Phase Three allows for improved communication between JD staff, local jurisdictions and community members. Protecting the privacy and integrity of the procurement process needs to be balanced with transparency. (Policy Tool B.2.5)
IV.E.1	Exclusive Negotiation	The term of the ENA shall generally be eighteen (18) months; provided, the term and any extensions shall not exceed thirty (30) months. In considering an extension, the CEO or designee shall determine whether substantial progress has been made towards fulfillment of the requirements of the ENA and may require payment of additional fee and/or deposit amounts.	ENA terms will consist of a twenty-four (24) month base period with the option to extend up to sixty (60) months administratively. In considering an extension, the CEO or designee will determine whether substantial progress has been made towards fulfillment of the requirements of the ENA and may require payment of additional fees and/or deposits.	Robust community engagement, city permitting, environmental clearance, and affordable housing funding sources are all time consuming processes. Most projects with the current timeframe have required ENA extensions which add several months in additional administration and additional project risk.

V.A	Outcome Tracking	Not Included	<p>Staff shall monitor and assess the JD Program and revise the JD Policy as needed. Staff shall track the JD portfolio via a regularly updated dashboard of both completed and in-progress projects.</p> <p>Developers will be required to allow Metro to conduct annual commercial and residential tenant surveys to gather metrics for ongoing monitoring.</p> <p>In addition, staff shall conduct regular surveys of both existing and potential JD developers to identify areas of improvement for the JD Program.</p>	To advance pillar one of the Equity Platform, tracking data such as transit use, demographics, car ownership, and tenant satisfaction will help inform features of future projects. (Policy Tool B.4.1)
VI.C	FTA Regulations		Updated to align with new guidance from FTA Joint Development Circular C 7050.1B revised August 14, 2020.	

Note: Subjects on which no significant changes were made are not listed in this matrix.

ATTACHMENT C

December 14, 2020

Metro Joint Development Affordable Housing Policy Paper

Harnessing Metro's real estate portfolio to create plentiful, equitable, and high-quality transit-oriented housing.

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INTRODUCTION

Metro’s Joint Development (JD) Program is the real estate development program through which Metro collaborates with developers to build transit-oriented developments on Metro-owned properties. JD sites are a gateway to the Metro transit system and hold unique potential to advance community development goals while attracting new riders to the Metro system.

The JD Program is guided by Policy and Process documents, which were substantially revised in 2015, responding to a moment marked by the end of redevelopment agencies in California, new Metro leadership, and an awakening to the deeper potential in the relationship between transportation infrastructure and its host communities. That Policy set forth a goal for affordable housing production (35% of the portfolio) and a provision to discount property (up to 30%, matching affordable unit percentage). At the time of its adoption, the Policy was groundbreaking and established a template that other agencies around the country would follow.

Today, in the depths of a regional housing crisis which is exacerbating structural racial inequities¹, updating the JD Policy provides an important opportunity to focus the Agency’s commitment to delivering inclusive, high-quality affordable housing on its land. This paper lays the groundwork for an updated policy that will rise to the occasion, laying out the principals and goals against which specific interventions are measured and analyzing the potential policies and tools against this framework.

Metro’s JD portfolio will grow rapidly over the next decade with the acquisition of properties for new transit lines throughout LA County. It is anticipated that more than 40 new sites will join the JD portfolio, effectively doubling its size. Each JD site holds the potential to augment unique communities. Taken as whole, Metro may use the entire portfolio to lead the region in progressive, innovative, community-serving housing and other inclusive community benefits.

This paper focuses on what Metro can do with its own properties to improve the quality of life in station areas and contribute to solving the housing crisis. After a short summary defining the housing problem, this paper looks at the performance and outcomes derived from the JD Program under the current policy; the landscape of existing policies and funding sources that impact the JD Program; and, the policies, programs and methods of similar JD programs nationwide. The second half of the paper goes on to identify objectives that the JD Program would like to achieve and evaluates potential policy and process changes that may be put into place to support these objectives.

Angelenos pay nearly half of their income to rent, on average.

Housing costs depress LA County GDP by nearly 5% or over \$30 billion per year.

LA County would need to build housing 4.5 times faster than current rates to meet its current RHNA requirements.

McKinsey Global Institute. Ward, T., Woetzel, J., Peloquin, S., & Arora, S. (2019). Affordable housing in Los Angeles Delivering more—and doing it faster.

¹Los Angeles Homeless Services Authority. (2020). *2020 Homeless County Key Messages*. <https://www.lahsa.org/documents?id=4561-2020-homeless-count-key-messages>

METHODOLOGY

These policies and tools were evaluated through an integrated process that combined feedback from a cross-section of stakeholders, precedent research and technical feasibility testing.

Stakeholder Input

Over the course of 2020, staff collected more than 150 ideas from Metro Board members, community stakeholders, advocates, industry experts, and colleagues as a collective “brainstorm” of tools and policies that may help to advance the vision for an equitably housed Los Angeles.

Precedent Research

In addition, staff performed an extensive review of academic literature and precedent policies throughout the nation. This research surveyed transit agency policies to identify the prevailing policy landscape on several issue areas important to stakeholders.

Financial Analysis

The team also performed a financial analysis, which consisted of a custom financial model that calculated the total unit yield of the JD portfolio for market rate and affordable sites based on specific policy tools tested. The model is based on existing JD sites, as well as likely future JD sites, which were estimated based on current understanding of future corridor alignments and acquisitions. Many sites analyzed were sample sites used to mirror the variety of the sites in the portfolio. The model is therefore not a comprehensive or completely conclusive analytical tool, but it is helpful in seeing the high-level impacts of potential policy interventions. Additional detail about the financial model methodology is included in Appendix A, and the findings from the model are contained within the Potential Policy Tools section.

Each of these important steps helped the team reframe and reevaluate the overarching program goals, which in turn led to the identification of a collection of policies that could achieve optimal outcomes when measured against these updated program goals.

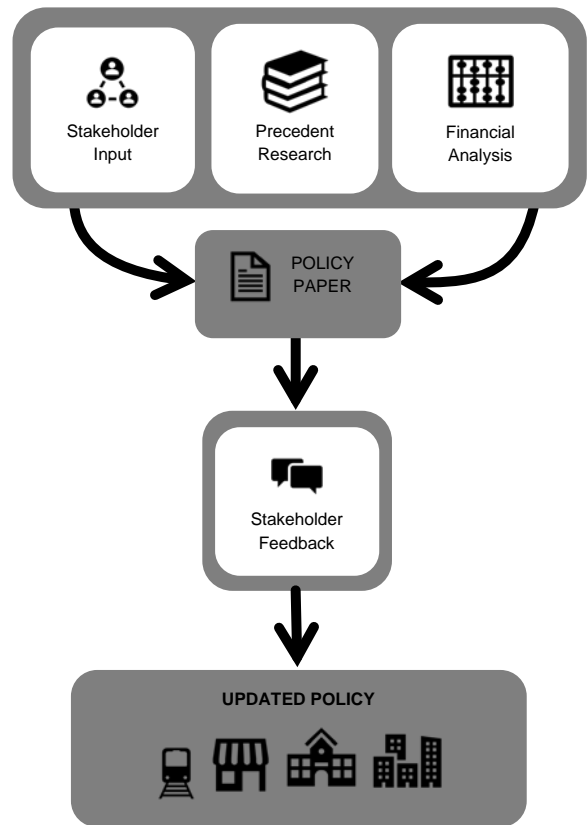


Figure 1: Methodology Diagram

POLICY VALUES

At the center of this policy is the understanding that the people impacted most by this housing affordability crisis are historically marginalized communities.² Metro's core riders are often the same historically marginalized communities that are most impacted by the housing crisis.³ Therefore, the overarching values guiding the evaluation of policies and tools serve a greater interest to help Metro advance equity and reduce disparities while also supporting transit ridership and Metro's mission of world-class transportation in LA County.

1. **INCLUSION:** Increase opportunity to for people at all income levels to live, work, and shop near transit;
2. **ACCESS:** Prioritize access to opportunity for those who need it most;
3. **PERFORMANCE:** Strategically leverage the JD portfolio to deliver units as soon as possible, with the least environmental impact possible, and measure outcomes; and
4. **INNOVATION:** Lead the region in innovations around housing.

This paper groups and analyzes potential policy and process tools among a set of objectives aimed at supporting these values. Together the tools are evaluated in order to achieve a single overarching, guiding goal:

GUIDING GOAL: Prioritize the creation of as many units of high-quality housing near transit as possible, for those who need it the most, as soon as possible.

²Los Angeles Homeless Services Authority. (2020). *2020 Homeless County Key Messages*.
<https://www.lahsa.org/documents?id=4561-2020-homeless-count-key-messages> ;

McKinsey Global Institute. Ward, T., Woetzel, J., Peloquin, S., & Arora, S. (2019). *Affordable housing in Los Angeles Delivering more—and doing it faster*.
https://www.mckinsey.com/~/_media/McKinsey/Industries/Public%20and%20Social%20Sector/Our%20Insights/Affordable%20housing%20in%20Los%20Angeles%20delivering%20more%20and%20doing%20it%20faster/MGI-Affordable-housing-in-Los-Angeles-Full-report-vF.pdf

³ Los Angeles County Metro. (2019). *Metro Research On-board Customer Satisfaction Survey*.
<https://www.metro.net/news/research/>

BACKGROUND

The Need for Stronger Policies and Tools

The need for more housing in Los Angeles County is clear. The State-mandated Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments found that Los Angeles County currently has a 350,000 unit deficit, as shown in the table below. Of the needed units, over 100,000 of them are required for people earning less than 50% of AMI and over 50,000 units for people earning between 50 and 80% of AMI. Interestingly, nearly 150,000 units are needed for people earning *more* than 120% of AMI, demonstrating the need for market rate units in addition to subsidized units.⁴

Despite the recognized need for new housing units, the local economy is failing to provide it. Only 1.4% of the County’s total housing stock was built between 2010 and 2018, and over 60% of the County’s housing stock is over 50 years old. In the City of Los Angeles’ present housing market “the economics do not work for developers to build standard units that are affordable for households earning less than 120 percent of the area median income,”⁵ meaning that all units for households earning less than 120% of the median income will need subsidies, incentives or both.

2020 Los Angeles County Regional Housing Needs Assessment (RHNA)		
Housing Need by Income	Units Needed	Percent of LA County RHNA
Very-low Income (<50% of AMI)	101,816	28%
Low Income (50-80% of AMI)	54,547	15%
Moderate Income (80-120% of AMI)	56,588	16%
Above moderate Income (>120% of AMI)	144,552	40%
Total	357,503	100%

Housing shortages contribute to severe negative consequences for LA County residents. 56% of Los Angeles households spend more than 30% of their income on housing. In last year’s homeless count, individuals experiencing homelessness in the County increased 12% to nearly 60,000 individuals. Many low-income households are forced to live in overcrowded dwellings, which has exacerbated disparities in rates of COVID-19 infection. Other low and moderate-income households have moved out of the region due to high housing costs. Transit ridership in Los Angeles has declined in areas where housing costs

⁴ Southern California Association of Governments. (2020). *SCAG Final RHNA Methodology 030520*. <http://www.scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>

⁵ McKinsey Global Institute. Ward, T., Woetzel, J., Peloquin, S., & Arora, S. (2019). *Affordable housing in Los Angeles Delivering more—and doing it faster*. <https://www.mckinsey.com/~/media/McKinsey/Industries/Public%20and%20Social%20Sector/Our%20Insights/Affordable%20housing%20in%20Los%20Angeles%20delivering%20more%20and%20doing%20it%20faster/MGI-Affordable-housing-in-Los-Angeles-Full-report-vF.pdf>

have increased, so lack of housing affordability and supply have also challenged and undermined Metro’s mission.⁶

Affordable Housing Context

The majority of affordable housing in Los Angeles County is provided through government subsidies from federal, state, and local governments as well as loans from community development finance institutions and traditional banks. Affordable housing developers generally purchase land in the private real estate market and pay market value for the land. These affordable housing units are then covenanted with requirements to reserve the units for people earning less than a specified income. Depending on the funding sources and the target population, residents will need to qualify by earning less than a certain percentage of the Area Median Income (AMI) for the county in which the project is built (see chart below for LA County). Residents then pay monthly rent which is set at a portion of their qualifying income, to ensure they are not burdened by the rent. The rent goes to pay the operating expenses for the building and to pay back the lenders for the project.

Current JD Policy and Approach

The existing JD Policy defines “affordable housing” as housing units for people earning 60% or less than the LA County Area Median Income (AMI) as defined by the California Tax Credit Allocation Committee (TCAC). The current Policy has a portfolio-wide goal that 35% of housing units are affordable to households that earn less than or equal to 60% of the AMI. There is currently no site-specific affordability requirement. The Policy also allows for land discounting of up to 30% of the market value of the land in order to accommodate affordable units.

To date, the JD Program has generated nearly 2,200 housing units, 34% of which are restricted to households earning less than 60% of AMI. The current pipeline, when completed, would increase the count to 4,700 units, (housing approximately 11,500 individuals), of which 37% would be available to households earning less than 60% of AMI. The success of the current policy is

Income Level	% of AMI	Equivalent Annual Income	Max Allowable Monthly Rent
Extremely Low Income	30%	\$30,420	\$760
Very Low Income	60%	\$50,700	\$1,267
Low Income	80%	\$81,120	\$2,028
Moderate Income	100%	\$101,400	\$2,534
Moderate Income	120%	\$121,680	\$3,041

**California Tax Credit Allocation Committee Income and Rent Limits for Los Angeles County projects post April 1, 2020*

<https://www.treasurer.ca.gov/ctcac/rentincome/20/income/13-income-limits-pis-post-042420.pdf>
<https://www.treasurer.ca.gov/ctcac/rentincome/20/rent/14-rent-limits-pis-post-042420.pdf>

⁶ <http://www.scag.ca.gov/committees/CommitteeDocLibrary/rttac093020fullagn.pdf>

chiefly measured by progress toward the 35% goal, focusing less on the absolute number of affordable units delivered or the public benefits derived.

Metro Affordable Transit Connected Housing (MATCH) Loan Fund

In 2017, Metro partnered with the California Community Foundation, the Local Initiatives Support Coalition (LISC), the Low Income Investment Fund (LIIF), and Enterprise Community Partners to create a transit-oriented loan fund, which provides an additional source of local funding to contribute to affordable housing subsidies. Metro committed \$9 million in funding which was used to leverage a total fund value of \$75 million. Loans are available to mission-driven, non-profit affordable housing developers with projects that are within a half mile of high-quality transit. As of May 2020, MATCH had made loans to help build 523 new affordable housing units and preserve 32 existing affordable units (a total of 555 units) with a \$6 million contribution from Metro.

The Value of the JD Portfolio

While it is difficult to estimate the true market value of the JD portfolio, our analysis identifies more than 100 acres of future joint development sites along new Metro transit lines, equating to as much as \$1 billion in potential value. Strategic, thoughtful stewardship of this public asset will ensure that it is leveraged for the largest possible benefit. While policy thresholds, standards and criteria are essential, so too is flexibility to creatively respond to each site condition with an eye toward maximizing the total performance of the program.

Competing Forces

Metro JD sites are subject to myriad competing forces and pressures that whittle away at the development opportunity and disburse the potential benefits (illustrated on the right). Navigating these competing demands makes clear direction and swift delivery of projects difficult and can result in compromised outcomes.

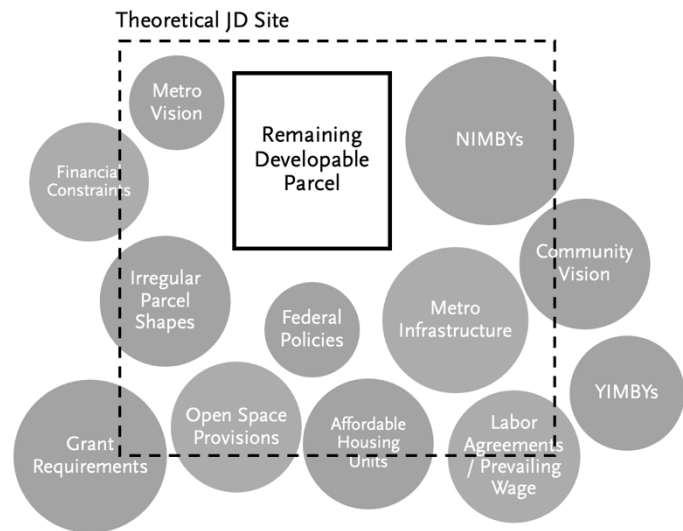


Figure 2: Competing Forces Diagram

Applicable Local, State, and Federal Policies

The State of California, Los Angeles County and several cities, including Los Angeles, Long Beach, West Hollywood, Glendale and Pasadena among others have implemented density bonus policies that incentivize affordable housing on an inclusionary basis. This means that the developers are granted additional permitted units, and/or parking reductions if they include a certain percentage of affordable housing units in their projects.

City of Los Angeles

The City of Los Angeles Department of City Planning implemented the Transit Oriented Communities Incentive Program in 2017, which awards density bonuses for transit-oriented developments that include a minimum threshold of affordable units. These thresholds range from 11% of units at 30% AMI up to 25% of units at 80% AMI. Since its inception, the City's TOC Program has generated over 32,000 homes, over 7000 of which are affordable. Over these, 44% of discretionary affordable units approved have been at the 80% AMI level, 12% at the 60% AMI level and 44% at 30% AMI.⁷

County of Los Angeles

The five County Supervisors signed a draft Inclusionary Housing Ordinance in August 2020, instructing County Counsel to draft a final ordinance. The LA County's draft Inclusionary Housing ordinance requires new rental housing developments in unincorporated LA County with five or more dwelling units to set aside 5 - 20% of all units for low, very low, and extremely low-income households. The set asides vary based on the units' affordability levels and the project size. In addition, rental covenants will be extended from 55 to 99 years unless the project is part of the County's density bonus program. The ordinance will also require for-sale projects with five or more units to set aside units for moderate-income households at a percentage based on the project's submarket. Developers can also elect to build offsite affordable units to meet the inclusionary requirements if the affordable project meets certain qualifications, such as: the project is in proximity to an area with demonstrated displacement risk; or the project is in a certain TCAC high resource area.⁸

State of California

The California State Density Bonus Law (Cal. Gov. Code 65915 - 65918) provides density bonuses for projects including a range of income restricted units, from projects including as few as 5% of units at 0-50% AMI, up to projects with 100% of units at 0-80% AMI. The law was amended in 2020 with Assembly Bill 1763, to incentivize higher density for affordable projects, providing up to 80% bonuses for 100% affordable projects around transit hubs.

In 2018, California Senate Bill 35 amended certain sections of California Government Code to further streamline processing for qualifying infill projects in cities that have not met their regional housing need. In the City of LA, SB 35 allows projects to bypass time consuming discretionary CEQA reviews if the project contains at least 50% affordable units. In the 18 months after the adoption of the law, eight 100% affordable projects in the City of LA filed for streamlining under Senate Bill 35.⁹ One JD project, which is also 100% affordable, is currently using the CEQA streamlining advantages made possible by Senate Bill 35.

The California Surplus Land Act (Cal. Gov Code Secs. 54220-54234) was amended in 2019, creating additional requirements on dispositions of government-owned land. Additional guidance on the new law will be published by the implementing agency in early 2021, which will provide more information on

⁷ Los Angeles Department of City Planning. (2020). Housing Progress Report. <https://planning.lacity.org/resources/housing-reports>

⁸ Los Angeles County Department of Regional Planning. (2020). HEARING ON THE INCLUSIONARY HOUSING ORDINANCE [Draft Ordinance]. <https://file.lacounty.gov/SDSInter/bos/supdocs/147366.pdf>

⁹ Los Angeles City Planning Performance Management. (2019). *Housing Progress Quarterly Report: April - June 2019*. <https://planning.lacity.org/odocument/c795255d-9367-4fdf-9568-0a3407720ef>

how it may impact the JD program. Staff is also engaging with the implementing agency and monitoring related developments statewide to determine its impacts.

Federal Transit Administration

When a JD project is to be built on land that was acquired with federal funds, Federal Transit Administration approval is required. Guidance issued by the Federal Transit Administration (FTA) in August 2020 provides that FTA will no longer reserve the right to withhold approval of a JD project if it does not generate revenue for the transit agency. Metro will still be required to “document its reasonable determination that the terms and conditions of the JD improvement (including the share of revenue for public transportation which shall be provided thereunder) are reasonable and fair.”¹⁰ In addition, the FTA needs to concur with any proposed development on land acquired for an FTA-funded project.

Federal Opportunity Zone Program

Opportunity Zones (OZs) were created through the 2017 tax reform law and provide significant tax benefits for investors willing to deploy capital in designated, economically disadvantaged areas. Five of Metro’s current JD projects are in OZs (North Hollywood, Vermont/Santa Monica, Mariachi Plaza, Little Tokyo/Arts District Station and Westlake/MacArthur Park station), not including Union Station. With respect to Metro’s future corridors, staff analysis found that while there is some overlap with OZs, many of the anticipated high-quality transit station locations that are poised for redevelopment and sit in lower income communities do not fall within designated OZs.

¹⁰ Federal Transit Administration Circular FTA C 7050.1B, Rev. 2, August 14, 2020

PRECEDENTS

Across the US, transit-oriented development and joint development policies share many common policy goals around affordable housing, anti-displacement efforts and community benefits. Staff researched affordable housing and transit-oriented development policies nationwide in order to collect potential tools for analysis. A more in-depth description of those precedent policies is included as Appendix D and a summary of key findings from the most exemplary policies are described below.

Equity

SCAG RHNA Equity Multiplier

The Southern California Association of Governments (SCAG) published its sixth cycle Regional Housing Needs Assessment (RHNA) methodology in March of 2020. The methodology includes a social equity adjustment calculation in order to distribute affordable units across the county, not only in the areas that already have a disproportionately high portion of affordable units or lower-income households. The calculations give additional weight to high resourced areas which provide greater access to opportunity.¹¹

Chicago Equitable Transit Oriented Development Policy Plan

In September of 2020, the City of Chicago released an Equitable Transit Oriented Development (eTOD) Policy Plan which calls for increased attention to issues of equity by building capacity and embedding equity priorities across the city's departments. The Policy Plan relied on extensive outreach efforts and stakeholder engagement through a workgroup that met to discuss shared values and priorities.

Boston Green Ribbon Commission

In the Carbon Free Boston Social Equity Report, the Boston Green Ribbon Commission establishes a social vulnerability index in order to understand where needs and risks are greatest, which is where residents also have the most to gain.¹²

Seattle Equitable Development Initiative

The City of Seattle's Office of Planning and Economic Development established the Equitable Development Initiative aimed at advancing economic mobility and opportunity, preventing residential, commercial, and cultural displacement, and enabling equitable access to all neighborhoods. The initiative has invested about \$20 million of loans and grants in community development, cultural community projects, and anti-displacement efforts.¹³

TAKEAWAY: Across the country, government agencies are using a variety of tools to measure, understand, and combat issues of inequity.

¹¹ SCAG Final RHNA Methodology 030520

¹² Green Ribbon Commission Carbon Free Boston. (2019). *Carbon Free Boston: Social Equity Report 2019*. https://www.greenribboncommission.org/wp-content/uploads/2019/05/CFB_Social_Equity_Report_WEB.pdf

¹³ Seattle Office of Planning and Community Development. (2020). *Equitable Development Initiative*. <https://www.seattle.gov/opcd/ongoing-initiatives/equitable-development-initiative>

Affordable Minimum or Goal

Several transportation agencies have begun to experiment with a minimum affordable housing requirement for all projects. These policies have not been in place long enough to know what the outcome associated with them will be.

BART

The Bay Area Rapid Transit District (BART) amended its Transit Oriented Development Policy in April 2020 to include “a District-wide target of 35% of all units to be affordable, with a priority to very low (<50% of AMI) and low (51-80% of AMI) income households and/or transit-dependent populations”.¹⁴

Caltrain

In February 2020, the Caltrain Board of Directors adopted a Rail Corridor Use Policy and Transit Oriented Development (TOD) Policy requiring that 30% of housing units within each individual project be affordable, with 10% targeted at Very Low Income, Low Income and Moderate-Income households, respectively.¹⁵

MARTA

Metropolitan Atlanta Rapid Transit Authority (MARTA) has a goal of 20% affordable for each JD project, which may include rental units serving households earning up to 80% of AMI, senior housing, or for-sale affordable housing for households earning up to 100% of AMI. Projects are reviewed on a project by project basis.¹⁶

MBTA

Massachusetts Bay Transportation Authority (MBTA) requires JD projects with at least 15 units to build 20% of units for households at or below 100% of AMI and will work with municipalities to determine project feasibility and adjust this requirement to as low as 10%.¹⁷

Sound Transit

Sound Transit in the Seattle area gives local governments, housing authorities and non-profits the first offer on 80% of Sound Transit-owned land deemed surplus and suitable for housing, whether through sale, long term lease, or transfer. If the qualified entity accepts the offer, it is required to construct housing in which 80% of the units are affordable for households below 80% of AMI. Sound Transit's

¹⁴ San Francisco Bay Area Rapid Transit District. (2020b). *Transit-Oriented Development Policy, Amended 2020-04-23*. https://www.bart.gov/sites/default/files/docs/BART%20Transit-Oriented%20Development%20Policy_Amended2020-04-23.pdf

¹⁵ Caltrain. (2020). *Transit Oriented Development Policy*. [https://www.caltrain.com/Assets/___Agendas+and+Minutes/JPB/2020/Item+!\\$!239a+TOD+Presentation.pdf](https://www.caltrain.com/Assets/___Agendas+and+Minutes/JPB/2020/Item+!$!239a+TOD+Presentation.pdf)

¹⁶ MARTA. (2010). *MARTA TOD Implementation Policies*. https://www.itsmarta.com/uploadedFiles/More/Transit_Oriented_Development/MARTA-TOD-Implementation-Policies-Adopted-Text-November-2010.pdf

¹⁷ Massachusetts Bay Transportation Authority, & Massachusetts Department of Transportation. (2017). *MBTA TOD Policies and Guidelines*. https://www.mass.gov/files/documents/2017/10/17/TOD_Policy.pdf

policy emphasizes flexibility to optimize equitable outcomes by using portfolio-wide goals and by considering individual property characteristics to evaluate site suitability for affordable housing.¹⁸

TAKEAWAY: Some transit agencies are implementing an affordable minimum, and others are instead using an affordable goal in order to provide flexibility and avoid restricting the potential of JD sites. Another approach is to set aside certain sites, which will first be offered to affordable housing developers.

Land Discount

BART

The San Francisco Bay Area Rapid Transit (BART) District’s Draft 10-year Joint Development Workplan includes a goal to deliver between 10,700 to 13,100 homes through joint development between 2020-2030. BART has committed to providing up to a 60% discount from fair market value ground rent for projects with at least 35% affordable housing (or at least 30% affordable for high-rise projects). The BART discount begins at an 80% AMI affordability level and BART will deepen the discount as the affordability levels decrease from 80%.

Sound Transit

Sound Transit allows property discounts based on financial assessments demonstrating the project’s funding gap, and the financial needs of Sound Transit’s corridor and system expansion. Sound Transit considers value capture across TOD projects to support affordable housing, including “allowing cross-subsidy across a master development site or through transfer of development rights to a market-rate site generating revenue to support affordable housing development.”

TAKEAWAY: Some transit agencies are allowing discounting to their land, usually with flexibility to allow site by site decisions based on market factors.

Loan Funds and Grants

Sound Transit

To make affordable housing more feasible near transit stations and fill the gaps in affordable housing finance across the region, Sound Transit created the Affordable Housing Revolving Loan Fund. Sound Transit is incorporating \$4 million per year for 5 years and leveraging additional funding contributions from public and private sources. The specifics of the loan products are still in development, but the fund will seek to finance affordable housing on Sound Transit properties and minimize displacement around Sound Transit investments.¹⁹

¹⁸ Sound Transit. (2018). *Resolution No. R2018-10 Adopting an Equitable Transit Oriented Development Policy*. https://www.soundtransit.org/st_sharepoint/download/sites/PRDA/FinalRecords/2018/Resolution%20R2018-10.pdf

¹⁹ Local Initiatives Support Corporation. (April 2020). *Sound Transit Affordable Housing Revolving Loan Fund Needs Assessment*. <https://www.soundtransit.org/sites/default/files/documents/revolving-fund-needs-assessment-20200616.pdf>

Bay Area Metropolitan Transportation Commission - Transit Oriented Affordable Housing

The San Francisco Bay Area Metropolitan Transportation Commission (MTC), which is the Metropolitan Planning Organization for the San Francisco nine-county bay area, launched the Transit Oriented Affordable Housing (TOAH) program in 2012 with a \$10 million investment. In 2017, the fund was relaunched as a \$40 million “TOAH 2” fund, with a wider range of loan products and a streamlined underwriting process. TOAH 2 can be used by for-profit and nonprofit developers to help finance projects in transit priority areas that can be developed or redeveloped with affordable housing and with critical services such as childcare centers, health clinics, fresh food outlets or other retail space.²⁰

San Francisco Bay Area Metropolitan Transportation Commission – Housing Incentive Pool (HIP)

In addition to the TOAH loan fund, MTC has created an incentive program that will reward cities and counties for producing the largest number of affordable units in transit priority areas. MTC will distribute \$71 million in HIP grants on a per-unit basis to the 15 jurisdictions that issue certificates of occupancy for the greatest number newly built and preserved affordable units between 2018 and 2022.

TAKEAWAY: Affordable housing loan and grant funds can leverage resources to attract additional investments and create affordable housing units beyond JD properties.

Parking

The cities of Portland, San Francisco, Boston, and Seattle have set parking maximum policies in response to the added costs parking places on housing. A Seattle study of 23 multifamily complexes demonstrated that 15% of tenant’s rent was attributed to parking costs, even as 37% of parking spots remained vacant at peak hours.²¹

In 2019, the City of San Diego began requiring that parking spaces within Transit Priority Areas be “unbundled” from housing development, so parking is optional and paid separately from the rent or home sale price. The policy was based on a city study on parking costs, that found that a single parking spot adds between \$35-90K in construction costs per unit.²² Another study from The Victoria Transport Policy Institute estimates that a single parking space increases the price of a housing unit by 12.5%.²³

TAKEAWAY: Reducing parking construction through parking maximums or other incentives can make housing less expensive to build.

²⁰ Metropolitan Transportation Commission. (2018, October 30). Metropolitan Transportation Commission Affordable Housing. <https://mtc.ca.gov/our-work/fund-invest/investment-strategies-commitments/focused-growth/affordable-housing>

²¹ Sightline Institute. (2013, December 12). Who Pays for Parking? The hidden costs of housing. https://www.sightline.org/research_item/who-pays-for-parking/

²² The City of San Diego Planning Department. (2019). Parking Standards in Transportation Priority Area Fact Sheet. https://www.sandiego.gov/sites/default/files/tpa_fact_sheet_updated_04.24.19_final_onwebpage.pdf

²³ Litman, J. (2020). Parking Requirement Impacts on Housing Affordability. Victoria Transportation Policy Institute. <https://vtpi.org/park-hou.pdf>

POTENTIAL POLICY & PROCESS TOOLS

The precedent analysis, stakeholder engagement and financial analysis generated both a set of values for the updated policy as well a list of potential policy and process tools for evaluation. These tools were compared against the overarching values for assessment. The following analysis groups tools for policy and process according to the objective that they support, explores the rationale and potential outcomes, and offers a recommended strategy for Metro’s JD Policy (shown in blue at the beginning of each section). The policy evaluation matrix on page 33 summarizes the assessment of each tool against the policy values and outcomes described earlier, noting whether the tool is supportive, indifferent or potentially detrimental to the values and goals.

Policy Tools

A.1 DELIVER Housing for everyone

A.1.1 *Affordable First*

- **Require that all JD sites first be pursued for development of 100% income-restricted, excepting (a) large “district” sites and sites where zoning and economics allow for mid- or high-rise construction may be developed as mixed-income properties, and (b) sites that are deemed infeasible for affordable housing may be excepted by a Board action.**

Perhaps one of the boldest steps that may be taken toward increasing the supply of affordable housing near transit would be to explicitly prioritize all future JD sites for affordable housing. However, some exceptions exist where the scale of the development opportunity is more appropriate for mixed-use and mixed-income development. Without these exceptions, the portfolio would yield fewer affordable housing units as well as overall units. Most, but not all of the anticipated future JD sites are appropriate for the development of affordable housing.

Sites that can support more than 300 units in one location (estimated to be fewer than 10 among 50 future sites), could be explored for mixed use, mixed-income projects instead of affordable, because as mixed-use “districts” they may better be developed as complete communities supporting broader TOC goals.

Sites that are neither able to support 300 units or a 100% affordable project, could be evaluated on a case-by-case basis with recommendations presented to the Board along with the development guidelines.

A.1.2 *Affordability Levels*

- **Expand the definition of “affordable” to include households earning up to 80% of (AMI) in order to leverage the land value created by state and local density bonuses.**

- **Create a new definition of “moderate income housing” to include households earning between 80% to 120%.**
- **Use “neighborhood AMI” to inform affordability targets for each project to ensure affordability levels are appropriate for the community.**

The current JD Policy defines affordable housing as housing for residents earning 60% of AMI or less as defined by TCAC. While the need is high among households below 60% of AMI, CHP data also suggest the need to provide housing at the low- and moderate-income levels (serving households earning between 80 to 120% of AMI). The Los Angeles County RHNA identifies that 16% of the housing need is in the 80 to 120% AMI range, and 15% is in the 50 to 80% AMI range (see table on page 6) which are not fully captured in the existing JD Policy definition of affordable housing. Expanding the definition to 80% and creating a new definition of moderate income housing will allow the JD Program to provide homes to a broader range of people and more fully address the regional housing need.

Expanding the affordable housing definition to 80% AMI also allows JD projects to take advantage of State and local density bonuses, which can increase the value of JD sites and allow them to provide additional affordable units, *without any public subsidy*.

Furthermore, diversifying the supply of housing to serve a mix of income levels at the neighborhood scale creates strong “ladder” allowing households to “trade up” as their incomes increase without having to leave their neighborhood. The above potential tools are intended to ensure that the highest need populations are served while also laying the groundwork to respond to the specific needs of neighborhoods surrounding future JD sites.

However, since income restrictions for affordable housing are typically expressed as a percentage of the Los Angeles County AMI they often may not align with actual median income of the neighborhood in which the project is being built. In low-income neighborhoods, especially, existing residents may be effectively “priced out” by using a County AMI level that is higher than the local neighborhood AMI. In addition, one of the key provisions for countering displacement is to ensure the continued availability of housing at current rent levels. The site feasibility process could look closer at the incomes and the prevailing market rents for the neighborhoods in which the projects are proposed and seek units that would be affordable to people who live in the neighborhood.

A.1.3 Minimum Affordability Requirements

- **Require mixed-income projects to achieve an “affordability score” equivalent to at least 25% of units set aside for households earning 80% of AMI and below.**

Sites that are not developable as 100% affordable projects still present opportunities to incorporate affordable units as “mixed-income” (or “inclusionary”) projects. The State and City of Los Angeles density bonus programs use a tiered approach to incentivize affordable housing production for such projects, with a greater percentage of units required for higher-income brackets, up to 80% of AMI. Aligning the JD Policy with the State and City incentives unlocks hundreds of affordable units at no cost to Metro. Increasing affordability requirements beyond 25% in mixed-income projects is predicted to result in fewer affordable and market rate homes. An effective policy would preserve the ability to work within state and local density bonus structures, while maintaining a threshold requirement for affordability equivalent to the most restrictive tier, which is 25% of units for households earning 80% of AMI and below. An “affordability score” can be used to standardize the requirement across different unit mixes and targeted income brackets. (See sidebar, “Affordability Score” for more information.)

The Affordability Score

Many granting agencies such as TCAC and HCD evaluate affordable housing projects for funding based on the number of affordable units created and the depth of affordability. To standardize the comparison of projects these agencies rely on a score which is typically evaluated based on the number of bedrooms and the income targets. *For example:*

10 2-bedroom units restricted to households earning up to 80% AMI would receive a score of 25 points:

$$10 \times 2 \times \frac{1}{80\%} = 25$$

While 15 1-bedroom units @ 30% AMI, would receive a score of 50 points:

$$15 \times 1 \times \frac{1}{30\%} = 50$$

Metro could use a similar method to standardize the requirements for mixed-income projects and the evaluation of developer proposals.

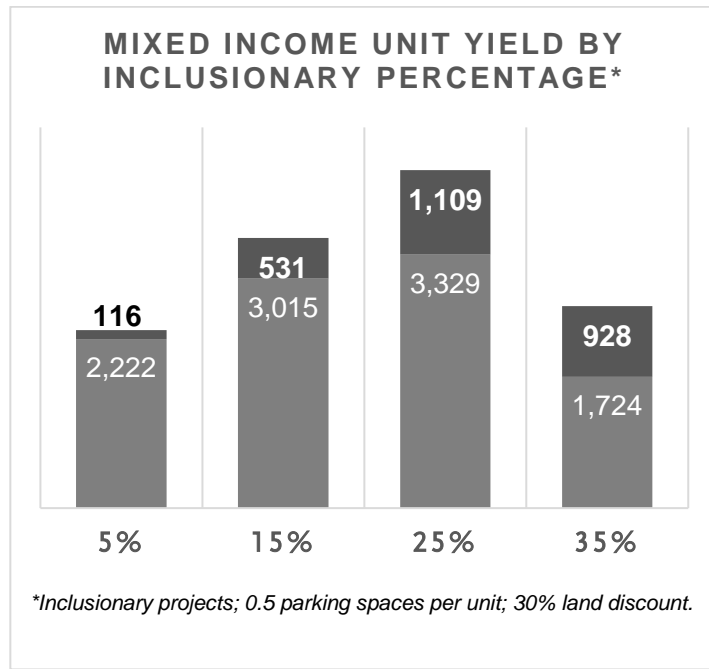


Figure 3: Mixed Income Unit Yield by Inclusionary Percentage

A.2 MAXIMIZE the public benefit derived from the JD portfolio

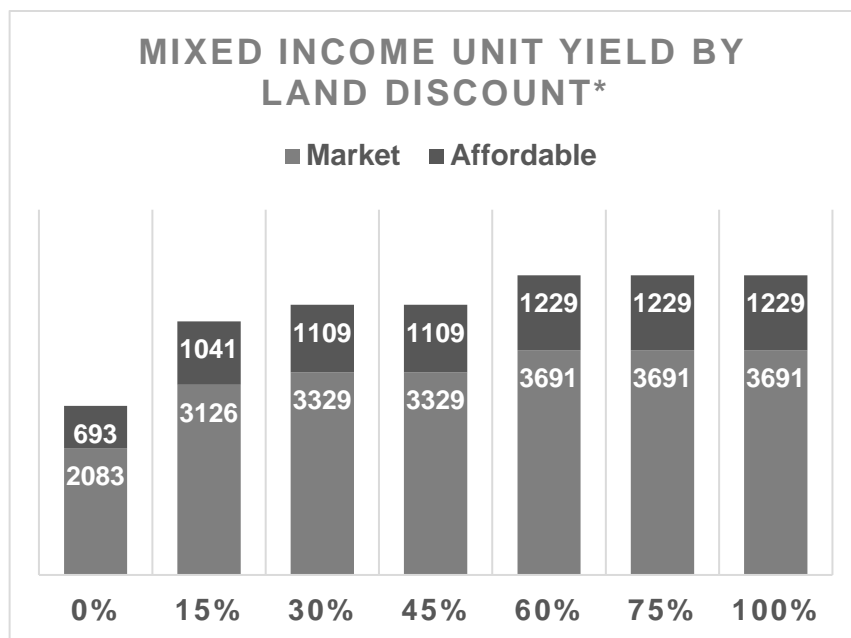
A.2.1 Leverage land value

- **Adjust JD Policy so that a land discount, expressed as a dollar value of subsidy from the fair market value of a property (as opposed to a percentage of land discount), may be applied where it may be clearly demonstrated that a) a subsidy is absolutely required to offset additional costs to provide affordable units, deeper affordability levels of the units, or other benefits, such as open space or transit facilities and b) no other subsidies are reasonably available to meet this need.**

A land discount can be an important subsidy to enable more affordable units and achieve other policy objectives. The JD portfolio financial model suggests that this subsidy can be especially useful to ensure the feasibility of mixed-income development projects that are on the precipice of feasibility and, with some discount, may be able to generate more affordable units. However, a land discount may be one of the most expensive ways for Metro to produce more affordable units and, for 100% affordable projects, may simply displace other available public subsidies.

Affordable housing projects are typically funded through a stack of different funding sources with loans and grants that originate from federal, state, and local funds. In many cases, but not all, these subsidies are adequate to include the costs of acquiring land, especially in areas with lower land value. In such cases, a Metro subsidy intended to provide for affordable housing, may not be necessary, and in fact may simply displace other state and federal subsidies. The foregone revenue from discounting the land may be better spent on other housing investments, such as contribution to the MATCH loan fund (which is a revolving resource) or mobility assets for project residents, such as pedestrian improvements, bicycle infrastructure, or incentivizing reduced parking.

Subsidizing beyond a 30% discount is not usually helpful in creating more units or deeper affordability because the land is already a smaller component of overall project costs. (See Figure 3.) Many projects, whether 100% affordable or inclusionary, may achieve a variety of the policy goals contained herein but are on the threshold of feasibility. In lieu of an automatic land discount, Metro could instead analyze each project to determine if a Metro subsidy may help to achieve that project. If so, such subsidy should be disclosed as a dollar amount to the Board along with the terms and a clear valuation and explanation of the use of the subsidy.



*Inclusionary projects; 25% of units affordable at 80% AMI; 0.5 parking spaces per unit.

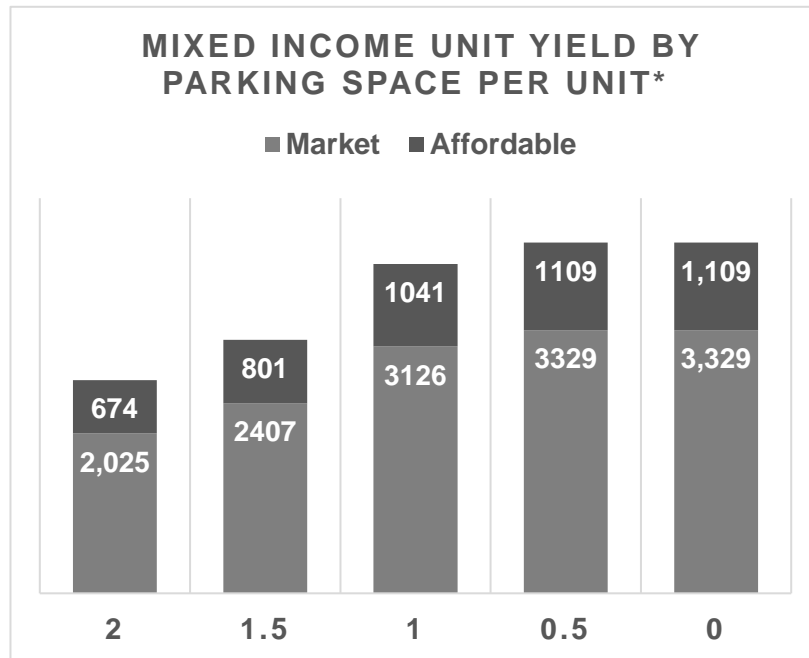
Figure 4: Mixed Income Unity Yield by Land Discount

A.2.2 Parking Policies

- **Require unbundled parking on all sites and ensure that tenants pay the cost of parking utilized.**
- **Allow a maximum of 0.5 parking spaces per bedroom in Metro JD projects; if land use regulations require higher parking rates, the developer would not be permitted to park at a rate any higher than the local minimum; additional parking may be provided if shared with other uses including for weekday Metro rider parking.**

Compared to discounting land, reducing the number of required parking spaces in a JD project can have a more significant impact on project feasibility, allowing mixed-income projects to deliver more affordable units. Reducing parking ratios by even half a space per unit may make several more sites economically viable, result in larger unit yields, and free up more developer funding for affordable housing. While developers insist that the market demands parking spaces, and that providing such parking is a critical component of financial underwriting, research completed for Metro by a national transportation planning and research firm has shown that on average transit-oriented developments nationwide are overparked by 30%. That is, demand is 70% of the built capacity.

The model prepared by Metro’s financial consultant included the ability to adjust assumed parking ratios for future Metro JD projects. The model predicts that, due to the outsized per-stall cost and space required for parking, even small changes in the parking ratio may yield large changes in unit yield—a parking ratio decrease from 1.0 to 0.5 can increase total unit count by 34%. While modeling analysis is based on parking spaces per unit, the potential tool uses parking spaces per bedroom to accommodate the varying project unit sizes.



*Inclusionary projects; 25% of units affordable at 80% AMI; 30% land discount.

Figure 5: Mixed-Income Unit Yield by Parking Space per Unit

A.2.3 Use of Joint Development Proceeds

- **Reinvest proceeds from JD projects in an affordable housing trust fund; a strategic acquisition fund; and the Metro Housing Lab.**

Proceeds from JD could be invested into a strategic TOC fund that could support transit-oriented affordable housing. Currently, these funds are deposited into Metro’s General Fund. While revenues from JD projects are modest compared to the larger Metro budget, these unrestricted funds are well-positioned to support reinvestment in TOC activities, including the strategic site acquisition as discussed above, the implementation of the TOC Policy, and housing supportive programs such as the MATCH loan fund. A portion of these funds could also be used as a seed funds for pilot programs and housing typologies to be tested as part of the Metro Housing Lab, further described in Recommendation 4.1.

A.2.4 Strategic Acquisition

- **Working with Corridor planning, Real Estate and Program Management, review proposed transit project property acquisitions for JD potential before the acquisition footprint is established and cleared during environmental review.**

The process of acquisition and transit corridor construction often results in remainder properties that are not ideal for development. To control new transit corridor costs, Metro typically only

acquires the properties or fractions of properties required for construction, resulting in remnant properties that are irregularly shaped or undersized for JD projects. Such sites are difficult to market and are likely to sit undeveloped. Expanding the area of acquisition only slightly in certain instances may lead to far more viable JD sites, which can help achieve transit-oriented communities goals surrounding the station areas, unlock long-term value, and decrease the cost of providing affordable housing.

A.3 RESPECT communities by counteracting displacement and delivering benefits

A.3.1 Small Business Tenants

- **Ensure that developers prioritize ground floor retail in JD projects for community-serving, local, legacy businesses or community serving non-profits, and require developers to provide flexibility for those tenants to ensure ongoing tenancy and viability.**

Mixed-use projects are often funded almost entirely through the rents generated by the housing units and may not require additional revenue from ground-floor retail spaces to underwrite the project. Furthermore, locating community serving businesses near transit makes riding more convenient and efficient, and occupied storefronts make street safer for pedestrians²⁴. Therefore, accommodating opportunities for small business tenants with tools such as flexible lease terms, favorable rental prices, or other incentives can help stabilize the local economy and provide a transit benefit. To the extent that neighborhood change is applying pressures to existing legacy businesses in surrounding neighborhoods, preference could be granted to such businesses in ground floor retail spaces.

A.3.2 Sustainability

- **Require baseline sustainability features for all projects; explore options to include additional features where possible.**

Given the increasing incidences of extreme weather events such as the hot, dry, windy conditions that led to unprecedented wildfires in California this year, the mandate for sustainable construction is apparent in all of Metro's work. To the extent that JD projects can include sustainable design that can conserve resources and reduce operating budgets without burdening the project or increasing the cost of affordable housing, JD projects should require such features. These features could include:

- Native and drought-tolerant landscaping;
- Generous shade canopies to reduce the heat island effect;
- All electric utilities (no natural gas); and
- Efficient building design that reduces heat and cooling costs.

²⁴ US Department of Housing and Urban Development. *Creating Walkable & Bikeable Communities*. <https://www.huduser.gov/portal/sites/default/files/pdf/Creating-Walkable-Bikeable-Communities.pdf>

Where possible on flagship sites, or through the Metro housing lab, innovative sustainability features beyond these can be piloted.

A.3.3 Labor Agreements

- **Retain labor policy as-is, requiring all JD projects greater than 60 units to comply.**

Currently, JD projects that plan to provide more than 60 units of housing are subject to Metro's Project Labor Agreement (PLA) and Construction Careers Policy (CCP) to encourage construction employment, training opportunities, living wages, jobs for the local community and for disadvantaged workers. Developers have pointed toward these requirements as contributing to the increasing cost of developing affordable housing. Preliminary estimates indicate that such policies result in 8 to 15% cost premium on project hard construction costs.

The additional cost may create an incentive to limit projects to less than 60 units, undermining the production of affordable housing (two of the seven JD sites advanced since this policy was put in place are 60-unit projects seeking to avoid the PLA/CCP premium).

On the other hand, the PLA/CCP policy is essential to building a strong ladder for job training and career advancement and relaxing this requirement would contradict other efforts in the County to strengthen provisions for workforce development. Future pipeline project sizes are projected to be evenly distributed, and there are no apparent natural break points in the distribution, therefore there is no evidence that a different threshold would be warranted.

A.3.4 Mobility Benefits

- **Prioritize community benefits focused on mobility and transit ridership while balancing the need to dedicate resources to affordable housing units.**

As JD projects are envisioned and evolve with the input of a variety of stakeholders, many opportunities arise to package additional community benefits such as open space, community rooms, and other community amenities with the JD projects. Such benefits distinguish JD projects and make Metro a better neighbor in communities wary of transportation investment. However, such benefits naturally come with additional costs, which may make a project infeasible without additional subsidy.

The financial model developed with this policy analysis allowed staff to test the portfolio-wide effects of additional community benefits. The model indicates that as additional costs are layered on through the projected JD portfolio, projects become infeasible and the total unit yield of the portfolio declines. Adding development requirements may also add project risk and raise return requirements and may add various legal and transactional considerations related to issues such as procurement and environmental clearance, which are not modeled in this calculation. There may be potential for Metro to discount the land price in order to finance these additional requirements, but this would be at a direct cost to Metro in lost revenues that could otherwise be more strategically aligned with Metro goals for affordable housing and transit-oriented communities. Community benefits should be included when the benefits increase mobility, encourage transit

ridership, or enhance the transit experience in some way. However, any individual benefits under consideration should be carefully evaluated to confirm that such additional costs are aligned with Metro’s strategic goals. In any case, grant funding should be pursued before a subsidy is provided for such a benefit in the form of a land discount or otherwise.

A.3.5 Free Transit Passes

- **Await outcome of FSI study before pursuing potential pilot test requiring transit passes for JD projects.**

A key JD goal is to increase transit ridership by encouraging individuals to drive less and ride transit more. Providing free TAP cards for patrons living on Metro-owned land is a natural way to incentivize use of the system, serve as a further rationale to reduce the parking ratios in Metro JD projects and leverage our properties to promote transit ridership. Like the existing Metro employer and university pass programs, the pass could be renewed and distributed monthly with tenancy. The pass also presents an opportunity for affordable projects to gain a competitive edge in funding applications, making Metro JD sites more competitive to funders.

Depending on the outcome of Metro’s Fareless System Initiative (FSI), this amenity may not cost anything to implement. If Metro services do not require fares in the future, this program will not be required. If fares remain in place, this housing transit pass program could be used to pilot a fareless program on *existing* JD projects and to collect data on the results. Future JD projects could be required to provide free transit passes in a program similar to the existing employer and university pass programs in order to encourage transit use.

A.4 LEAD the region and nation by driving innovation around housing

A.4.1 Housing Lab

- **Explore innovative pilot projects through a “Metro Housing Lab.”**

While delivering on its core program, Metro may also explore housing innovations on a pilot basis, to test new methods for achieving outcomes quicker, more cost-effectively, and more equitably. Metro could partner with academic and private sector interests, other non-profit partners and legal advisors to form a “Housing Lab” to test and evaluate strategies, which may include, but are not limited to the following:

Recapturing Investments

- Land banking – working with partners to facilitate early acquisition of key property along transit corridors
- Community land trusts and other types of shared equity and inclusive development models

Alternative financing

- Partnerships with public (e.g., Freddie Mac) and private entities (e.g., large employers or pension funds) to provide equity or debt (including mezzanine debt) to facilitate the preservation or construction of moderate-income housing
- Social housing (all tenants pay % of income towards rent)

Alternative construction

- Modular / prefab
- Rehab of existing units on Metro sites
- Mid-rise / mass timber construction
- 3-D printed units

Alternate typologies

- Micro units
- Co-housing
- Live/Work
- Interim use

Supportive programs

- Affordable housing discount transit pass
- Transit demand management program

Sustainability

- Passive house or net zero standards
- Building or district level geothermal

Promoting innovation

- Design contests
- Publications
- Conferences
- Start-ups incubation

Process Tools

B.1 PRIORITIZE communities with the deepest need

More than 40 new JD sites will become available for development and will be added to the JD pipeline over the next 10 years, which will likely lead to a queue of available sites for JD projects that will need to be prioritized. The JD workplan should prioritize projects according to the following:

B.1.1 Neighborhood Stabilization

- **Prioritize projects located in areas at higher risk of displacement.**

While many communities are concerned about gentrification, certain characteristics may be used to predict which communities are most vulnerable. Using data collected by the County or others such as the UCLA-UB Berkeley Urban Displacement Project, JD sites within areas at higher risk of displacement could be prioritized for affordable housing to create an early increase in the supply of affordable housing before displacement occurs. In addition, the Metro TOC Implementation Plan will include baselining activities in coordination with LA County that will provide additional information about neighborhood change.

Urban Displacement Project

The Urban Displacement Project is an initiative of UC Berkeley and UCLA to document and analyze the nature of gentrification and displacement in LA County and other regions around the country. The team has developed a neighborhood change database to show where neighborhood transformations are occurring and to identify areas that are vulnerable to gentrification and displacement. The team has prepared a modeling tool to predict where gentrification may occur. JD sites within areas at higher risk of gentrification could be prioritized for affordable housing to create an early increase in the supply of affordable housing before displacement occurs.

Metro Equity Focus Communities

In 2019, Metro’s Board of Directors adopted a definition for “Equity Focus Communities,” that allows decisionmakers to evaluate and prioritize where key transportation investments and policies can have the greatest impact on increasing access to opportunity. Equity Focus Communities (EFCs) are defined by census tracts with populations meeting at least two of the following thresholds:

- > 80% non-white
- > 40% low-income
- > 10% no-car



Figure 6: Equity Focus Communities

B.1.2 Equity Focus Communities

- **Prioritize catalytic projects that fall within the Equity Focus Community geographies which have experienced divestment.**

As part of the Long Range Transportation Plan, Metro has mapped communities that match characteristics of disinvestment and disenfranchisement, called Equity Focus Communities (EFCs). To the extent that JD projects provide catalytic investments in communities, they should be prioritized in these high-need areas.

B.1.3 Access to Opportunities

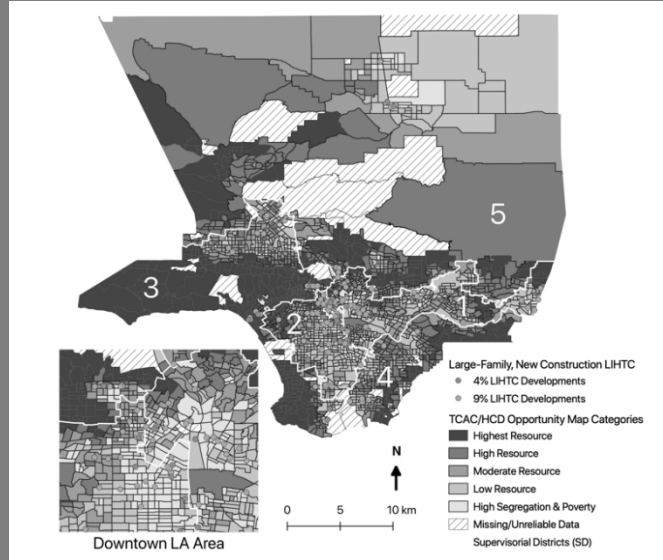
- **Prioritize projects that would build affordable units in areas with greater access to opportunities.**

In addition, given Los Angeles’ vast geography, part of ensuring access to opportunity for all requires ensuring that JD efforts are geographically distributed. Consideration of new project starts can take into account the communities and jurisdictions in which the proposed projects will be located, and the existing supply and demand for affordable housing in those communities. Locating affordable housing in neighborhoods with a high concentration of amenities and opportunities allows residents of affordable units with improved access to these opportunities.²⁵

²⁵ California Fair Housing Task Force. (April 2020). Methodology for the 2020 TCAC/HCD Opportunity Map. <https://www.treasurer.ca.gov/ctcac/opportunity/draft-2020-tcac-hcd-methodology-december.pdf>

TCAC/HCD Opportunity Maps

The HCD and TCAC created a Fair Housing Task Force which creates annual Opportunity Maps to “visualize place-based characteristics linked to critical life outcomes, such as educational attainment, earnings from employment, and economic mobility.” The Task Force identifies indicators and measures for each of these domains to categorize census tracts into designations ranging from “high segregation & poverty” to “highest resource.” Higher resourced areas are preferred locations for tax credit financed affordable housing projects.



B.2 STREAMLINE process for faster project delivery

B.2.1 Feasibility

- **Prioritize projects that may be delivered fastest, with the least cost to Metro.**

Some projects may face more challenges than others. For example, a project that must accommodate Metro infrastructure can face additional construction costs and engineering challenges and will likely require more time and resources to deliver. Others may face political or regulatory headwinds that could delay implementation. Community-supported projects that meet JD program and site-specific goals can be prioritized over projects without support which are likely to be more time-consuming and expensive to implement.

B.2.2 Site Analysis and Development Guidelines

- **Determine what kind of project a site can support.**

At the outset of the site selection process, zoning and market analysis can reveal the potential capacity of a JD site for housing units and revenue projections. This initial analysis can inform the outreach and RFP process to ensure a realistic conversation about the tradeoffs and decision points. Neighborhood-level income analysis should dictate the threshold of income levels and rents that should be targeted for affordable sites. If the site needs market rate housing in order to be viable, the optimal inclusionary scenario can be determined with a financial feasibility study. This key information could be the starting off point for the community conversations and the RFP.

- **Determine what infrastructure costs will be required and if the land value can support them or if additional subsidy would be required.**

Developing some JD sites requires upgrades to existing transit infrastructure to facilitate development, such as reinforcing the station to support construction, or adding a new entrance. These costs could be estimated at the outset of the project visioning so that Metro and the development community can obtain a realistic picture of site feasibility. If the cost of infrastructure required to make the site feasible exceeds the value of the land, then the costs and benefits should be weighed with this important information. The site could be subsidized by revenues from other JD projects, grants, or coordination with separate Metro capital projects, but that decision should be made transparently.

- **Create a Development Guidelines Checklist to accelerate project readiness.**

While every community is distinct, there are similarities across many JD sites which can be used to scope projects more efficiently. Transit-oriented developments are always expected to be walkable, human-scaled, and supportive of alternative transportation modes, among other attributes. These attributes can create a somewhat standardized baseline for the Development Guidelines which could allow lessons learned from one site to be transferred to another and can save valuable time and resources to allow more sites to come online faster.

B.2.3 Community Engagement

- **Focus community input on upfront visions to ensure projects are responsive to communities yet create reasonable, predictable, timeframes for project delivery.**

As the housing crisis worsens and communities' fear of displacement and gentrification is commensurately validated, the challenge of balancing community interests with regional and state mandates for more affordable housing only becomes more complex and elusive. Rather than shy away from this tension, processes may be formalized to make the tradeoffs clearer and recognize that the "community" voice is rarely singular.

Outreach should focus on upfront visioning to avoid difficult conversations later in the project when changes may no longer be viable. Strengthening the clarity and transparency of these deliberations can help to ensure that all stakeholders are operating from a common platform. Broadening outreach methods, including formally engaging key community-based organizations, deploying distributed methods for feedback, and, where appropriate, forming advisory committees to distribute information and collect input can help to ensure all voices are heard. Ultimately, these methods can increase confidence in decision-making even where there may not be perfect alignment, which in turn may accelerate the speed at which the JD team is able to deliver projects, in order to address the regional housing needs.

B.2.4 Expedited Procurement Processes

- **Consolidate process steps under JD team to create efficiencies and accelerate timeframes.**

JD proposals are unique in that they are constrained by the parcel footprint and have physical impacts on the communities around them but do not usually contain trade secrets or other sensitive information. Because of these distinctions from traditional public procurements, time

and resources can be saved by streamlining solicitations and the unsolicited proposals processes within the JD team.

B.2.5 Unsolicited Proposals

- **Limit unsolicited proposals to developers who have site control of property adjacent to a Metro property and offer a unique property development proposal that Metro could not otherwise procure.**

Metro’s unsolicited proposals process is intended to invite innovative but pragmatic solutions to Metro’s mobility and capital program goals, usually relying on a proprietary method, technology or resource not already in place or in procurement at Metro. Unsolicited proposals for joint development, however, almost always come from adjacent property owners for sites that without adjacent property are otherwise undevelopable. Adjacent properties can turn awkward and infeasible development sites into more efficient, viable site for more housing units and an improved pedestrian experience. However, without an adjacent property, it is unlikely that an unsolicited proposer would have any unique advantage that would warrant a deviation from the traditional RFP process.

Since the JD Unsolicited Proposals Process has been in place, 11 unsolicited proposals have been received, 6 have advanced to a Phase 2, and one has been negotiated into an entitled project. Reviewing unsolicited proposals diverts scarce resources away from the regular JD work program. Making control of adjacent property a prerequisite for submitting an unsolicited proposal would streamline the review process, reduce the number of unsuccessful proposals that must be reviewed and create greater clarity for would-be proposers.

- **Increase transparency in the unsolicited proposals process to ensure alignment between local municipality, community and proposed project vision.**

The existing Unsolicited Proposal Process does not allow sufficient communication between JD staff, local jurisdictions and community members. Protecting the privacy and integrity of the procurement process needs to be balanced with transparency. The Process should be updated to formalize a communication and input process that allows community stakeholders to understand and respond to the proposed project.

B.3 EVALUATE and select the most inclusive projects.

In addition to the typical proposal evaluation process which scores project submissions based on qualifications of the team, approach, and the vision presented, the following evaluation metrics can aid the JD team in selecting a project proposal and project developer that align with the values and outcomes identified in this paper.

B.3.1 Affordability Scoring

- **Evaluate JD proposals based on an “affordability score” that indexes the number of affordable homes proposed and the target income levels served.**

To prioritize development of affordable housing on Metro-owned land, the proposal evaluation team may consider the number of affordable units and the depth of project affordability in developer selection. For 100% affordable projects, the depth of affordability and/or the compatibility with the income levels of the surrounding neighborhood should be considered. For mixed income properties, the depth and quantity of affordable units can be evaluated in the selection process as well.

B.3.2 Economic Development Scoring

- **Formally evaluate proposals based on small business contractors, racial inclusion, and community-based organizations in developer selection criteria.**

Metro procurement policies seek to promote equity, applying subcontracting targets for Small Business Enterprises (SBE), Disadvantaged Business Enterprises (DBE), Disadvantaged Veteran Business Enterprises (DVBE) and Minority and Women Business Enterprises (MWBE) to compete for and participate in all aspects of procurement and contracting. While the current JD Policy encourages SBE, DBE, and DVBE participation in forming teams, SBE utilization is not formalized in the scoring process. Moving forward, points could be awarded to teams that consist of SBE, DBE, DVBE and MWBE members. Engaging community-based organizations (CBOs) as part of the development process and as formal members of the development team could also be evaluated in the scoring process.

B.3.3 Community-informed Evaluation Criteria

- **Solicit input from stakeholders on evaluation criteria for development proposals.**

Development Guidelines are created in collaboration with community members through an in-depth outreach process and in turn used to inform the selection of a developer. Yet ultimately, developers are selected based on their adherence to the evaluation criteria in the RFP, which further details expectations regarding developer qualifications and their approach to the work. The evaluation criteria assign point values to specific proposal attributes, not just a vision for the ideal JD project. Therefore, community members should be invited to provide input on the evaluation criteria as part of the development guidelines, so that the ultimate determining factors for selection are transparently communicated before a JD solicitation. This transparency must continue to bear in mind that the JD solicitation process is designed to avoid undue influence in the selection process, and a certain degree of opacity is required to maintain that.

B.3.4 Expedient Delivery Scoring

- **Assign points to projects that lay forth a path for expedient permits and approvals and demonstrated community support.**
- **Establish blanket authorization to enter into ENAs with highest scoring proposal if project meets key Board-established criteria.**

Given track record of long JD project delivery timeframes, and the urgency of the housing crisis, scoring should favor projects that include a streamlined entitlements path. Projects that are by-

right and do not require discretionary local actions should be favored over those that do not. Projects with fewer environmental impacts that require less intensive analysis and can be delivered faster should receive higher scores. Likewise, projects with demonstrated community support that are less likely to be delayed by opposition could be prioritized.

To help address the housing crisis, California policy makers have established state and local laws that allow developments to proceed if they will build a minimum percentage of affordable housing. Metro could adopt its own by-right process by giving CEO authority to enter exclusive negotiations with developers that a) have the highest scoring proposal based on Board-approved evaluation criteria, and b) the final proposal meets certain objective affordability and transit-supportive standards.

B.3.5 Sustainability Scoring

- **Assign points to projects that that promote environmental stewardship, reduce greenhouse gas emissions, and conserve or restore natural resources.**

In alignment with the Moving Beyond Sustainability, the JD team would work with the Environmental Compliance and Sustainability Department to establish criteria for evaluating a project's long-term economic, environmental, and social sustainability. Such measures may include: hardscaping and landscaping to limit the urban heat island effect and irrigation requirements; energy efficiency in designing the building envelope, mechanical and lighting systems; incorporating passive and active systems to manage the buildings energy use; and other cutting edge approaches toward meeting and exceeding CALGreen standards. Evaluation would also consider developers' commitment to diligent management and maintenance to assure continued environmental performance.

B.4 MEASURE outcomes against policy objectives

B.4.1 Metrics and Outcome Tracking

- **Report and promote the performance of the JD portfolio via a regularly updated dashboard of projects.**
- **Require developers to allow Metro to conduct annual tenant surveys in order to report metrics to Metro for ongoing monitoring.**

The metric in the current JD Policy is a goal that 35% of the JD Program's housing units be affordable to households that earn less than or equal to 60% of the AMI. This metric is useful for setting a goal that can be achieved irrespective of market conditions and project delays, however it does not take into account total number of units, the speed at which they are delivered, and other outcomes such as job-generation and community benefits.

Modeling shows that the affordable first approach can potentially achieve as many as 50% affordable units portfolio-wide, though in order to pursue such a goal, flexibility on a site-by-site basis will be critical in order to maximize the number of units that are delivered.

Therefore, JD will create a specific goal of an absolute number of units, both market-rate and affordable that JD will aim to build by a certain year. In addition, a more nuanced system of metrics would be valuable in creating targets and measuring outcomes of the JD Policy. Metrics could include:

- People housed
- Low-income households
- Open space provided
- Small businesses contracting and subleasing
- Construction jobs created
- Permanent employment
- First-last mile connections built

Consistent with pillar one of the Equity Platform, requiring ground lessees to allow Metro to conduct an annual tenant survey would enable JD to track concerns such as transit use, demographic data (as allowed/feasible), car ownership, move in/move out information, and qualitative data on the tenant satisfaction to help inform features of our projects (e.g., design issues, amenities, desired ground floor services, parking, and unit design).

B.4.2 Long-Term Affordable Housing

- **If fee disposition of Metro property is necessary for a JD project, place a covenant on the property requiring that any affordable units developed remain affordable into perpetuity.**

Affordable housing developed on land owned in fee is typically subject to affordability covenants that expire after 55 years, after which time the properties become eligible for conversion to market rate housing. While 55 years may seem like a long time at the outset of a project, currently, the Los Angeles region is experiencing a wave of expiring affordable housing covenants, exposing residents relying on affordable housing to displacement and threatening the supply of affordable housing in the region. A recent report by the Los Angeles Housing and Community Investment Department (HCID) found that 11,771 rent-restricted units in the City of Los Angeles alone are at high or very high risk of being converted to market rate in the next five years. Perpetual covenants recorded on the land could eliminate this concern. However, recent developer stakeholder interviews have indicated that this may create challenges to operating, refinancing and rehabilitating projects over time. In addition, housing needs, financing sources, and affordability standards change over time and some degree of flexibility may be in the best interests of Metro and future low-income residents

Practically speaking, expiration of affordability covenants should not be a concern for Metro JD projects because projects are typically constructed on ground leased land where Metro retains the underlying fee ownership – and consequently long-term control over its use. This retained control ensures that Metro can continue affordability requirements when ground leases are extended, or new ground leases are created. In very rare cases, disposition of Metro’s fee interest may be required to make a JD project feasible. In such cases, a perpetual affordability covenant could be placed on the disposed property.

OVERARCHING THEMES

This paper has gathered research, input and analysis in order to inform an update to the Metro JD Policy with respect to affordable housing. The case is clear for accelerating the delivery of housing near transit, focusing first on increasing the supply of affordable housing, and invigorating the development of new models for housing delivery. The analysis contained herein highlights the complications and tensions in delivering quality, affordable housing.

Flexibility is Critical

Flexibility is key because conditions vary widely from site to site. An internal policy framework should be established for identifying specific catalytic sites that may require deviations from policy.

Because there are needs at every income level, the definition of *affordable* should be broadened to include covenant-controlled housing targeting households earning up to 120% AMI. While priority would be given to projects supporting the lowest AMI households, certain sites may require additional flexibility to remain feasible or to deliver other benefits. It should be noted that in some areas placing a covenant requiring that housing remain affordable to households earning 100 or even 120% of AMI can be a powerful anti-displacement tool that does not require subsidy.

And because the supply of housing is so constrained, urgent production of all units, market and affordable is essential. A minimum requirement of 25% affordable units at 80% AMI can align with existing density bonuses in order to maximize market rate and affordable units on Metro property. In addition, an “equivalent” minimum should also be permitted, (such as a 15% of units at 30% AMI, to be further laid out in an affordability scoring system).

The Metro JD Program should leverage the private market to achieve plentiful, quality housing near transit. Metro can capture proceeds on JD sites and reinvest those proceeds into affordable housing or other community benefits. JD should take advantage wherever the private market can achieve the desired policy outcomes and reserve a subsidy for another project.

Time is of the Essence

As the housing affordability crisis worsens and the homelessness crisis grows, it is obvious that action is needed immediately. Development is time consuming and requires lengthy, often expensive planning, permitting, outreach, financing and design processes. The sooner projects can begin and the more streamlined the process, the better.

The development market is currently indicating enough capacity for our projects with frequent unsolicited proposals, and the housing market is in need of additional supply.

The close involvement that Metro has taken in the development process of these sites is also time intensive. As gateways into the Metro system, it is important to take care to create quality, community friendly projects, but the reality remains that this is a time-consuming pursuit which may be limiting the timely production of additional units.




Innovation is Vital

















The housing crisis calls for solutions from any and all available resources. Acceleration and cost reduction in construction, financing, or permitting will only strengthen our ability to respond. As such, Metro can use its asset of key development sites and its role as a leader and convener of regional planners and experts to encourage and catalyze housing innovation. Just as Metro is using innovation to advance transportation solutions, so should Metro innovate around housing. There is additional liberty to innovate around the delivery of a unit as small as a building, as compared to the scale of a major infrastructure project, as most of Metro's work requires. The region is flush with academic expertise, entrepreneurial knowhow and leading policy thinkers. To a large extent, housing is already an area where many potential partners are innovating and advancing the policy and delivery conversations. Metro can participate in these discussions already underway and convene and incentivize collaboration with partners who are eager to advance housing innovation and work together to find collective solutions to a shared and looming dilemma.





APPENDICES

- A. Potential Policy and Process Tools Evaluation Matrix
- B. Technical Memo: Affordable Housing Policy Implications
- C. Stakeholder Input Summary
- D. Precedents Analysis

APPENDIX A: Potential Policy and Process Tools Evaluation Matrix

 Policy value achieved
  Policy value not impacted
  Policy value negatively impacted

Potential Policy Tools				
A.1 DELIVER Housing for everyone	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>A.1.1 Affordable First</i>				
<ul style="list-style-type: none"> Require that all JD sites first be pursued for development of 100% income-restricted, excepting (a) large “district” sites and sites where zoning and economics allow for mid- or high-rise construction may be developed as mixed-income properties, and (b) sites that are deemed infeasible for affordable housing may be excepted by a Board action. 				
<i>A.1.2 Affordability Levels</i>				
<ul style="list-style-type: none"> Expand the definition of “affordable” to include households earning up to 80% of (AMI)in order to leverage the land value created by state and local density bonuses. 				
<ul style="list-style-type: none"> Create a new definition of “moderate income housing” to include households earning between 80% to 120%. 				
<ul style="list-style-type: none"> Use “neighborhood AMI” to inform affordability targets for each project to ensure affordability levels are appropriate for the community. 				

<i>A.1.3 Minimum Affordability Requirements</i>				
<ul style="list-style-type: none"> Require mixed-income projects to achieve an “affordability score” equivalent to at least 25% of units set aside for households earning 80% of AMI and below. 				

A.2 MAXIMIZE the public benefit derived from the JD portfolio	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>A.2.1 Leverage land value</i>				
<ul style="list-style-type: none"> Adjust JD Policy so that a land discount, expressed as a dollar value of subsidy from the fair market value of a property (as opposed to a percentage of land discount), may be applied where it may be clearly demonstrated that a) a subsidy is absolutely required to offset additional costs to provide affordable units, deeper affordability levels of the units, or other benefits, such as open space or transit facilities and b) no other subsidies are reasonably available to meet this need. 	●	●	●	●
<i>A.2.2 Parking Policies</i>				
<ul style="list-style-type: none"> Require unbundled parking on all sites and ensure that tenants pay the cost of parking utilized. 	●	●	●	●
<ul style="list-style-type: none"> Allow a maximum of 0.5 parking spaces per bedroom for market rate housing units in Metro JD projects; if land use regulations require higher parking rates, the developer would not be permitted to park at a rate any higher than the local minimum; additional parking may be provided if shared with other uses including for weekday Metro parking. 	●	●	●	●
<i>A.2.3 Use of Joint Development Proceeds</i>				
<ul style="list-style-type: none"> Reinvest proceeds from JD projects in an affordable housing trust fund; a strategic acquisition fund; and the Metro Housing Lab. 	●	●	●	●

<i>A.2.4 Strategic Acquisition</i>				
<ul style="list-style-type: none"> Working with Corridor planning, Real Estate and Program Management, review proposed transit project property acquisitions for JD potential before the acquisition footprint is established and cleared during environmental review. 	●	●	●	●
A.3 RESPECT communities by counteracting displacement and delivering benefits	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>A.3.1 Small Business Tenants</i>				
<ul style="list-style-type: none"> Ensure that developers prioritize ground floor retail in JD projects for community-serving, local, legacy businesses or community serving non-profits, and require developers to provide flexibility for those tenants to ensure ongoing tenancy and viability. 	●	●	◐	●
<i>A.3.2 Sustainability</i>				
<ul style="list-style-type: none"> Require baseline sustainability features for all projects; explore options to include additional features where possible. 	◐	◐	○	●

<i>A.3.3 Labor Agreements</i>				
<ul style="list-style-type: none"> Retain labor policy as-is, requiring all JD projects greater than 60 units to comply. 	●	●	○	◐
<i>A.3.4 Mobility Benefits</i>				
<ul style="list-style-type: none"> Prioritize community benefits focused on mobility and transit ridership while balancing the need to dedicate resources to affordable housing units. 	●	●	○	◐
<i>A.3.5 Free Transit Passes</i>				
<ul style="list-style-type: none"> Await outcome of FSI study before pursuing potential pilot test requiring transit passes for JD projects. 	●	●	◐	●
A.4 LEAD the region and nation by driving innovation around housing	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>A.4.1 Housing Lab</i>				
<ul style="list-style-type: none"> Explore innovative pilot projects through a “Metro Housing Lab.” 	●	●	●	●

Potential Process Tools				
B.1 PRIORITIZE communities with the deepest need	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>B.1.1 Neighborhood Stabilization</i>				
<ul style="list-style-type: none"> Prioritize projects located in areas at higher risk of displacement. 	●	●	◐	◐
<i>B.1.2 Equity Focus Communities</i>				
<ul style="list-style-type: none"> Prioritize catalytic projects that fall within the Equity Focus Community geographies which have experienced divestment. 	●	●	◐	◐
<i>B.1.3 Access to Opportunity</i>				
<ul style="list-style-type: none"> Prioritize projects that would build affordable units in areas with greater access to opportunities. 	●	●	◐	◐
B.2 STREAMLINE process for faster project delivery	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>B.2.1 Feasibility</i>				
<ul style="list-style-type: none"> Prioritize the projects that may be delivered fastest, with the least cost to Metro. 	●	●	●	●
<i>B.2.2 Site Analysis and Development Guidelines</i>				

<ul style="list-style-type: none"> Determine what kind of project a site can support. 				
<ul style="list-style-type: none"> Determine what infrastructure costs will be required and if the land value can support them or if additional subsidy would be required. 				
<ul style="list-style-type: none"> Create a Development Guidelines Checklist to accelerate project readiness. 				
<i>B.2.3 Community Engagement</i>				
<ul style="list-style-type: none"> Focus community input on upfront visions to create reasonable, predictable, timeframes for project visioning and delivery. 				
<i>B.2.4 Expedited Procurement Processes</i>				
<ul style="list-style-type: none"> Consolidate process steps under JD team to create efficiencies and accelerate timeframes. 				
<i>B.2.5 Unsolicited Proposals</i>				
<ul style="list-style-type: none"> Limit unsolicited proposals to developers who have site control of property adjacent to a Metro property and offer a unique property development proposal that Metro could not otherwise procure. 				
<ul style="list-style-type: none"> Increase transparency in the unsolicited proposals process to ensure alignment between local municipality, community and proposed project vision. 				

B.3 EVALUATE and select the most inclusive projects.	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>B.3.1 Affordability Scoring</i>				
<ul style="list-style-type: none"> Evaluate JD proposals based on an “affordability score” that indexes the number of affordable homes proposed and the target income levels served. 	●	●	◐	◐
<i>B.3.2 Economic Development Scoring</i>				
<ul style="list-style-type: none"> Formally evaluate proposals based on small business contractors, racial inclusion, and community-based organizations in developer selection criteria. 	●	●	◐	◐
<i>B.3.3 Community-informed Evaluation Criteria</i>				
<ul style="list-style-type: none"> Solicit input from stakeholders on evaluation criteria for development proposals. 	●	●	◐	◐
<i>B.3.4 Expedient Delivery Scoring</i>				
<ul style="list-style-type: none"> Assign points to projects that lay forth a path for expedient permits and approvals and demonstrated community support. 	◐	◐	●	●
<ul style="list-style-type: none"> Establish blanket authorization to enter into ENAs with highest scoring proposal if project meets key Board-established criteria. 	◐	◐	●	●

<i>B.3.5 Sustainability Scoring</i>				
<ul style="list-style-type: none"> Assign points to projects that that promote environmental stewardship, reduce greenhouse gas emissions, and conserve or restore natural resources. 				
B.4 MEASURE outcomes against policy objectives	INCLUSI ON	ACCES S	PERFORMA NCE	INNOVATI ON
<i>B.4.1 Metrics and Outcome Tracking</i>				
<ul style="list-style-type: none"> Report and promote the performance of the JD portfolio via a regularly updated dashboard of projects. 				
<ul style="list-style-type: none"> Require developers to allow Metro to conduct annual tenant surveys in order to report metrics to Metro for ongoing monitoring. 				
<i>B.4.2 Long-Term Affordable Housing</i>				
<ul style="list-style-type: none"> If fee disposition of Metro property is necessary for a JD project, place a covenant on the property requiring that any affordable units developed remain affordable into perpetuity. 				

Appendix B - Financial Model Methodology



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AFFORDABLE HOUSING CALCULATOR POLICY IMPLICATIONS

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Introduction

HR&A Advisors, Inc. (HR&A) has built an affordable housing feasibility calculator for Los Angeles Metro's Joint Development team (Metro) as part of their 2020 joint development policy update. The calculator tests the feasibility of development based on key development assumptions and is designed to be a tool to facilitate rapid policy tests across Metro's joint development portfolio. Metro's sites are an important public asset that can play a pivotal role in expanding housing affordability in Los Angeles County. Towards that end, the calculator supports a housing policy discussion that balances market feasibility, affordability, total unit count and other public policy goals. **The primary purpose of this calculator is to evaluate policy impacts on portfolio-wide outcomes.** Additionally, HR&A has built a site-specific calculator to test specific assumptions and evaluate nuanced policy variable impacts on a single site.

Approach

To calculate the feasibility impacts of policy interventions, the calculator solves for Return on Cost (ROC) based on policy inputs and compares it to the baseline expected returns with the highest residual land value, based on the typology and market.

The Metro team identified 48 potential pipeline sites along existing and future transit lines. John Kaliski Architects (JKA) and HR&A then evaluated the sites based on physical and market development potential. HR&A further grouped sites into **market tiers** based on proximity and market strength, in order to gather and assign development assumptions such as rents and capitalization rates, with Tier 1 having the highest rents and Tier 5 with the lowest rents. The calculator evaluates feasibility of inclusionary units but allows the user to choose whether to assign each site as 100 percent affordable or inclusionary.

Users can toggle policy variables related to parking, on-site amenities, PLA/CCP requirements, affordability mix, and Metro's land value discount, to see how the policy environment they constructed affects the total unit output on joint-development sites, along with the total number of feasible projects and affordable units.

Dashboard

The following inputs are available to users on the calculator dashboard:

INPUTS: Inclusionary

Adjust the inputs in this section to test different policy variables across all inclusionary projects.

Parking spaces per unit	1	Total number of spaces required per unit
Amenities Contribution	\$0 /unit	Contribution from developer for on-site amenities
PLA CCP Unit Limit	200 units	Unit limit at which PLA/CCP wage regulations apply
PLA CCP Hard Costs Premium	8%	Hard cost premium applied for projects that are subject to the PLA/CCP premium.
Land Value Discount	0%	Share of land value discounted by Metro

Unit Mix

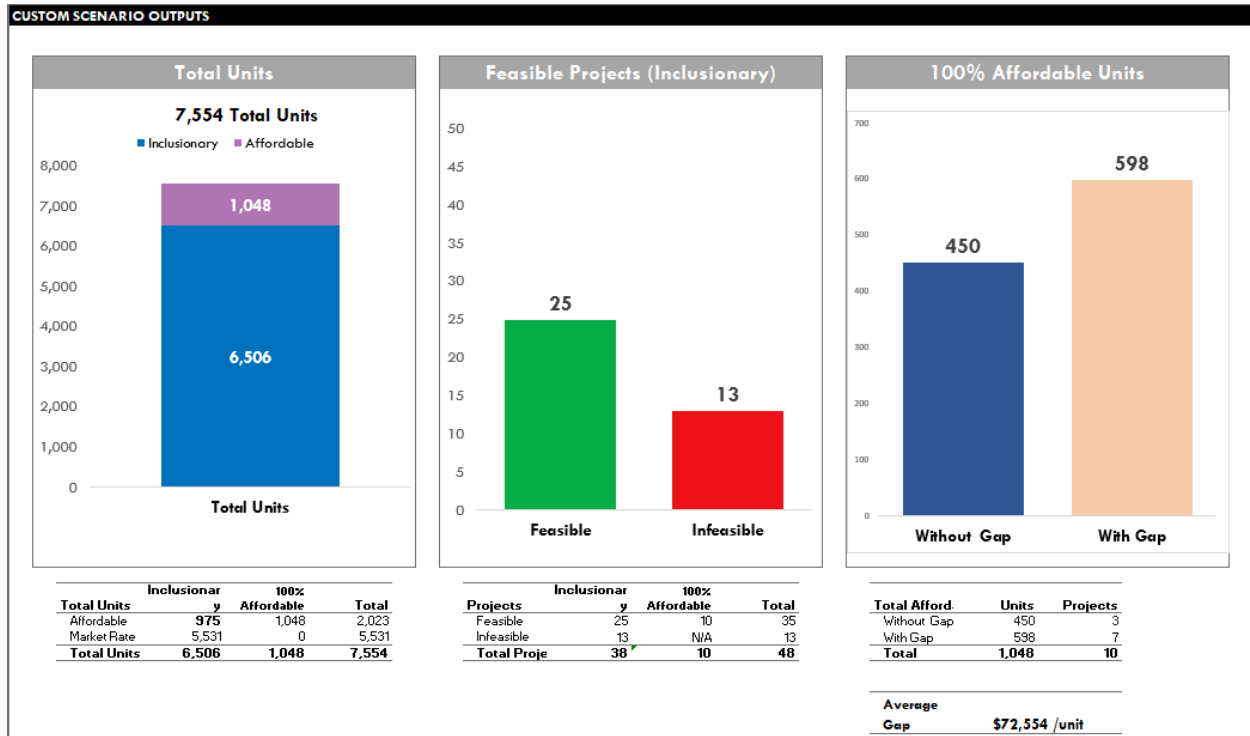
30% AMI (TOC: 11%)	0%	Unit mix and affordability share across every project in the portfolio
50% AMI (State Bonus: 11% / TOC: 15%)	0%	
60% AMI (State Bonus: 20% / TOC: 25%)	0%	
80% AMI (State Bonus: 20% / TOC: 25%)	25%	
100% AMI	0%	
120% AMI	0%	
Affordable Units	25%	
Market Rate Units	75%	
Total	100%	

INPUTS: Affordable

Parking spaces per unit	1	
Amenities Contribution	\$0 /unit	
PLA CCP Unit Limit	60 units	
Land Value Discount	0%	
Maximum 9% LIHTC projects per time horizon	2	Total number of 9% LIHTC projects allowed per time horizon. (All other affordable projects default to 4% credits).
Additional Gap Financing	\$0 /unit	Additional public funding (city, state, federal, Metro) provided for to fill capital gap for affordable deals.
Share of Lost Land Value (as a result of policies)	0%	Change in land value for proposed set of policies as a delta from the highest-and-best use land value.

Note: Lost land value may be lower than discount amount of custom scenario adds additional value.

Along with these inputs, the following outputs are available to users:



Total Units: The total potential units produced on joint development sites, further subdivided into **inclusionary projects** (with conventional financing) and **100% affordable projects** (with tax-credit financing).

Feasible Projects: The number of inclusionary projects that are feasible (based on return on cost metrics) given the user's policy environment.

100% Affordable Units: The number projects with and without a gap in their capital stack. This gap is listed below and can be filled by a combination of public, private, and philanthropic capital.

Key Takeaways

The calculator's findings indicate that Metro's policies can have a significant impact on building affordable and market-rate housing across Los Angeles County. Metro has an opportunity to build a policy structure that aligns with their core policy values of inclusion, access, performance, and innovation.

The calculator additionally shows the potential tradeoffs between different policy goals and can help Metro work towards a balanced policy. These tradeoffs can include:

- **The location of 100% affordable (tax-credit) projects.** If affordable sites were distributed equitably across all submarkets, there would be almost 500 fewer units than the default scenario in which all 100% affordable sites are concentrated in Tier 5 locations. If 100% affordable sites were concentrated in Tier 1 and Tier 2 sites, there would be almost 900 fewer units than the default scenario. However, Metro may be willing to make that tradeoff, given the higher access to opportunities and amenities that households may have living in the higher tiered submarkets.
- The number of **total affordable units** versus the **depth of affordability per unit**. In many instances, a higher depth of affordability results in less units. For instance, a 2-bedroom unit that rents for 80% of AMI, affordable to households earning below \$54,000, is far cheaper for a developer to provide compared to a 2-bedroom 50% AMI unit, which are affordable to households earning below \$32,000 annually. If a policy required 15% at 50% AMI inclusionary, the model outputs **735 potential inclusionary affordable units**. At 25% affordable for 80% AMI, the model outputs **1,042 potential inclusionary units—305 more units**.
- The number of **total affordable inclusionary** units versus **the number of total units** (both market-rate and inclusionary). In some instances, a policy that yields a higher number of total units can have fewer affordable units compared to a policy that yields a higher number of inclusionary affordable units.

Additionally, HR&A conducted sensitivity analyses for each policy lever, detailed in the findings section. Based on this analysis, the following policy variables can have an outsized impact on affordable unit yield:

- **Parking spaces per unit** is one of Metro's most powerful tools in determining project feasibility, especially on higher density sites, as they can cost more than \$40,000 per space. **A parking ratio from 1 to 0.5, conservatively, increases total potential unit yield by 34%.**
- **Discounting land value** can be a key factor to facilitate more affordable development. However, this is most useful on sites in stronger submarkets where land is a large proportion of total development costs. Requiring significant affordability on lower value sites will require additional public subsidy, not just significant land value discount. **Flexibility in the land value discount percentage across different submarkets will allow Metro to most effectively use public land value to invest in affordable housing units.**
- **PLA / CCP requirements increase the cost of construction and can have a significant impact on total unit yield, but more project evidence is required to quantify the direct impact.** Assuming that the PLA/CCP requirements create an 8% impact on hard costs can decrease development by up to 3,000 units assuming no changes or land discounts.

Findings

This section outlines the calculator’s findings for each policy variable, holding the remaining variables constant. This is intended to provide an idea of the relative sensitivity of the outputs to each of the policy inputs. Policy variables include parking spaces per unit, additional development requirements, PLA/CCP requirements, affordability and unit mix, land value, and varying affordable sites.

Varying Affordable Housing Sites

Although not an input on the primary dashboard, the calculator allows additional flexibility to change the sites designated 100% affordable through the site selector worksheet. By default, the calculator selects sites in Tier 5, the market tier with the lowest market rents as 100% affordable projects (categorized as 100% of units at 60% of AMI). However, there may be various policy goals that result in a different distribution of affordable units.

For example, if affordable sites were distributed **equitably across all submarkets**, two sites from each tier would be designated 100% affordable, as a tax credit project. In a scenario with 25% inclusionary rate at 80% AMI for the inclusionary projects, no land discount, and a parking ratio of 1, an equitable distribution of affordable sites would result in 4,708 units, 520 units less than the default scenario. Another option to drive at equity may be to concentrate affordable units in **high-opportunity areas**, Tier 1 and 2 submarkets with access to community amenities, jobs, and high-quality schools. This would reduce the total unit count to 4,650 units but concentrate 1,028 units of affordable housing at 60% AMI in Tier 1 and Tier 2 markets. However, given the high land value of these sites Metro would need to discount a larger share of land value or the project would need substantially more subsidy to fill the capital gap on these projects.

Instead, a policy could target submarkets with rapidly increasing rents, to combat displacement. In this example, the 100% affordable projects are concentrated in Tiers 4 and 5 (which are currently seeing the fastest increase in rents), resulting in 4,650 total units, 580 fewer units overall than the default scenario.

Varying Affordable Housing Sites and Impact on Total Units

Affordable Project Scenarios	Total Units	Share of Inclusionary	Share of 100%	Share of Market Rate Units
		Affordable Units	Affordable Units	
Default: Tier 5 100% affordable	5,228	1,046 (20%)	1,046 (20%)	4,182 (80%)
Distributed: 2 sites per tier 100% affordable	4,708	942 (20%)	1,036 (22%)	3,776 (80%)
Anti-Displacement: 100% affordable concentrated in Tier 4 and Tier 5	4,650	884 (19%)	1,023 (22%)	3,767 (81%)
Areas of Access: 100% affordable concentrated in Tier 1 and Tier 2	4,371	830 (19%)	1,005 (23%)	3,541 (81%)

Affordability and Unit Mix

Affordability level and unit mix are two key metrics that govern the calculator’s outputs. Changing these metrics can trigger two development incentives—the state density bonus and the transit-oriented communities (TOC) density bonus in the City of Los Angeles. These bonuses yield two broad outcomes:

- **The highest unit yield does not result from keeping all units at market-rate.** In the example below, an inclusionary rate of 25% at 80% AMI results in 20% greater units as the state density bonus and TOC bonus is triggered.
- **Due to the bonus structures, having an inclusionary rate at lower AMIs that trigger the bonus yields more units than those that do not.** In the example below, a 25% inclusionary rate at 60%

AMI leads to 280 more units than 25% at 100% AMI. While 100% AMI units result in higher rents per unit, having a 60% AMI delivers far greater units through the bonus.

An effective policy will need to take advantage of both density bonus incentive structures to maximize the total number of affordable units.

Total Units by AMI Level at 25% Affordable

AMI (with 25% units affordable)	Total Units	Total Units difference from		Inclusionary Affordable Units	Total Units
		baseline	Market Rate Units		
30% AMI	1,048	-4,180	0	0	1,048
50% AMI	1,048	-4,180	0	0	1,048
60% AMI	2,144	-3,084	822	274	2,144
80% AMI	5,228	+0	3,138	1,042	5,228
100% AMI	1,871	-3,357	618	205	1,871
120% AMI	4,624	-604	2,684	892	4,624
100% Market Rate	4,854	-374	3,806	3,806	4,854

Model Assumptions: Land value discount is 0%. PLA/CCP Cost Premium is 0%. Parking Ratio is 1.

Note: Total units include 1,048 100% Affordable units in all scenarios

There is a significant tradeoff between depth of affordability (AMI) and number of affordable units (required inclusionary share). Since the density bonuses are triggered at lower levels with deeper affordability, a 11% inclusionary rate at 50% AMI results in 745 more units than 25% at 80% AMI.

Total Units by Various AMI Levels and Inclusionary Shares

AMI and set-aside	Total Units	Total Units difference from		Inclusionary Affordable Units	Total Units
		baseline	Market Rate Units		
20% at 80% AMI	3,897	-1,331	2,279	570	3,897
25% at 80% AMI	5,228	+0	3,138	1,042	5,228
15% at 50% AMI	5,951	+723	822	274	5,951
11% at 50% AMI	5,973	+745	3,138	1,632	5,973
100% Market Rate	4,854	-374	3,806	3,806	4,854

Model Assumptions: Land value discount is 0%. PLA/CCP Cost Premium is 0%. Parking Ratio is 1.

Note: Total units include 1,048 100% Affordable units in all scenarios. These scenarios were selected because they perform best.

Land Value

Discounting land value is one of Metro's strongest tools to facilitate more affordable housing on joint-development sites. On average, land value represents 22% of total development cost for the inclusionary projects modeled. For stronger submarkets, it represents an even greater share of development cost, at 38% for Tier 1—as average land values range from more than \$700 per square foot in Tier 1, to \$40 in Tier 5.

Land Value by Tier

Market Tier	Land Value as a share of Development Cost	Average Land PSF	Total Land Value	Share of Metro Total Land Value
Tier 1	38%	\$718	\$691,897,652	60%
Tier 2	28%	\$351	\$159,150,292	14%
Tier 3	27%	\$203	\$129,390,459	11%
Tier 4	14%	\$84	\$154,062,410	13%
Tier 5	10%	\$38	\$22,056,951	2%

As a result of these disparate land values across tiers, 60% of Metro's total land value is in Tier 1, while less than 15% are in Tiers 4 and 5. This indicates that land value discounts are most helpful to projects in higher submarkets to drive feasibility, **but are also the most costly for Metro to provide.**

As an example, consider two similarly sized projects: 17th St/Santa Monica Station (Tier 1) and Reseda Station (Tier 4), at approximately 350 units. If Metro requires a 30% inclusionary rate at 60% of AMI, they are both infeasible. However, since land is a much larger portion of the project's cost basis, the returns on SMC Station increase rapidly with more land discount, until the project is deemed feasible at a 25% land discount. For Reseda station however, a larger discount does little to increase the project's return on cost and remains infeasible even at a significant 40% land discount.

Feasibility by Land Value Discount

17th St./SMC Station Reseda Station		
Minimum Return on	4.70%	5.25%
Land Value Discount (%)	Difference from Minimum (in basis points)	
0	50 bps	78 bps
5	42	76
10	33	74
15	24	72
20	14	70
25	4	68
30	-6	66
35	-17	64
40	-30	52
45	-44	50
50	-58	48
55	-73	45
60	-88	43
65	-105	41
70	-122	38
75	-140	36

This indicates two key takeaways:

- **Requiring significant affordability on lower value sites will require additional public subsidy, not just significant land value discount.**
- **Flexibility in the land value discount percentage across different submarkets will allow Metro to most effectively use public land value to invest in affordable housing units.**

Nevertheless, due to the large Tier 1 and Tier 2 sites, land value discounts drive total unit yields up sharply. At 25% at 80% AMI and 11% at 50% AMI, the total number of units increases by 2,309 units and 970 units, respectively.

Land Value Discount	AMI and Set-Aside	Total Units	Market Rate Units	Inclusionary Affordable Units
0%	25% at 80% AMI	5,228	3,138	1,042
	11% at 50% AMI	5,973	4,381	544
25%	25% at 80% AMI	7,587 (+2,359)	4,907	1,632
	11% at 50% AMI	6,943 (+970)	5,234	650

Given the skewed benefits of the land value discount, there are diminishing marginal benefits of the tool when used across the entire portfolio. The initial 25% discount leads to 2,360 new units—following that initial bump however, only between 2 to 3 projects are made feasible with an additional 25% in land value.

Total Units at 25% at 80% AMI

Land Value Discount	Total Units
0%	5,228
25%	7,587 (+2,359)
50%	8,026 (+439)
75%	8,779 (+753)
100%	9,094 (+315)

Parking Spaces per Unit

Parking is one of the largest cost drivers in multifamily units. Each parking spot typically costs between \$2,000 to \$40,000 per space, depending on parking type (surface, podium, underground). Additionally, there is often an opportunity cost for surface and podium parking—as more units could have been built in place of parking. Note that the current calculator does not account for the additional units that could be constructed in place of the parking, so our findings are somewhat conservative. Even from these estimates, the calculator is highly sensitive to changes in the parking ratio—a parking ratio decrease from 1.0 to 0.5 can increase total unit count by 34%.

Parking Ratio	Total Units		Market Rate Units	Inclusionary		Total Units
				Affordable Units		
2.00 spaces / unit	3,377	-1,851	1,748	581		3,377
1.75	3,377	-1,851	1,748	581		3,377
1.5	3,435	-1,793	1,792	595		3,435
1.25	3,435	-1,793	1,792	595		3,435
1	5,228	+0	3,138	1,042		5,228
0.75	6,904	+1,676	4,395	1,562		6,904
0.5	7,006	+1,778	4,471	1,487		7,006
0.25	7,231	+2,003	4,640	1,543		7,231
0	7,502	+2,274	4,843	1,611		7,502

Model Assumptions: 25% of units at 80% AMI. Land value discount is 0%. PLA/CCP Cost Premium is 0%.

Note: Total units include 1,048 100% Affordable units in all scenarios

PLA / CCP Requirements

Metro has adopted project labor agreement (PLA) and construction careers policy (CCP) to encourage construction employment, training opportunities, and pay workers fair wages for all projects larger than 60 units. It is too early to find empirical data for the cost premium that these requirements place on projects. Preliminary estimates place this cost premium at about 8-15 percent on project hard construction costs. The calculator allows users to change both the PLA / CCP unit limit (Project size in units) and construction cost premium, which are set at 200 units and 8 percent respectively, by default. The calculator produces the highest total unit yield in a scenario with a 0 percent premium and high project size. As project size decreases, and premium increases, the total feasible unit count decreases.

Project Size of Premium Applications

		Project Size (in units)					
		0	60	120	180	200	240
			<i>(existing policy)</i>				
Premium	0%	5,228	5,228	5,228	5,228	5,228	5,228
	5%	2,486	2,585	3,265	3,695	3,877	3,877
	8%	2,144	2,243	2,923	3,353	3,535	3,535
	10%	1,048	1,147	1,827	2,257	2,439	2,439
	15%	1,048	1,147	1,827	2,257	2,439	2,439
	20%	1,048	1,147	1,827	2,257	2,439	2,439
	25%	1,048	1,147	2,257	2,257	2,439	2,439

Model Assumptions: 25% of units at 80% AMI. Land value discount is 0%. Parking Ratio is 1.

Note: Total units include 1,048 100% Affordable units in all scenarios

Additional Development Requirements

Adding additional development requirements, such as infrastructure or community amenities, adds additional costs to a project. Additional development costs may occur if a developer is asked to construct complex infrastructure as part of a joint development agreement—adding to the overall risk of a project. In other cases, additional development requirements may be used to negotiate programmed open space, subsidized retail, or privately owned public spaces, as a community amenity. Additional costs initially drops total unit yield drastically, and then stabilizes at a lower number. This is because many projects are modeled at baseline to be just barely feasible, paying as much as possible towards land costs at the highest potential best use. Adding development requirements may also add project risk and raise return requirements, which are not modeled in this calculation.

Additional Development	Total Units		Inclusionary		Total Units
	Total Units	Market Rate Units	Market Rate Units	Affordable Units	
\$0	5,228	+0	3,138	1,042	5,228
\$10,000	3,318	-1,910	1,704	566	3,318
\$20,000	2,144	-3,084	822	274	2,144
\$30,000	2,144	-3,084	822	274	2,144
\$40,000	1,048	-4,180	0	0	1,048

Model Assumptions: 25% of units at 80% AMI. Land value discount is 0%. PLA/CCP Cost Premium is 0%. Parking Ratio is 1.

Note: Total units include 1,048 100% Affordable units in all scenarios

Methodology

Approach

HR&A used a development pro forma approach to evaluate market feasibility of inclusionary housing projects. The calculator has two components:

- A portfolio aggregator which evaluates policy impacts on feasibility across a portfolio of sites; and
- A site-specific calculator which tests specific assumptions and evaluates nuanced policy variable impacts on a single site.

The portfolio aggregator allows the user to input and adjust site assumptions and policy variables to test impacts of various scenarios. The calculator evaluates feasibility of inclusionary housing projects based on return on cost (ROC) which measures developer’s stabilized-year financial return. Return on cost assumptions range between 4.95% and 5.65%, depending on project submarket and tier.²⁶ Each variable (described in the findings section) impacts the project’s ROC from a baseline, depending on the project’s revenue, total construction costs, and land costs, based on the project’s highest and best use. If the ROC falls below the minimum allowance (based on submarket tier), a project is classified as **infeasible**. If the ROC is at or above the allowance, the project is classified as **feasible**.

Developing Key Assumptions

Metro provided HR&A with a list of 48 development sites located across Los Angeles County, ranging from 19,500 square feet to 558,000 square feet in land area. Based on the sites, HR&A and John Kaliski Architects (JKA) assigned a development typology and number of units to each site, from high-rise to suburban garden style apartments, illustrating the diversity of Metro-owned sites in across the County.



²⁶ CoStar, 2020.

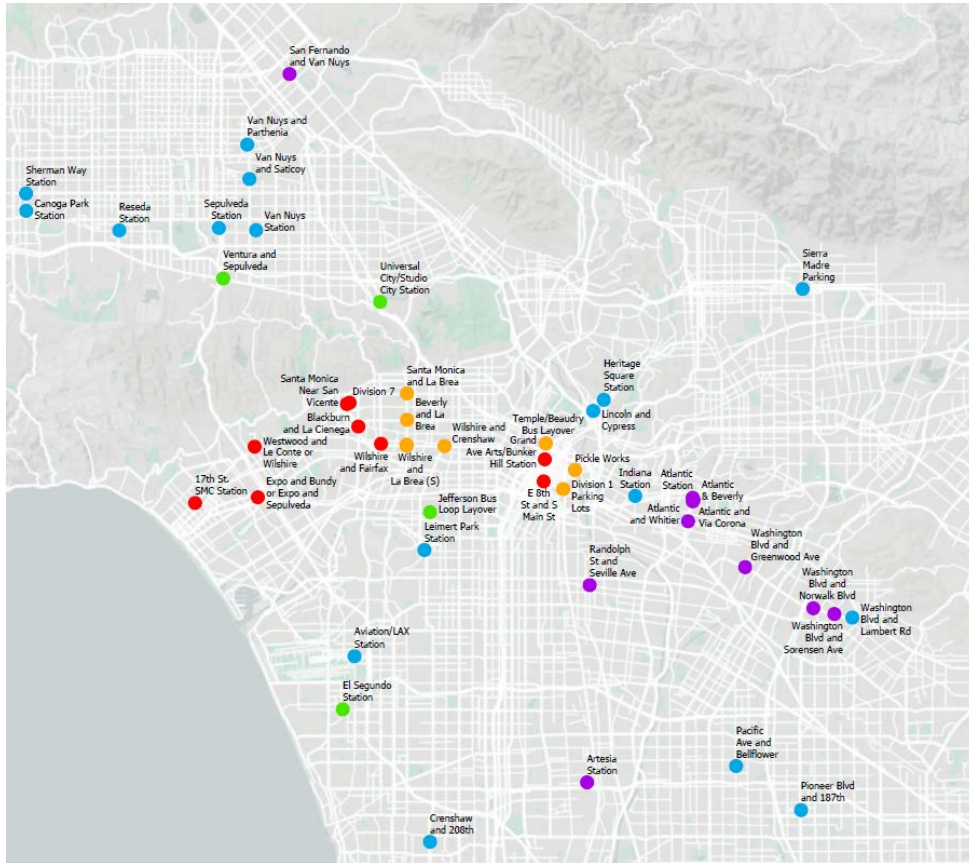
Typology	Average	Net to Gross	Resi HC per		TI / LC (GSF)
	Unit Size (GSF)		GSF	Retail HC	
High-Rise (25 to 39 stories)	1,000 SF	78%	\$376/SF	\$376/SF	\$30/SF
High-Rise (13 to 24 stories)	1,000 SF	79%	\$336/SF	\$336/SF	\$30/SF
High-Rise (8 to 12 Stories)	1,000 SF	79%	\$286/SF	\$286/SF	\$30/SF
High-Medium Multifamily	1,000 SF	80%	\$228/SF	\$228/SF	\$30/SF
Medium Multifamily	1,000 SF	80%	\$226/SF	\$226/SF	\$30/SF
Low-Medium Multifamily	1,000 SF	82%	\$226/SF	\$226/SF	\$30/SF
Urban Garden Apartments	1,500 SF	85%	\$227/SF	\$227/SF	\$30/SF
Suburban Garden Apartments	1,500 SF	85%	\$226/SF	\$226/SF	\$30/SF

Source(s): JKA, HR&A, Craftsman 2020 Construction Costs, CoStar 2020

Typology	Retail?	Stories	Parking / space	Avg Units/ Acre
High-Rise (25 to 39 stories)	1	30	\$40,000	-
High-Rise (13 to 24 stories)	1	15	\$40,000	200
High-Rise (8 to 12 Stories)	1	10	\$40,000	150
High-Medium Multifamily	1	6	\$35,000	76
Medium Multifamily	0	5	\$35,000	75
Low-Medium Multifamily	0	3	\$35,000	82
Urban Garden Apartments	0	2	\$0	31
Suburban Garden Apartments	0	2	\$0	30

HR&A then organized each site into one of five market tiers. **Tier 1** is the most competitive market area, with the highest rents and lowest capitalization rate. **Tier 5** is the least competitive market area, with the lowest rents and highest capitalization rates. This categorization was based on existing rents and market strength of each site and can be changed on the site inputs tab as sites become more or less valuable for residential development.

Metro Sites by Tier



Tier	Multifamily Rents	Retail Rents	Parking Rents	Cap Rate	Return on Cost	MF Vacancy	Retail Vacancy
TIER 1	\$4.75 /NSF	\$70 /NSF	\$175 /Mo	3.7%	4.95%	10%	10%
TIER 2	\$4.00 /NSF	\$45 /NSF	\$175 /Mo	3.8%	5.05%	7%	15%
TIER 3	\$3.50 /NSF	\$40 /NSF	\$100 /Mo	4.1%	5.35%	5%	10%
TIER 4	\$3.00 /NSF	\$30 /NSF	\$100 /Mo	4.4%	5.65%	5%	10%
TIER 5	\$2.75 /NSF	\$30 /NSF	\$100 /Mo	4.4%	5.65%	5%	10%

Affordable rent assumptions are based on City of Los Angeles 2019 Income and Rent Limits. 100 percent affordable sites use land use schedule one rents and income limits. Inclusionary sites use schedule six rents and income limits.

Los Angeles 2019 Schedule 1 Rents (100% Affordable)

Category	Studio	1-BR	2-BR	3-BR	4-BR	5-BR
30% AMI	\$549	\$626	\$705	\$783	\$846	\$909
50% AMI	\$914	\$1,045	\$1,175	\$1,305	\$1,410	\$1,515
60% AMI	\$1,096	\$1,254	\$1,410	\$1,566	\$1,693	\$1,818
80% AMI	\$1,461	\$1,670	\$1,879	\$2,088	\$2,255	\$2,423
100% AMI	\$1,828	\$2,090	\$2,350	\$2,611	\$2,820	\$3,030
120% AMI	\$2,193	\$2,508	\$2,820	\$3,133	\$3,384	\$3,636

Los Angeles 2019 Schedule 6 Rents (Inclusionary)

Category	Studio	1-BR	2-BR	3-BR	4-BR	5-BR
30% AMI	\$372	\$426	\$479	\$532	\$575	\$617
50% AMI	\$621	\$710	\$798	\$887	\$958	\$1,029
60% AMI	\$745	\$851	\$958	\$1,064	\$1,149	\$1,235
80% AMI	\$1,056	\$1,206	\$1,357	\$1,458	\$1,628	\$1,749
100% AMI	\$1,366	\$1,561	\$1,756	\$1,851	\$2,107	\$2,263
120% AMI	\$1,862	\$2,129	\$2,395	\$2,661	\$2,873	\$3,086

The model uses these assumptions to develop three different return scenarios in the *Calculation Table*. This tab calculates return on cost for each site and selects one of three scenarios that yields the highest return: 1) by-right; 2) California state density bonus; and 3) City of LA Transit Oriented Communities (TOC)-style density bonus. This model does not calculate feasibility for 100% affordable projects; however, average gap per unit can be used as a proxy for feasibility (projects with high financing gap per unit are less likely to be built). These calculations are then used for the outputs table on the *Portfolio Aggregator* worksheet:

Variable Descriptions for Detailed Results Table

Column	Description
Intersection	Site Name
Affordable?	Affordable or Inclusionary (based on input on Site Inputs)
Land SF	Total Land Square Feet (Metro figures)
Site Number	Model internal site number
Submarket	HR&A assigned submarket
Municipality	Municipality in LA County
Time Horizon	Time horizon for development (based on input on Site Inputs, can be changed)
Baseline Scenario	The scenario that yields the highest returns (between by-right, state density bonus, or TOC). If the site is affordable, reverts to Affordable RLV).
Baseline Units	Total units built at baseline scenario
Baseline MR	Market rate units at baseline
Baseline Aff	Inclusionary or 100% affordable units at baseline.
Baseline RLV	Baseline residual land value based on optimized scenario
Baseline RLV / SF	Baseline RLV by total land SF
Baseline Feasible	1 if baseline scenario is feasible, 0 if not
UI Units	Total units yielded based on user input scenario
UI MR Units	Total Market Rate Units
UI Aff Units	Total Affordable Units
Custom RLV	Residual Land Value based on user input
UI RLV	Maximum or Baseline RLV and Custom RLV
Adjusted RLV	Adjusted UI RLV based on land discount input
UI RLV / SF	Adjusted RLV by total Land SF
Target ROC	Target ROC based on Submarket (from Revenue & Cost Assumptions)
UI ROC	Return on Cost from custom scenario
Minimum Land Value	Minimum Land Value (only used if land value is negative) from Revenue and Cost Assumptions
Difference	Difference between UI ROC and Target ROC in basis points
UI Feasible?	1 if UI scenario is feasible, 0 if not
Affordable Gap	Gap in capital stack if unit is 100% affordable
Aff Units	Total 100% Affordable Units
Anticipated Infrastructure Costs	Anticipated infrastructure costs (from Site Inputs)

Caveats and Qualifications

HR&A developed this calculator to measure the relative impacts of multiple policy scenarios in order to estimate the tradeoffs between various policy interventions. The functionality of the calculator is limited by the following:

- The calculator includes typology and total unit assumptions that should not be adjusted independently. When modifying the total number of units for one site, the user must also modify the development typology.
- The parking ratio lever only accounts for the construction costs associated with additional parking and does not consider revenue from additional apartments when the parking ratio is reduced. It is possible that revenue is under counted in scenarios with low parking ratios.
- Market assumptions are based on recent market conditions and do not reflect the future impacts of the COVID-19 pandemic or other economic factors. Market factors should be adjusted to keep the model current.

Appendix C - Stakeholder Input Summary

Metro Internal Working Group

On June 24, 2020, Metro's JD team convened an internal working group of Metro experts from several departments to discuss the JD Policy. In a presentation of the JD Policy on affordable housing, the team introduced the regional context for affordable housing, an overview of the existing Metro JD Policy, the scope and process for the Policy update, and solicited feedback on proposed outcomes and tools.

Participants were asked: How would you measure success? What performance outcomes should we prioritize? Which tools do you think would be most successful? In response, we heard a few recurring themes such as: prioritize need and equity, evaluate the potential outcomes, and consider other tools. The comments are summarized below.

Prioritize need and equity

- Consider how Metro can prioritize providing housing for those most in need.
- We are hearing some voices suggesting moderate income housing, but we need to show where the prioritized needs are in LA County.
- How are we defining need? What are the targets that this program will help address?
- Think about transit propensity and who uses transit the most.
- Build affordable housing in historically underbuilt areas.
- Instead of just maximizing investments in equity focused communities, disperse affordable housing throughout LA County. We do not want to concentrate affordable housing solely in low income communities.

Evaluate potential policy outcomes

- Evaluate the push and pull of developing the most units vs developing 100% affordable. Consider doing a mix of both. Metro's mixed income projects are the biggest projects with the most units. Many heavy rails sites are trying to maximize units around transit, which often means the development is not 100% Affordable Housing.
- Metro should consider the gaps in the affordable housing subsidy landscape. Subsidy availability differs for the population being housed.
- Consider how Metro uses land value to fund housing. Discounting Metro land to incentivize affordable housing is a symbolic way of giving back to Angelenos.
- Metro needs to consider how the policies can put existing businesses and residents at risk of displacement. We also need to consider how acquisition of existing businesses for Metro property can cause displacement. Does this align with Metro's commitments to taxpayers through Measure R and Measure M?

- We need to think differently about relocating businesses and residents, especially in major capital projects where a community is paying substantial money for housing, and certain demographics are particularly at risk of displacement.
- Consider how procurement of projects could offer more opportunities for Metro Joint Development.

Consider other tools and models

- The JD policy should remove barriers to delivering units, such as parking policies that add costs, or unnecessary discretionary review. Think of ways to expedite projects, possibly by packaging them together for Metro Board approval.
- Consider what other jurisdictions are working on and communicate with those jurisdictions.
- Land value capture is a strong tool to consider and may be more effective than setting a minimum required percentage of affordable units in each project.
- Consider the European social housing model where the tenant's income doesn't matter, instead every household pays 30% of their income to subsidize the building. Is there a way to try this out in Metro?
- Consider the San Francisco model where market units have a parking maximum, and affordable housing units do not, since often low-income folks were not working near transit centers and needed to commute to work by car.

External Stakeholder Roundtable

On July 29th, 2020, Metro JD convened a roundtable of external stakeholders to inform the JD policy. Participants came from agencies across the county, academia, housing development, and non-profit community organizations. After providing a primer on the existing JD Program and policy on affordable housing, the team led a discussion on the outcomes, tools, and next steps for the policy. A summary of the feedback received is provided below.

Focus on goals

- Employ a variety of policy tools to create a diversity of impacts and outcomes.
- Since Metro owns land in various sizes and geographies, consider a policy that sets a baseline number of units at each station. Look at how much affordable housing exists around each station and adjust baseline based on need.
- At large Metro sites subdivide land so that affordable housing developers can have smaller sites to build 100% affordable projects, rather than having a portion of the units built rely on market rate units.
- Cross subsidizing properties is a critical concept for economic development. The economic development of mixed-use projects can be very challenging in low income neighborhoods. Metro should use cross-subsidy from higher-income areas to offer deeper land discounts in low-income neighborhoods.
- Focus on requiring higher percentages of affordable housing in each JD project and focus on housing extremely low-income households.

- Consider the sizes of projects that can qualify for CEQA streamlining and get built fast. Maximizing zoning at sites may allow for the maximum number of units, but the tradeoff is that these projects may take three times as long as smaller projects that go through CEQA streamlining.
- Use housing preservation as an anti-gentrification measure in the JD Program. Areas near transit that are getting built up with additional resources may experience increases in land values. Use preservation as a counterbalance to transit investment.
- Work with smaller cities and developers to take advantage of AB 1763, which allows for TOC-like density bonuses for affordable housing developers near transit and allows for cross subsidy of low to moderate income housing as well.
- Metro should work with cities to push for legislation and advise surrounding land use authorities to increase density.
- One challenge with cross-subsidization of mixed-income properties is that it isn't always obvious to the community that the market rate units are subsidizing affordable housing and freeing up public resources.
- Inclusionary policies are needed since 80/20 financing deals are not always feasible for affordable developers. Affordable housing needs a variety of tools, including Metro's land discount to achieve housing.
- Consider a permutation of the MATCH Program for housing preservation.

Performance Outcomes

- Measure not only units but number of beds or people housed. All one bedrooms aren't equal. Look at the difference between market rate rent in an area and asked affordable rent. Think and report on the totality of benefit, including community benefit.
- Think about revenue in terms of benefit – community benefits are a balance or concession to expectations around revenue.
- Build affordable housing across the region, not just concentrated in certain areas.
- Consider equity and create opportunities for people of color.
- Consider gender and racial equity in developer selection, address equity in structural and systemic barriers. Increase transparency around methods for developer selection. Provide access for companies of color and woman-run businesses and run the developer selection process through the equity platform.
- JD should be run through equity platform to address past unintended consequences and provide the most opportunity to the most vulnerable populations, especially to Metro core riders.
- The commercial retail piece of many of Metro's RFPs is often challenging for affordable housing developers. The affordable housing component of the proposal is met but the commercial spaces that are built either don't meet the community's needs, or the retail rent isn't affordable enough for community businesses. It is often challenging to find tenants for the commercial portion of the JD projects.
- Consider proposals for walkable retail, where retail on the bottom floor wouldn't require parking. Consider other community activation strategies outside of retail.

- Consider removing the limits to Metro’s land discount policy.
- Boost impact of Metro’s JD Program by incentivizing (or requiring) that mixed-use projects include commercial space that is appropriate for and accessible to small businesses, social enterprises, and community cultural spaces. In addition to relocation assistance, establish First Right of Refusal to commercial space on Metro-owned land and marketing space of the transit project for legacy small business and/or MBE/WBE/DBE/DVBE that is directly displaced by a Metro project and displaced due to construction impacts.
- Advance strategic land acquisition to help build affordable transit-oriented developments, through both JD projects on Metro-owned land, as well as non-profit development on transit-adjacent land.

How should Metro gather input on the policy?

- A town hall meeting by regions may be best. The panel format is useful, but we may need to have the input of the Metro board as well.
- Regional breakouts could be great and would be great to do simultaneously with the TOC Implementation Plan rollout. Prioritize areas based on equity platforms and supporting community groups. Have Metro coordinate with community groups on JD policy and TOC implementation plan rollout simultaneously.
- Give people the ability to digitally comment and make a repository of goals after events is very helpful. Ask that community submit and prioritize outcomes. Create physical mailings and digital methods to reach out to people that aren’t turning out or speaking at events.
- Transit riders need to be interacted with and consulted on this policy. Text people the Zoom link to future outreach meetings. Create a mass texting text list.
- Convene both large groups and focus groups by stakeholders (homeowners, tenants, small businesses, street vendors, etc.). Follow up with digital or paper feedback so people know what will impact their lives
- Offer a formal process for organizations to provide feedback on the policy development.

Metro Policy Advisory Council (PAC)

On September 15, 2020, Metro JD staff presented the Affordable Housing Policy update to Metro’s Policy Advisory Committee. Following a presentation of the policy update and context, the JD team requested feedback on three questions: What should we prioritize? Which tools do you think would be most successful? How would you measure success? The discussion is summarized below.

What should we prioritize?

- Consider how the policy could address intergenerational housing.
- The existing JD program accomplishments are impressive. Metro should take pride in the work you have done building the current units across LA county and receive

commendation for a policy that will soon deliver 5,000 units. The new policy feels like the same as the old one and Metro should emphasize what is different.

- Emphasize that the new policy is providing a deeper impact on racial equity. The new policy should provide additional benefits, including tactics to reach sustainability goals and providing additional green space. Make sure to mention climate goals in your tradeoffs. The climate policies are not a tradeoff but an imperative. Get credit for the benefits you are offering.

Which tools do you think would be most successful?

- Do you see Metro's JD policy goals as applying beyond the JD program? Metrolink is interested in seeing TODs around our stations. Usually the property around stations is owned by cities. Consider the impacts of the policy outside of Metro.
- Make sure to address the tradeoff between parking and development. Availability of parking may be needed to attract ridership in certain areas.
- Affordability for residents is an important consideration. Consider what a policy emphasizing maximum units would mean for cities. One of the key constraints cities have is having enough revenue to provide services.
- This policy currently makes no mention of tax increment financing. Consider value capture strategies.
- Metro is going to have to look at a replacement for redevelopment agencies, but that has to be done in partnership with the local cities. Hopefully in partnership with local cities, Metro can create a similar program.

How would you measure success?

- Provide metrics on how each JD project impacts metro ridership. How many new transit riders are you creating with these developments? How many more trips are generated?
- Consider how minority for profit developers will get a foothold on these projects. Is that an issue that gets consideration?
- The TOC baselines are an opportunity to leverage data on missing community amenities. Start with that data as you go to communities.
- List the metrics for JD projects and TOC baseline assessment.
- Consider how to best engage the PAC.

Metro TOC Town Hall

A TOC Town Hall will be scheduled for early 2021. The virtual town hall will be open to the public.

Appendix D – Precedents Analysis

City of Los Angeles TOC Incentive Program and Density Bonus Program

The City of Los Angeles Department of City Planning (DCP) offers two development incentive programs that provide housing developers additional benefits in exchange for developing affordable (covenanted, income-restricted housing) units within their projects, The Transit Oriented Communities Incentive Program and the State Density Bonus.

Collectively in 2020, the TOC and Density Bonus programs generated 62% of the City of LA's planning approved units, and over two thirds of the City's affordable units. In the City of LA, the TOC incentive program has approved 30,721 housing units including 6,497 affordable units since its inception, while the density bonus has generated 28,300 units including 6,303 affordable units since 2015.²⁷

The Transit Oriented Communities (TOC) Incentive Program was initiated in 2016 by City of LA voters with ballot Measure JJJ. The program offers building incentives to housing developments that incorporate certain percentages of affordable housing near high-volume transit stops.

Projects closer to high volume transit stops are placed in higher “tiers”, which determine the amount of incentives and affordability thresholds a project must meet to qualify. Base incentives such as density and floor area ratio increases as well as parking decreases are given to residential projects incorporating affordable (income-restricted) units within a ½ mile of qualifying transit stops. Developers can elect to build affordable units for low-income (80% area median income), very low (50% AMI), or extremely low-income (30%) tenants.

Qualifying projects that only apply for the base incentives can apply directly for a building permit without City Planning review, providing housing developers time savings that result in faster project delivery and lower total development costs. Additional TOC incentives, like exceptions to height, setback, open space or lot coverage requirements are available for projects that meet DCP's discretionary approval.²⁸ Between 2018 – 2020, 69% of approved TOC projects chose additional incentives, churning out more units than the by-right path, and resulting in a higher percentage of affordable units. As seen on the LA City DCP Housing Progress Dashboard, between 2018 – 2020, 6,481 units applied for by-right TOC permits, foregoing additional incentives. 20% of these units were affordable. During the same time period 14,676 housing units were approved via TOC discretionary incentives, 24% which were affordable.²⁹

The California State Density Bonus Law was initiated in 1976 to encourage the development of affordable housing with building density incentives. The contemporary Density Bonus program SB

²⁷ <https://planning.lacity.org/resources/housing-reports>

²⁸ Los Angeles City Planning. (2018). *Transit Oriented Communities Affordable Housing Incentive Program Frequently Asked Questions and Answers*. [https://planning.lacity.org/odocument/87b0f2c2-8422-4767-a104-b7cd323ee26f/Transit-Oriented_Communities_-_Affordable_Housing_Incentive_Program_\(FAQ\).pdf](https://planning.lacity.org/odocument/87b0f2c2-8422-4767-a104-b7cd323ee26f/Transit-Oriented_Communities_-_Affordable_Housing_Incentive_Program_(FAQ).pdf)

²⁹ Derived from data listed on 2020 data listed on *Housing Progress Dashboard*. Housing Progress Reports. <https://planning.lacity.org/resources/housing-report>

1818 was passed in 2004 and updated in 2020 to provide larger density bonuses for a greater range of projects with affordable units.

Comparison of affordable unit income levels across TOC and Density Bonus Programs

As shown in the table below, the majority of approved TOC applications 2018-2020 were in the low-income and extremely low-income categories, with far fewer units approved in the very low-income category. In 2020, the majority of affordable units approved through TOC were in the low-income category, accounting for 57% of by-right, and 52% of discretionary approvals. In contrast to the TOC program, the majority of approved Density Bonus applications from 2015 – 2020 were for very low-income units, followed by low-income. In 2019, the majority of applications shifted towards low income, followed by very low-income.

Income level of approved affordable housing via TOC Program 2018 – 2020³⁰

	2018		2019		2020		3 year average	
	By-Right (BR)	Discretionary (Discr.)	BR	Discr.	BR	Discr.	BR	Discr.
Low Income (\$54,250)	15%	45%	59%	39%	57%	52%	44%	45%
Very Low (\$33,950)	13%	11%	6%	10%	19%	15%	13%	12%
Extremely Low (\$20,350)	72%	44%	35%	52%	24%	32%	44%	43%

SB 35 Streamlining Affordable Housing

In 2018, California Senate Bill 35 provided further streamlined processing for projects that contain at least 50% affordable units.³¹ In the City of LA, SB 35 allows projects to bypass timely discretionary CEQA reviews if the project contains at least 50% affordable units. In the 18 months after the adoption of the law, eight 100% affordable projects in the City of LA filed for streamlining under SB 35. SB 35 currently plays a role in entitling active JD projects.³² As of June 2019, four of the eight SB 35 projects were approved in an average of 77 days.

Expanding TOC

³⁰ Los Angeles City Planning. (2020). *Housing Progress Dashboard*. Housing Progress Reports. <https://planning.lacity.org/resources/housing-reports>

³¹ *Housing Progress Quarterly Report: April - June 2019*.

³² Los Angeles City Planning Performance Management. (2019). *Housing Progress Quarterly Report: April - June 2019*. <https://planning.lacity.org/odocument/c795255d-9367-4fdf-9568-0a3407720ef>

To expedite housing production and address the housing crisis in housing in Los Angeles, LPlus & UC Berkeley's College of Environmental Design recommend expanding TOC, by

- A) "Raising the threshold for site plan review to 100 units," to avoid triggering costly CEQA review for infill projects;
- B) "Allowing at least 6 FAR and a 120% density bonus for Tier 4 projects that propose a development taller than 85 feet," to allow more expensive construction types to become financially feasible;
- C) "Allowing use of Tier 1 within 750 feet of a bus stop with frequency of at least 15 minutes during rush hour," to incorporate intersect high volume bus lines that don't necessarily intersect a second bus line.³³

Review of Transit Agency Affordable Housing Policies

BART Transit Oriented Development Affordable Housing Policy

The San Francisco Bay Area Rapid Transit District TOD Policy has many similarities to that of LA Metro, including affordability goals for the TOD portfolio, and offering land discounts for housing developments based upon the percentage of affordability. In April 2020, BART amended its TOD policy with further clarity on land discounting. TOD Policy Strategy E, Invest Equitably, states:

*"... aim for a District-wide target of 35% of all units to be affordable, with a priority to very low (<50% AMI), low (51-80% AMI) and/or transit-dependent populations. To aid in achieving BART's 35% affordability goal, provide **up to a 60% discount** in ground lease for projects with at least 35% affordable housing (30% for projects with a high rise)."*

The Draft Framework to Determining Financial Return from Affordable Housing illustrates BART's tiered discount to the property's appraised fair market value, where residential projects with at least 35% affordable units are given deeper discounts when the affordable units have lower average Area Median Incomes.

For example,

- "A low discount of **10 to 20%** will be considered for affordable housing projects with units restricted to an average of 61% - 80% of AMI"
- "A standard discount of **20 to 30%** will be considered for affordable housing projects with units restricted to an average AMI of 46% - 60%."
- "A high discount of **30 to 60%** will be considered for affordable housing projects with units restricted to an average AMI of 45% or below."

Discretionary exceptions are made for desired projects in high rises that help BART reach affordability goals. Each project's discount is subject to BART's conditions, one of which states that in order to reach a maximum discount, projects should pursue "eligible sources of revenue that provide

³³ LPlus & The Real Estate Development & Design Program, College of Environmental Design, University of California Berkeley, Vallianatos, M., Smith, M., Morrow, G., Mendel, J., & Jessie, W. (2019). *Measure JJJ: An Evaluation of Impacts on Residential Development in the City of Los Angeles*. <https://wordpressstorageaccount.blob.core.windows.net/wp-media/wp-content/uploads/sites/867/2019/06/2019-Measure-JJJ-An-Evaluation-of-impacts-on-residential-development-in-City-LA.pdf>

additional funding to transportation or infrastructure on BART property, such as Affordable Housing & Sustainable Communities or the Infill Infrastructure Grant.”³⁴ BART states that in addition to advancing the goals of BART’s TOD Policy, the financial return expectations of any affordable project considers the following baseline conditions: A) Fair Market Value; B) Sources of Revenue from TOD; C) Net Ridership Gains and D) Parking Revenue.³⁵

Lastly, BART’s 10-year Workplan focuses on equity and the priority areas where BART intends to pursue Transit Oriented Development. Following its completion of current pipeline projects, one of the top priority strategies in the near term (2020-2025) is to: “Advance racial and economic equity by prioritizing housing for lower-income residents in areas experiencing displacement, and high-opportunity communities in the core of the system. “

Sound Transit

In the Seattle area, Sound Transit gives local governments, housing authorities and non-profits the first offer to bid on 80 % of land deemed surplus and suitable for housing, whether through sale, long term lease, or transfer. If the qualified entity accepts the offer, they are required to construct housing where 80% of the units are affordable for households below 80% AMI. Property discounts are provided based on financial assessments demonstrating the project’s gap funding and financial needs of Sound’s corridor and system expansion. Sound Transit considers value capture across TOD projects to support affordable housing, including “allowing cross-subsidy across a master development site or through transfer of development rights to a market-rate site generating revenue to support affordable housing development.”³⁶

To make affordable housing more feasible near transit stations and fill the gaps in affordable housing finance across the region, Sound Transit created the Affordable Housing Revolving Loan Fund. Sound Transit is incorporating \$4 million per year for 5 years and leveraging additional funding contributions from public and private sources. Much like Metro’s MATCH fund, the fund is a self-replenishing, utilizing interest and principal payments on old loans to issue new ones. To maximize the fund’s application and serve unmet local needs, Sound conducted an Affordable Housing Needs Assessment with Local Initiatives Support Corporation (LISC). LISC used a mixed methods approach, including affordable housing “stakeholder interviews, focus groups, a review of 15 LIHTC project proformas, extensive analysis of public policies and resources that affect affordable housing, and an analysis of the funding gaps that exist.”³⁷

MARTA Transit Oriented Development

³⁴ San Francisco Bay Area Rapid Transit District. (2020a). *BART TOD Framework for Determining Financial Return from Affordable Housing*. <https://www.bart.gov/sites/default/files/docs/Att%202%20-%20BART%20TOD%20Draft%20FR%20Framework%20-%20v7%202020-04-13.pdf>

³⁵ San Francisco Bay Area Rapid Transit District. (2020a). *BART TOD Policy*

³⁶ Sound Transit. (2018). *Resolution No. R2018-10 Adopting an Equitable Transit Oriented Development Policy*.

³⁷ Local Initiatives Support Corporation (LISC). (2020, April). *Sound Transit Affordable Housing Revolving Loan Fund Needs Assessment*. <https://www.soundtransit.org/sites/default/files/documents/revolving-fund-needs-assessment-short-20200616.pdf>

MARTA in Atlanta sets a goal of having 20% of each project's units as "affordable units", where affordable housing includes 1) housing affordable to seniors with low, moderate, or fixed incomes and persons with disabilities; 2) rental workforce housing (60-80% AMI); and 3) for-sale workforce housing for households earning 80% to 100% of AMI. Projects containing more than 10 units are required to meet affordability goals and will be reviewed on a project to project basis.³⁸

Massachusetts Bay Transportation Authority

MBTA requires JD projects with at least 15 units to build 20% of its units as affordable (up to 60% AMI) or workforce housing (61% - 100 AMI), but will work with municipalities to determine project feasibility and adjust inclusionary requirements to as low as 10%.³⁹

Caltrain

As of February 2020, Caltrain requires new housing projects to offer below market rate rents for 30% of their units. Of those below market rate units, 10% must be reserved for households <50% AMI, 10% for households <80% AMI, and the remainder of units will be offered to households making no more than 120% of AMI.⁴⁰

Unbundling Parking Costs

In 2019, the City of San Diego began requiring all parking spaces within Transit Priority Areas (TPA) be "unbundled" from housing development, so parking is optional and paid separately from the rent or home sale price. The policy was based on a city study on parking costs that found that a single parking spot adds between \$35-90,000 in housing costs per unit.⁴¹ Another study from the Victoria Transport Policy Institute estimates that a single parking space increases the price of a housing unit by 12.5%.⁴²

Parking unbundling can be done in a variety of ways, as outlined by the Victoria Transport Policy Institute:

- *"Parking spaces are not included in the base rent/purchase cost and are rented by the tenant/owner separately.*
- *Landlords/condo associations can provide a discount to renters/owners who do not want to use the standard number of parking spaces.*

³⁸ MARTA. (2010). *MARTA TOD Implementation Policies*. https://www.itsmarta.com/uploadedFiles/More/Transit_Oriented_Development/MARTA-TOD-Implementation-Policies-Adopted-Text-November-2010.pdf

³⁹ Massachusetts Bay Transportation Authority, & Massachusetts Department of Transportation. (2017). *MBTA TOD Policies and Guidelines*. https://www.mass.gov/files/documents/2017/10/17/TOD_Policy.pdf

⁴⁰ Caltrain. (2020). *Transit Oriented Development Policy*. [https://www.caltrain.com/Assets/___Agendas+and+Minutes/JPB/2020/Item+!\\$239a+TOD+Presentation.pdf](https://www.caltrain.com/Assets/___Agendas+and+Minutes/JPB/2020/Item+!$239a+TOD+Presentation.pdf)

⁴¹ The City of San Diego Planning Department. (2019). Parking Standards in Transportation Priority Area Fact Sheet. https://www.sandiego.gov/sites/default/files/tpa_fact_sheet_updated_04.24.19_final_onwebpage.pdf

⁴² Litman, J. (2020). Parking Requirement Impacts on Housing Affordability. Victoria Transportation Policy Institute. <https://vtpi.org/park-hou.pdf>

- *Landlords/condo associations can create a secondary market for parking by renting unused spaces out as a separate commodity.*
- *Unbundling can be used as a municipal code tool that allows developers to reduce the amount of parking they are required to provide.* ⁴³

Parking Minimums and Maximums

San Diego's Transit Priority Area policy also removed parking minimums for multifamily units around Transit Priority Areas, or neighborhoods located ½ mile from a major transit stop, to allow developers to provide parking in accordance with perceived market demand. This builds off of Seattle and Portland's successful removal of parking requirements for multifamily units, which resulted in "decreased automobile ownership, increased transit use, and greater housing production and affordability."⁴⁴ In 2006, San Francisco replaced parking requirements with maximums of 1 parking space for every 4 housing units in certain downtown commercial zones, in addition to policies on unbundling parking and car-sharing.

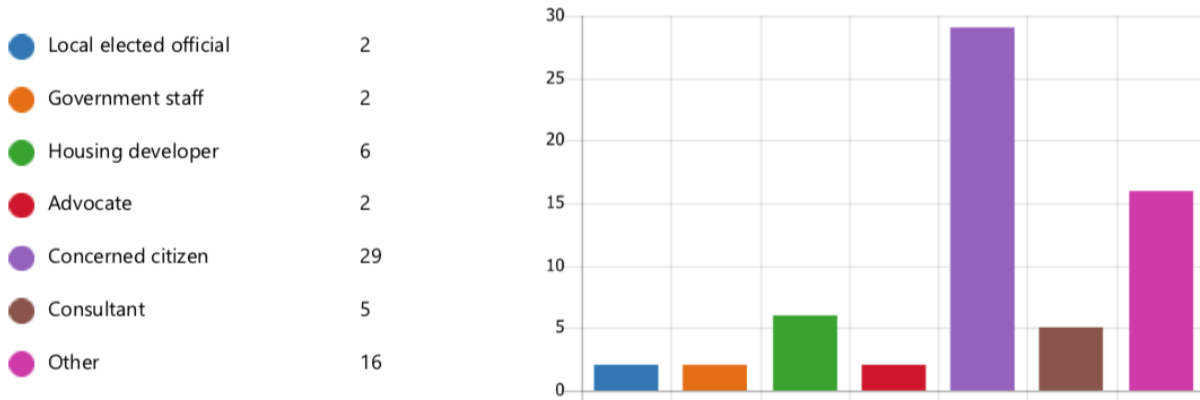
⁴³ *Parking Requirements & Unbundling.* (Accessed September 26, 2020). ParkingPolicy.com

⁴⁴ The City of San Diego Planning Department. (2019). Parking Standards in Transportation Priority Area Fact Sheet. https://www.sandiego.gov/sites/default/files/tpa_fact_sheet_updated_04.24.19_final_onwebpage.pdf

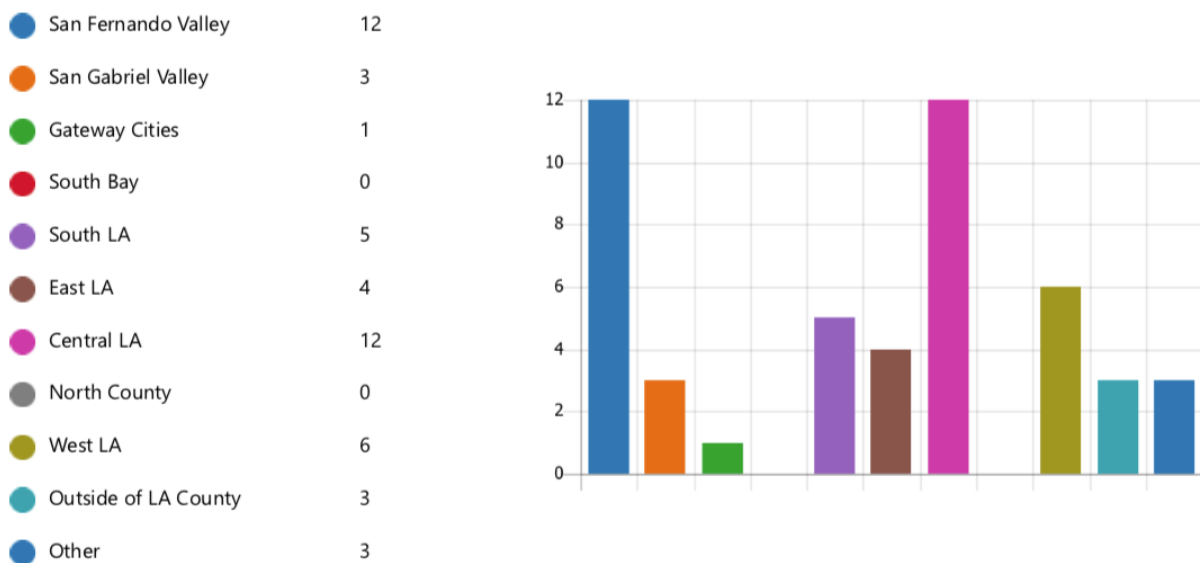
Metro Joint Development Policy Stakeholder Feedback Summary

In order to Joint Development Policy Survey and Comment form, to which there were 50 responses in reaction to the Metro Conversations virtual event and the publicly posted updated Policy.

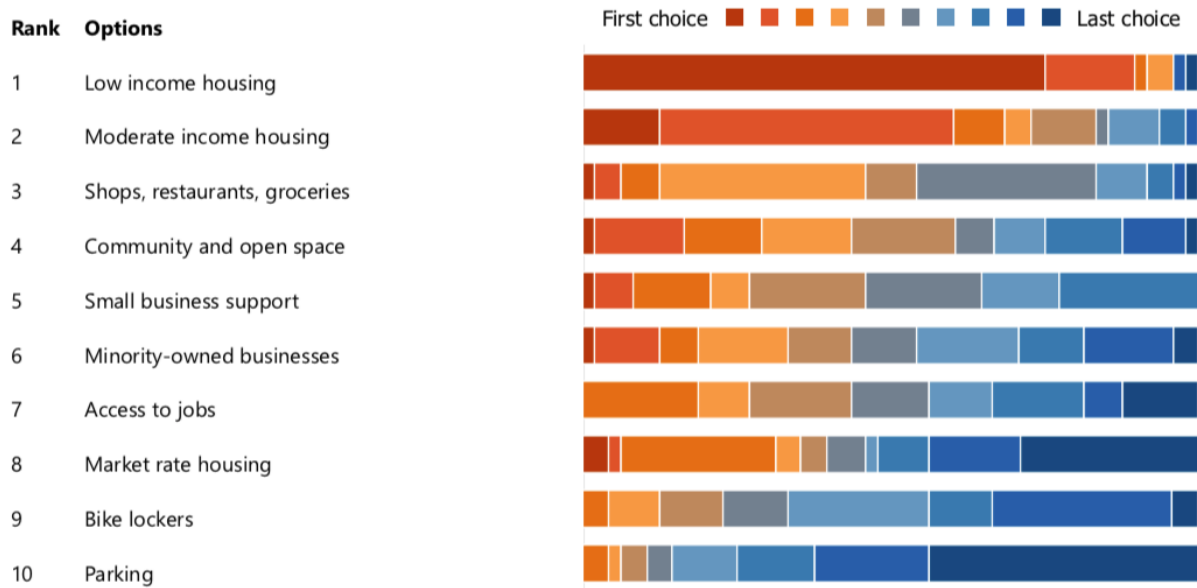
1. Which of the following best describes you?



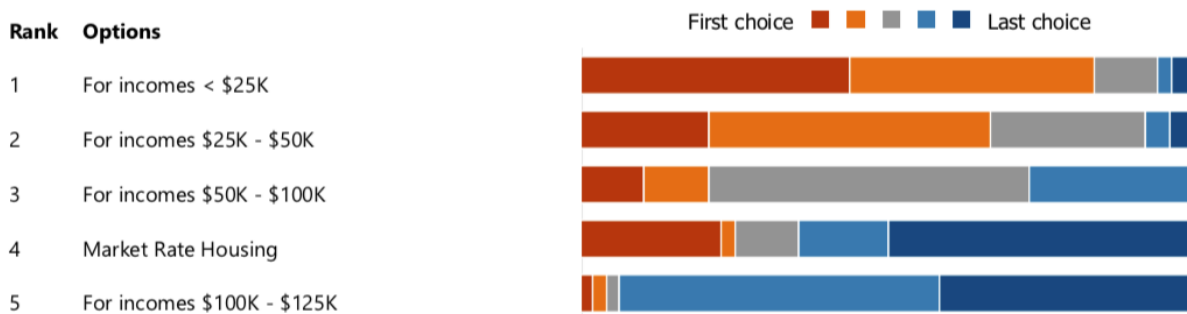
2. Where do you live?



3. In your opinion, which of the following are the most important elements of a Metro Joint Development Project? Please rank according to importance.



4. What kind of housing does your neighborhood need the most?



5. Are there other elements not listed here that are important to you?

Respondents were interested in additional amenities such as childcare, job training, first-last mile infrastructure, electric car share, and artist spaces. In addition, permanent supportive housing for formerly homeless individuals and home-ownership solutions were suggested. A sample of responses is included below:

- *Childcare that's conveniently accessible near my local transit stop.*
- *Job training so the community can get jobs to build the project.*
- *Anti-displacement policies to protect existing low-income residents.*

- *Pedestrian-friendly and bike-friendly plans to get to/from the development areas and transit safely and efficiently.*
- *Home ownership remains a valuable way to build family wealth and to stop the growth of the renting class and to help transform renters into owners.*
- *Provide a space for local artist to display their work. Provide jobs to our youth by offering cleaning services/Beautification by zones.*
- *Making open spaces available to the residents and the community; provisions to insure first and last mile transportation for seniors and the handicapped.*
- *Supportive housing. Metro must use their public lands to aggressively solve our housing and homelessness crisis. AND integrated affordable housing. We don't want 'poor doors'*
- *As much quantity of housing as possible, no matter what type.*
- *Connectivity of public transportation and connectivity of bike and pedestrian routes*
- *Building units at a faster pace.*
- *retail, office, and hotel uses are also important it's not just about housing. community space can also be community meeting rooms etc. not just open space.*

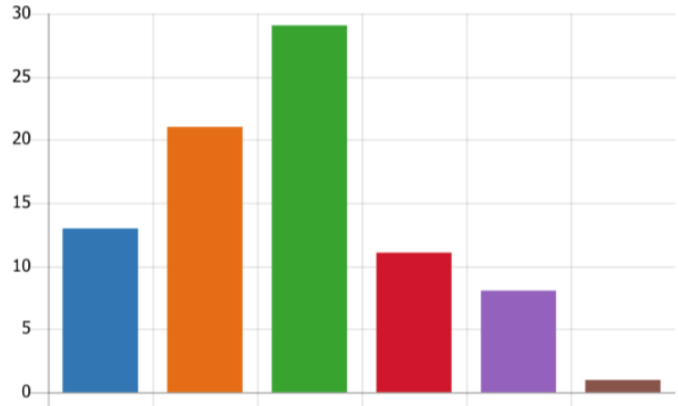
6. Metro is exploring the creation of a “Housing Lab,” which would be a proving ground for innovative housing solutions. Do you have any ideas that you would like us to explore?

Respondents suggested piloting building technologies such as mass timber construction and prefabricated units, innovative housing typologies such as co-housing, micro-units and land-trusts, and innovative financing structures such as private financing or value capture models. Others emphasized simplification and faster delivery of units to ensure that all Angelenos can be housed. A sampling of responses is listed below.

- *Nonfamily co-housing units ... dorm style living for adults.*
- *Value capture and EIFDs.*
- *Converting commercial space to residential, public investment in social housing that guarantees all families have a roof over their head.*
- *Tools Library and other shared resources at those housing sites to reduce need for private ownership.*
- *Just please strip the red tape and make the process discretionary.*
- *We don't need high tech solutions. We need simple affordable housing.*
- *We should legalize building more housing by getting rid of single-family zoning before exploring innovative solutions. Multi-family dwellings already exist and elevators work great for tall buildings. Let's do more of that.*
- *Child care onsite and healthcare clinics for basic healthcare needs such as pediatrics and women's health.*
- *Low cost housing for homeless people.*

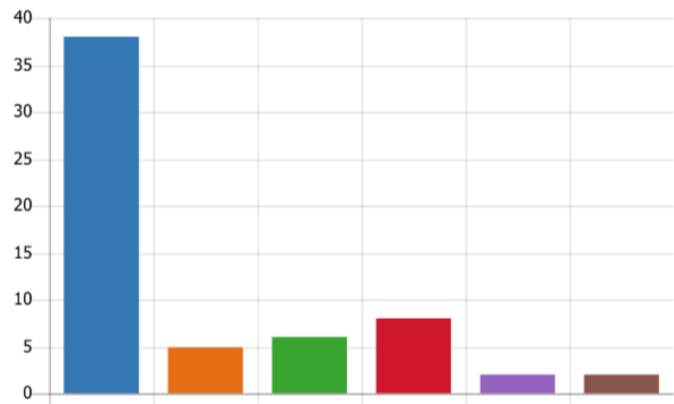
7. When are you usually available for public meetings?

Weekday mornings	13
Weekday afternoons	21
Weekday evenings	29
Saturdays	11
Sundays	8
Other	1



8. What is the best way to keep in touch with you?

Email	38
Text	5
In-person community events	6
Virtual community events	8
Social media	2
Other	2



9. Please provide any additional comments you'd like us to consider in writing the Policy. Respondents shared their support for parking maximums, affordable housing for lower income folks and people experiencing homelessness. Others encouraged more parking and raised concerns about gentrification. A sampling of responses is listed below.

- *Please prioritize not the percent of affordable units but the number of affordable units. Although a 40-unit 100% affordable project is great, a 400-unit 10% affordable project both provides that same number of affordable units while also helping alleviate our market-rate housing shortage.*
- *Continue to refine & expand upfront engagement with communities to define issues and maximum development scenario...simplify processes to streamline and cut costs. Continue to promote design quality and sustainability, it's ultimately what's left behind when all is said and done.*
- *Make development as easy as possible with this policy. There is no reason to have a policy that requires net-zero, 100 percent affordable, and has a prevailing wage if it takes 15 to 20 years to build. The problem is today, and we need to build as fast as we can now.*
- *I support your efforts to create more truly affordable housing. I would love for Metro to set the standard for transit oriented communities and encourage transit use through parking maximums, and offering a parking spot as a separate expense, so people see the true cost. Thank you for your efforts!*
- *Please provide more parking in both the residential projects and at the stations. People need parking even if they use rapid transit most of the time. There has to be at least one parking space for each bedroom and there needs to be parking for guests. There has to be sufficient free parking at the Metro stations or people can't use the trains.*
- *Low income housing and moderate income housing are of equal importance. Metro should provide as much as possible of each of these types of housing.*
- *I am concerned about the escalating cost of land near transit brought about as a result of upzoning around transit stations -- in many instances the direct result of the transit neighborhood community plans....What impact will these Joint Development Programs have on their surroundings?*
- *Provide 50% of the jobs to local residents under an apprenticeship program. Invest in your local community and consider the bulk of the work to be constructed by those living in the same zipcode. Keep large corporations at bay and reinvest in job/skill development.*



Metro Joint Development Policy Update

Planning & Programming Committee

June 16, 2021

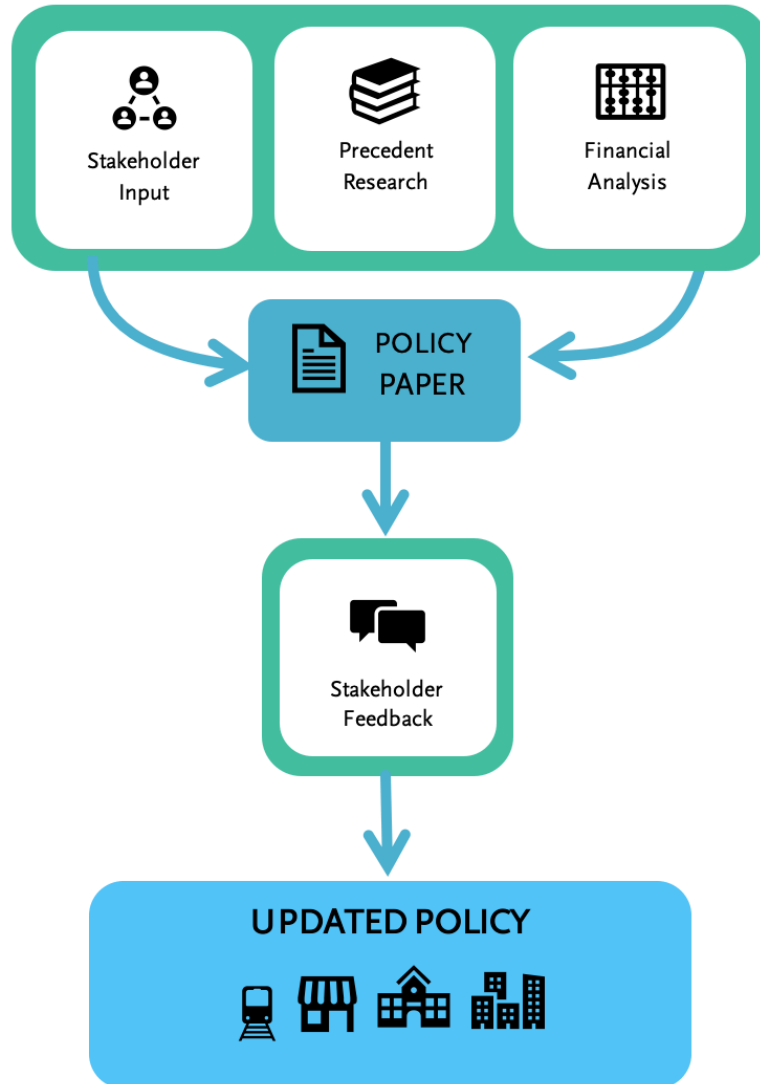
Legistar File #2021-0192

Recommended Action



ADOPT UPDATED JOINT DEVELOPMENT POLICY

Policy Update Process



OUTREACH

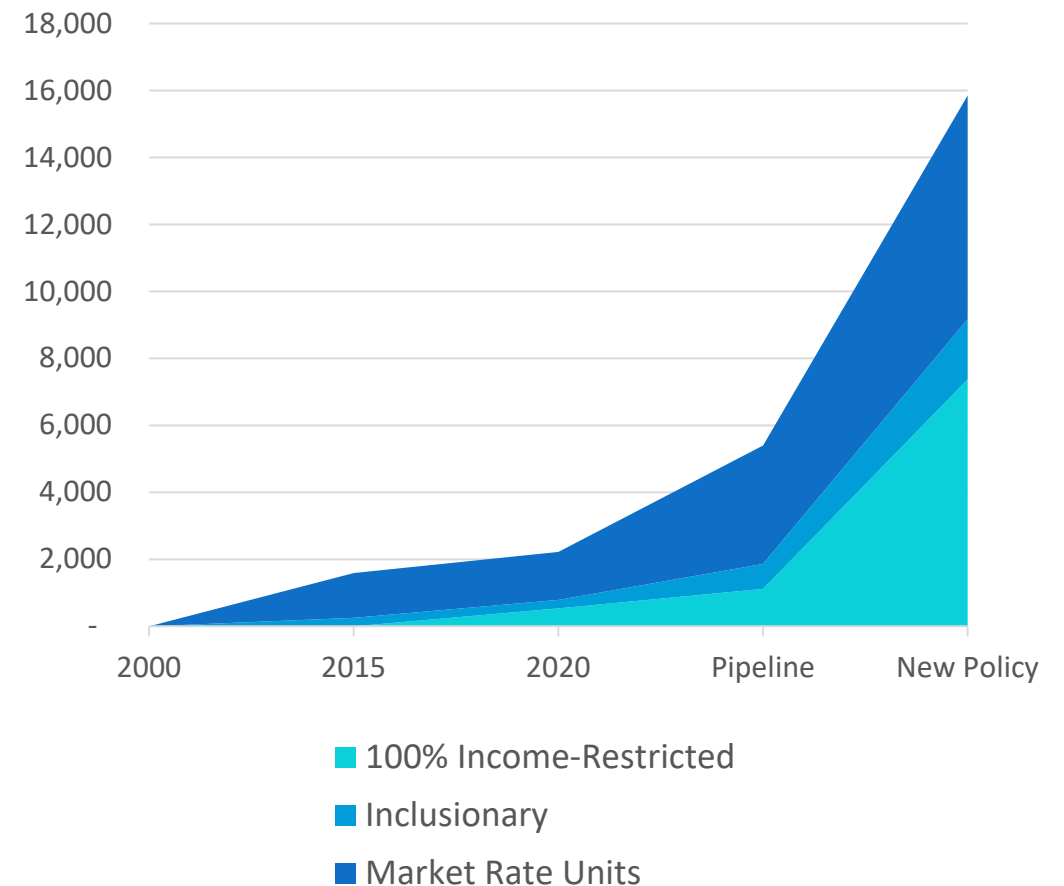
- **Internal Working Group:**
Metro representatives from Equity, Transit-Oriented Communities (TOC), Innovation, Real Estate, Communications, and Sustainability.
- **External Roundtable:**
Industry stakeholders including community-based organizations (CBOs), affordable housing developers, non-profit lenders, and municipal staff.
- **Surveys:**
Online polls collecting technical information from affordable and market-rate developers as well as community stakeholders.
- **Public Event:**
Metro Conversations (virtual) event featuring CBOs and Metro Board leadership.
- **Draft Policy Public Review:**
Updated Policy posted online to solicit feedback via comment form.

Affordable First



- **Policy:** All Joint Development sites will first be pursued as 100% Income-Restricted units
- **Mission:** Build as much quality housing near transit as possible for those who need it most, as soon as possible.
- **Projection:** Approximately 16,000 units in total portfolio, of which as many as 9,000 would be affordable
- Maximizing **number** affordable units provides greater benefit than maximizing **percentage** of affordable units
- **Metrics:** Income-Restricted units would continue to be tracked as a percentage of portfolio along with absolute units and other characteristics

JD Portfolio
Completed and Projected Units

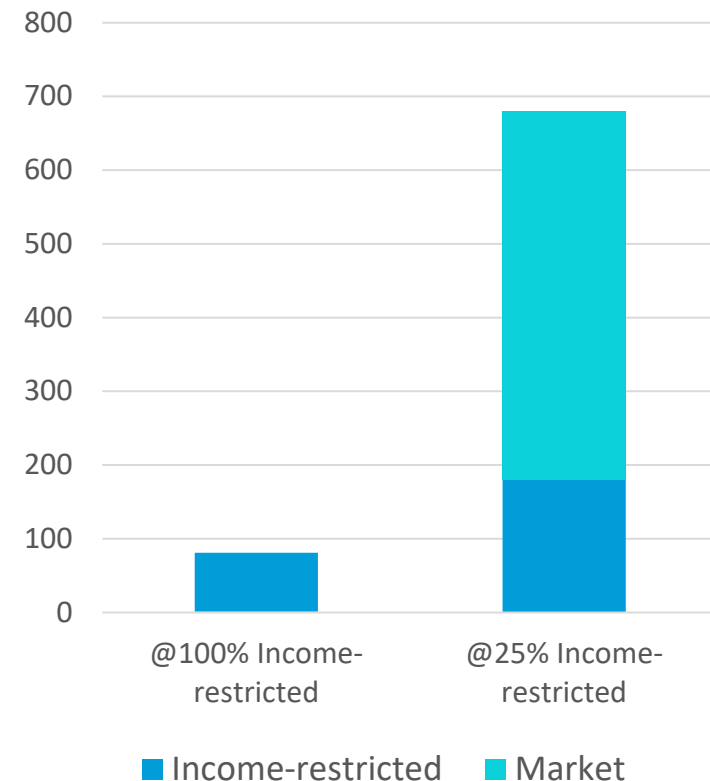


Additional Policy Changes



- If a 100% Income-Restricted project is not feasible or would result in fewer units, require at least 25% of units be affordable to Lower Incomes, or equivalent.
- “Income-Restricted” units are for people earning between 0 and 120% of Area Median Income (AMI), and “Lower Income” units are for people earning between 0 and 80% AMI.
- Prioritize projects where need is highest, and the greatest benefit may be realized fastest.
- Eliminate existing (max. 30%) proportional land discount; express subsidy as a dollar amount and apply only when required.
- Limit parking to 0.5 parking spaces per bedroom.
- Establish a Metro “Housing Lab” to drive innovation around transit-oriented housing.
- Reinvest Joint Development proceeds into TOC activities

Maximizing Number of Income-Restricted Units
(Hypothetical Project Site)



Next Steps

- Adopt Joint Development Policy for all future development solicitations.
- Update internal procedures and trainings in accordance with the updated Policy.
- Develop “Neighborhood AMI” methodology.
- Seek stakeholder feedback for continuous improvement.
- Explore potential partnerships and initiate program design of Housing Lab.
- Monitor Policy implementation and report annually on percentage and number of affordable units.



Board Report

File #: 2020-0224, File Type: Program

Agenda Number: 18.

PLANNING AND PROGRAMMING COMMITTEE JUNE 16, 2021

SUBJECT: OPEN AND SLOW STREETS GRANT PROGRAM CYCLE FOUR

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE:

- A. The revised Metro Open and Slow Streets Grant Program Cycle Four Application Package and Guidelines; and
- B. Staff to administratively release Application and Guidelines Packages in the future cycles of the Open Streets Grant Program to Los Angeles County jurisdictions in anticipation of returning to the Board for funding recommendation approval.

ISSUE

In June 2013 the Board introduced Motion 72 (Attachment A), directing staff to award up to \$2 million annually to support Open Streets events. The proposed Cycle Four Application and Guidelines (Attachment B) build on the Cycles One, Two, Three and 2020 Mini-Cycle framework and support a competitive, regional, and equitable process. The proposed Cycle Four also expands funding eligibility under the existing Open Streets Grant Program framework to include Slow Streets as defined in the May 2020 Board Motion 2020-0375. Board authorization of the Metro Open and Slow Streets Cycle Four competitive grant program framework and release of competitive application package and guidelines are needed in order to proceed. Beyond Cycle Four, staff requests authorization to administratively release future Application and Guidelines Packages and return to the Board for approval of future Open Streets Grant Program funding recommendations.

BACKGROUND

Open and Slow Streets events are events that temporarily close streets to automotive traffic and open them to people walking, bicycling, or rolling. Cycles One, Two, Three, and the 2020 Mini-Cycle of the Metro Open Streets Grant Program were successful in encouraging participants to ride transit, walk and ride a bicycle on urban streets, possibly for the first time. The program contributes to meeting Metro objectives by encouraging future transportation mode shift and encouraging civic engagement to foster the development of multi-modal policies and infrastructure at the local level.

The Metro Open and Slow Streets Grant Program provides opportunities for economic development and the improvement of public health by getting people out of their cars and onto the streets, patronizing local businesses, while exercising and interacting with their community in a safe and socially distant matter.

DISCUSSION

Cycle One Implementation

In response to Motion 72, staff developed a comprehensive framework and competitive grant process to solicit and evaluate applications for Open Streets events throughout Los Angeles County. At the September 18, 2013 meeting, the Metro Board awarded \$3.7 million to fund 12 separate event applications. One event was subsequently cancelled, and the funding was reprogrammed to Cycle Two. Of the 11 events completed, nearly 84 miles of streets were closed to cars and opened to pedestrians, bicyclists and other non-motorized forms of transportation across 18 separate jurisdictions. The events allowed participants to experience the region in a car-free and/or car-light manner and ride transit possibly for the first time.

To support cities in executing Open Streets events, staff held a half-day workshop prior to accepting applications that highlighted the objectives of the program; provided application assistance; described the process for planning, implementation and reimbursement; and showcased examples of previous successful regional events.

Cycle Two Implementation

On March 16, 2016, the Metro Board authorized staff to release the Cycle Two Application and Guidelines. An Amendment by Board Member Hilda Solis was included that asked staff to seek opportunities to work with Councils of Governments and provided additional points to multi-jurisdictional events and events that include disadvantaged communities as determined by CalEnviroScreen and Metro Equity Focused Communities. Staff provided outreach to cities across LA County and hosted application workshops at Metro Headquarters and Councils of Government offices in LA County. In total, 19 competitive applications were received. In September 2016, the Board awarded \$4.04 million to 17 Cycle Two events scheduled through December 2018, programmed \$200,000 in supplemental funds to a Cycle One event that was postponed due to natural disaster, and reprogrammed \$100,000 from a cancelled Cycle One event to Cycle Two. Thirteen (13) of the 17 awarded Cycle Two events included disadvantaged communities and seven (7) were multi-jurisdictional. In total 14 Cycle Two events were delivered totaling 76 miles of car-free streets.

Open Streets Evaluation Study

Staff released a Request for Proposals Package (RFP) in the spring of 2016 seeking the professional services of a contractor to conduct an in-depth evaluation of the Cycles One and Two events utilizing grantee's Cycle One post-implementation reports, transit TAP data and other sources. Due to inconsistency in the data collected independently by cities during Cycle One, the contractor collected standardized data at the Cycle Two events. Some key findings of the evaluation study indicate that:

- Systemwide rail boarding increased an average of 7% on the day of the events compared with other typical weekend days;
- Lines directly adjacent to events saw the largest increase, with Metro Gold Line boarding increasing by 32% during the May 31, 2015 CicLAvia event in Pasadena;
- Overall sales of TAP Cards increased an average of 11% systemwide on the day of the events indicating introduction of new riders to the system; and
- People ride bikes more often after attending Open Streets events for the first time.

Cycle Three and 2020 Mini-Cycle Implementation

On September 27, 2018, the Metro Board awarded \$4 million in funding to 15 new Open Streets events scheduled through December 2020. The Board also reprogrammed \$447,000 from two cancelled Cycle Two events toward Cycle Three, which received the largest number of funding applications of any Cycle to-date due to extensive community outreach to notify Los Angeles County jurisdictions of the program. In total 26 applications were received, of which 15 received funding. A motion put forth by Directors Hahn, Garcia, and Dupont-Walker directed staff to report back on the regional diversity of previous cycles and potential strategies to ensure regional diversity of funding in future cycles; and to create a \$1 million Mini-Cycle in 2020.

After initial authorization and subsequent workshops, staff returned to the Board for approval authorizing the 2020 Mini-Cycle. In May 2019, the Board awarded \$1,053,341 to five (5) new Open Streets events scheduled through December 2020, reprogrammed \$242,000 from one cancelled Cycle Three event towards the next-highest-scored Cycle Three event, Beach Streets Downtown, in accordance with funding policy; and reserved the remaining \$44,347 in Board-awarded Cycle Three and 2020 Mini-Cycle funds to be reprogrammed in any future Board-authorized funding Cycles of the program. To date, 8 Cycle Three and Mini-Cycle events have been implemented totaling nearly 40 miles of streets temporarily closed to automotive traffic.

COVID-19 Impact and Slow Streets Concept

In response to the COVID-19 Pandemic, Los Angeles County entered in to the “Safer at Home Order” on March 20, 2020. The order requires Angelenos to stay at home for all except essential activities and restricts large gatherings throughout the County, including Open Streets. As a result, all Cycle Three and Mini-Cycle events were postponed to later dates indefinitely.

During the Regular Board meeting held May 28, 2020, the Metro Board of Directors approved Motion 2020-0375 authorizing the CEO to negotiate administrative scope changes to awarded Cycle Three and Mini-Cycle events, at the written request of the grantee, such that funds may be used for COVID-19 response Slow Streets or similar programs including:

- Expanding one-day events to longer-term temporary traffic interventions,
- Replacing a large, single-corridor event intended for regional audiences with many smaller, neighborhood-scale interventions catering to local audiences,
- Creating spaces within the public right-of-way to support economic activity such as dining and vending, and
- Providing education, encouragement, and monitoring for safe physical distancing in

accordance with the Safer at Home Order in partnership with and supporting community-based leadership.

In November 2020 staff submitted a Board Box report recommending extending Cycle Three and the Mini-Cycle through December 31, 2021 allowing awarded grantees to produce their events after the pandemic related restrictions on large gatherings had been lessened or consider reprogramming the awarded funding for the new Slow Street concept. As of June 2021, the remaining Cycle Three and 2020 Mini-cycle grantees have executed an amendment to their previously executed MOU or indicated interest in reprogramming funding for nine events toward Slow Streets and postponing four Open Street events to a later date through December 2021.

Event Name	Orig Date	Grant Amount	Status	Subregion
Beach Streets University	3/21/20	\$216,000	Slow Streets	Long Beach
CicLAvia to the Sea	4/5/20	\$300,000	Slow Streets	Central LA, Westside
Heart of the Foothills	4/19/20	\$350,000	Slow Streets	San Gabriel Valley
Downey Ride and Stride	5/17/20	\$172,405	Postponed	Gateway Cities
CicLAvia Glendale Meets Atwater Village	6/14/20	\$241,136	Slow Streets	San Fernando Valley
South Gate Ride and Walk	7/26/20	\$173,800	Postponed	Gateway Cities
CicLAvia Northeast LA	8/9/20	\$300,000	Slow Streets	NE Los Angeles
Beach Streets Downtown	8/29/20	\$216,000	Slow Streets	Long Beach
Santa Monica Coast	9/20/20	\$250,000	Slow Streets	Westside
CicLAvia Heart of LA	10/4/20	\$300,000	Postponed	Central LA
San Fernando Street Fest Nocturnal Ride	10/31/20	\$144,000	Slow Streets	San Fernando Valley
626 Golden Streets Arroyo Fest	11/15/20	\$420,000	Slow Streets	San gabriel Valley
CicLAvia South LA	12/6/20	\$335,000	Postponed	South Los Angeles

Based on the Board Motion staff is recommending to continue to allow applicants to propose Slow Streets events, traditional Open Street events or a combination of multi-day and extended route events in Cycle Four.

Cycle Four Initiation

The success of the Open Streets Grant Program-funded events to date has been the result of the strong partnership between Metro; the grantee cities; the Council of Governments; and nonprofit community-based organizations (CBOs), such as CicLAvia, Bikeable Communities, Community Arts Resources, BikeSGV, and others. The program will continue to encourage partnerships with the Cycle Four Open Streets Grant Program solicitation process.

The proposed Application Package and Guidelines for Cycle Four includes feedback from applicants, grantees and participants of Cycles One, Two, Three, and the 2020 Mini-Cycle, as well as recommendations solicited from the Open Streets Evaluation Study. To ensure that the Cycle Four program continues to increase multi-modal access, advance active transportation at the local level, and encourage transit usage while ensuring the health of participants in response to the COVID-19 pandemic, the Cycle Four Application Package and Guidelines emphasize the following:

- The Board-directed funding ceiling of \$500,000 per single event will remain in effect
- An increased focus on regional distribution and disadvantaged communities as equitable approach
- An increased focus on innovative events that encourage new and increased participation in Open and Slow Streets
- Open and Slow Streets events that continue to encourage social distancing including extended routes, multi-day events, and outdoor business activities.

During Cycle Three of the Open Streets Grant Program funding applications received far exceeded available funding. In response to expand the grant opportunity, Staff is recommending to increase the annual allocation from \$2 million to \$2.5 million. The increase in funding is consistent with the September 2018 Board Motion 16.1 which directed staff to create a \$1 million 2020 Mini-Cycle with a focus on ensuring regional distribution of events.

Equity Platform

By providing additional scoring points to events held in disadvantaged communities during the competitive application review process, as defined by the CalEnviroScreen and the Metro developed Equity Focused Communities Map, Cycle Four of the Open and Slow Streets Grant Program advances the Equity Platform. Open and Slow Streets events give Metro the opportunity to provide informational resources on a variety of transportation options and ongoing and planned initiatives to community members in the communities where they live.

DETERMINATION OF SAFETY IMPACT

Authorizing the Application Package and Guidelines for Cycle Four of the Open Streets Grant Program will not have any adverse safety impacts on our employees and patrons, and increases safety for people walking, bicycling or rolling at the events.

FINANCIAL IMPACT

There is no impact or amendment required to the FY 2021 budget authorizing the Metro Open Streets Grant Program Cycle Four Application Package and Guidelines. Cycle Four funding will be requested through the FY 2022, FY 2023 and FY 2024 budget process. Staff does not anticipate that any Cycle Four invoices will be received until late FY2022.

Funding for remaining Open Streets Cycle Three events that extended to December 2021 will be reprogrammed to FY2022 without any additional expense. There is no impact or amendment required to the FY2022 budget.

Staff will work with Regional Programming, Budget and Local Programs, and the Office of Management and Budget (OMB) to identify funding source through FY 2024. As this is a multi-year program, the cost center manager and the Chief Planning Officer will be responsible for budgeting funds in future Cycles.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Metro Open and Slow Streets Grant Program Cycle Four aligns well with Strategic Plan Goal 3. By introducing local communities and stakeholders to the value of car-free and car-light mobility and providing opportunities to experience this mobility firsthand and possibly for the first time, Metro is leveraging its investment through the Open and Slow Streets Grant Program to promote the development of communities that are not reliant on personal automobile.

ALTERNATIVES CONSIDERED

The Board has the option to not authorize the Cycle Four initiation. This alternative is not recommended as it does not align with Board goals to increase awareness of opportunities throughout Los Angeles County for taking public transportation, walking, riding and rolling.

NEXT STEPS

Upon Board approval, staff will release the Metro Open and Slow Streets Grant Program Cycle Four Application Package and Guidelines. An easy to fill out web-based application will be utilized, and an informational workshop will be held for applicants. It is anticipated that the application will be released in summer 2021 with staff returning for Board approval of the Cycle Four Open and Slow Streets Grant Program in winter 2021. Upon release of the Application Package and Guidelines staff will host a virtual workshop with jurisdictions to review the program and assist in application development. The first Cycle Four Open and Slow Streets event is anticipated to kick off in spring 2022.

ATTACHMENTS

Attachment A - June 27, 2013 Board Motion #72

Attachment B - Metro Open and Slow Streets Grant Program Cycle Four Application Package and Guidelines

Attachment C - Metro Open Streets Grant Program Evaluation Study

Attachment D - May 28, 2020 Board Motion 2020-0375

Prepared by: Brett Atencio Thomas, Principal Transportation Planner, Countywide Planning & Development, (213) 922-7535

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

**MOTION BY
MAYOR ANTONIO R. VILLARAIGOSA,
SUPERVISOR GLORIA MOLINA,
DIRECTOR ARA NAJARIAN, DIRECTOR MEL WILSON**

Planning and Programming Committee
June 19, 2013

Los Angeles County “Open Streets” Program

Across the nation, cities have begun hosting “open streets” events, which seek to close down streets to vehicular traffic so that residents can gather, exercise, and participate in pedestrian, bicycling, skating and other related activities.

These events are modeled after the “*Ciclovias*” started in Bogota, Colombia over thirty years ago in response to congestion and pollution in the city.

In 2010, Los Angeles held its first “open streets” event, called CicLAvia.

After six very successful events, CicLAvia has become a signature event for the Los Angeles region.

With over 100,000 in attendance at each event, CicLAvia continues to successfully bring participants of all demographics out to the streets.

This event offers LA County residents an opportunity to experience active transportation in a safe and more protected environment, and familiarizes them with MTA transit options and destinations along routes that can be accessed without an automobile.

The event also takes thousands of cars off the streets, thereby decreasing carbon emissions.

Bicycling, as a mode share, has increased dramatically within LA County in the last years, boosted largely by the awareness brought about by these “open streets” programs.

Over the past decade, LA County has seen a 90% increase in all bicycle trips.

CONTINUED

In response to this growing demand, many local jurisdictions have begun implementing robust bike infrastructure and operational programs that enhance the safety and convenience of bicycling as a mode of travel.

Seeing the success of CicLAvia in Los Angeles, these jurisdictions have expressed a desire to pursue their own “open streets” events to increase awareness for active transportation and reduced reliance on the private automobile.

MTA should partner alongside a regional “open streets” type program in order to coordinate, assist, and promote transit related options.

These events will become a significant contributor to MTA’s overall strategy to increase mobility and expand multi-modal infrastructure throughout the region.

They will also promote first-mile/last-mile solutions and fulfill the Sustainable Communities Strategy Plan, as proposed by the Southern California Association of Governments.

WE THEREFORE MOVE THAT the MTA Board of Directors direct the CEO to use the following framework in order to create an “open streets” program:

1. Identify an eligible source of funds to allocate annually up to \$2 million to support the planning, coordination, promotion and other related organizational costs.
2. Report back at the September 2013 Board meeting a recommended competitive process and program, working with the County Council of Governments and other interested cities, to implement and fund a series of regional “open streets” events throughout Los Angeles County.
3. Develop a technical process to collect data and evaluate the cost and benefits (e.g. transit use increases, reduction of air emissions, etc.) of these events.

###

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000 Tel
metro.net

Open and Slow Streets Cycle Four Application Package & Guidelines

All fields are required for application submission unless noted.

Program Guidelines

Program Objectives

Open and Slow Streets are events which temporarily close the streets to automobiles and open them up to people to re-imagine their streets while walking, riding a bicycle, rollerblading or pushing a stroller in a car-free environment. The goals of the program are to encourage sustainable modes of transportation (bicycling, walking and transit), provide an opportunity to take transit for the first time, and provide an opportunity for civic engagement that can foster the development of a city's multi-modal policies.

Equity Approach

Applicants are encouraged to propose events with a strong focus on equity, and additional points are awarded to events proposed in resource challenged communities as defined by the CalEnviroScreen and Metro Equity Focused Communities Map.

Eligibility

With a focus on regional equity, Cycle Four applications are open to Los Angeles County city and county jurisdictions as well as Council of Government offices. Funding may be distributed to more than one event per city/jurisdiction until the maximum funding allocation is reached. Applicants shall rank applications for 2 or more events in order of priority with 1 being the most important, 2 being the second most important, etc.

Funding

There is up to \$5 million available for grants for the Open and Slow Streets Grant Program Cycle Four. There are no minimum funding guarantees per applicant jurisdiction or event. Any city/jurisdiction, or a combined multi-jurisdictional team, can apply for a maximum of \$500,000 per single event. Any agreement on funding distributions among jurisdictions participating in a multi-jurisdictional event must be negotiated directly between the applicant and all other jurisdictions that are participating in the event. There is no guarantee that applicant will receive full funding request. If grant applicant is unable to accept amended award amount and commit to producing the event as scoped, award will be available to next highest scored application. Funds will be available starting in January 2022, pending Metro Board approval and events must be staged by December 31, 2023. Funding sources may be federal and cities/jurisdictions will be required to comply with all federal funding procedures and requirements.

Scoring

Project will be evaluated on the following criteria on a 100-point score. An event must receive a minimum of 70 points to be eligible for funding. Innovative events that

differentiate themselves from past Los Angeles County Open Street events are highly favored in the scoring process.

General Event Information – 10 points

Project Feasibility – 20 points

Proposed partnerships and demonstration of potential for event success*	5
Event readiness (Funds will be required to be expended by December 31, 2022)	4
Agency's existing active transportation programs and policies	4
Community support	4
Matching funds committed	3

* Partners may include but are not limited to COGs, community groups, event producers and non-profits. Previous grantees must demonstrate success with previous events and lessons learned. New applicants must demonstrate that they have the capacity to produce an Open Street event.

Route Setting – 49 points

Route is innovative and helps to encourage social distancing (Examples include evening events, weekday events, holiday events, multi-day events, themed events, events that encourage increased local retail/stakeholder participation, extended routes, and events that differentiate themselves from previous LA County Open and Slow Street events)	12
Route includes disadvantaged communities*	10
Proximity and access to commercial and retail corridors	5
Connections to cultural, architectural, historical and/or important destinations in the community	5
Event cost per mile	5
Route is along or intersects with existing bicycle infrastructure**	3
Route adheres to Social Distancing guidance	3
Topography - The route minimizes hilly terrain***	3
Route length (longer routes are encouraged)	3

*Based on average of 70th percentile CalEnviroScreen Score for census tracts directly adjacent to the proposed route (<http://oehha.maps.arcgis.com/apps/Viewer/index.html?appid=112d915348834263ab8ecd5c6da67f68>)

**Will the route be on or intersect any existing bicycle infrastructure? Will the route encourage first time riders to modify their travel behavior in the future?

*** As an example, see San Francisco's "Wiggle" - http://en.wikipedia.org/wiki/The_Wiggle

Transit and Community Connectivity - 21 points

Route includes multiple jurisdictions	5
Applicant jurisdiction has not had a previous Open Street event in their community	5
Connections between multiple central business districts or retail corridors	5
Plan to attract participants from throughout the surrounding community	4
Accessibility to Metro Rail	2

Funding Eligibility

Funding may be used for pre-event planning & outreach costs in conjunction with implementing an Open Street event or Slow Street corridor. Funding may be used for any operational or capital cost associated with the day-of event excluding activation/routing held off-street unless approved in writing by the Open Streets Grant Program Manager. Funding may not be used for alcohol-related activities. Funds awarded will not exceed the event cost in the original application and may be less if the key objectives can be achieved at lower costs. Non material scope and event changes shall be handled administratively and be approved by Program Manager. Any cost overruns shall be the responsibility of the applicant. Both third party consulting costs and internal staff costs for directly providing services with respect to the project will be eligible for funding. Funding may be used for treatments, outreach, and associated planning and implementation costs to restrict or completely limit automobile use for any number of days throughout the grant cycle. Eligible street closure treatments include way finding, signage, delineators, A-frames, K-rail, and other street closure infrastructure. Street furniture or other programming will be the sole responsibility of the Grantee.

Data Collection and Reporting Requirements

Grantee shall collect data that should be provided to Metro in a post-implementation spreadsheet no later than three months after the event is executed. Metro will withhold ten percent (10%) of eligible expenditures per invoice as retainage. Metro will release retainage after Metro has evaluated Grantee's post-implementation report and data collection performance according to the criteria specified by Metro. Data collection will include at a minimum but not be limited to: participation counts of pedestrians and cyclists along the route; and economic quantitative and qualitative impact on local retailers such as anecdotes and event change in sales compared to pre-event sales. Additional reporting criteria will be added to the Memorandum of Understanding to better evaluate how the event contributes toward achieving the program goals presented in Board Motion 72, including providing plans for any new permanent active transportation infrastructure in the community and plans for increasing bicycle and pedestrian mode shares post project.

General and Administrative Conditions Lapsing Policy

Open Streets Cycle Four events must be staged by December 31, 2023. Funds not expended by this date will lapse. Lapsed funding will go towards the next grant cycle of the Open and Slow Streets Program. Applicants who have their funds lapse may reapply for funding in the next cycle, however new applicants and applicants from previously successful events will be prioritized.

Grant Agreement

Each awarded applicant must execute a grant agreement with Metro before the event. The agreement will include the event scope and a financial plan reflecting the grant amount, event partners and the local match. Funding will be disbursed on a reimbursement basis subject to satisfactory compliance with the original application cost and schedule as demonstrated in a quarterly report supported by a detailed invoice showing the staff and hours billed to the project, any consultant hours, etc. Final

scheduled payment will be withheld until the event is staged and approved by Metro and all post-implementation requirements have been satisfied.

Audits and Event Scheduling

All grant programs may be audited for conformance to their original application. Metro shall review event schedule and final date of the event to ensure regional and scheduling distribution. At Metro's Program Manager's request events may be rescheduled to avoid overlapping events and to increase participant safety.

Application

General Information

1. City/Government Agency Name:
2. Project Manager Name:
3. Project Manager Title and Department:
4. Project Manager Phone Number:
5. Project Manager E-mail Address:
6. City Manager Name:
7. City Manager Phone Number:
8. City Manager E-mail Address:

General Open Street Event Information

9. Open or Slow Street Event Name
(Example: Sunnyside Sunday Parkways Open Street Event.)
Maximum Allowed: 150 characters.

10. Event Description
(Example: Main Street, Flower Street, Spring Street, 7th Street, 1st Street and Broadway Avenue in downtown Sunnyside will be closed to cars for the months of August through November from downtown to mid-town to invite people on foot and on bikes to rediscover the streets of their community in a car-free environment while maintaining social distancing. Local retailers and restaurants will be invited to expand their operation in to the street.
Maximum Allowed: 500 characters.

11. Estimated Route Length (in miles):
Maximum Allowed: 4 digits.
12. Estimated Number of Signalized Intersections:
Maximum Allowed: 3 digits

13. Estimated Number of Hard and Soft Closures:

Maximum Allowed: 4 digits

14. Attach a map of the proposed route including a clear demarcation of event bounds by street name. If the proposal is for outside retail operations, indicate where treatments will be implemented along the corridor. A digital map made in Google maps or ArcGIS is preferred

15. Describe the pavement quality along the route and any considerations that will be made for poor quality pavement.

Maximum Allowed: 150 characters.

16. Does the event route cross any freeway on or off ramps? (Y/N)

If "YES" for Question 16

16a. How many freeway crossings exist along the proposed route and what are their locations? (NOTE: Additional coordination with CalTrans will be required for each freeway ramp crossing at the cost of grantee).

Maximum Allowed: 150 characters

17. Does the event include rail grade crossings? (Y/N)

If "YES" for Question 17

17A. How many rail grade crossings exist along the proposed route and what are their locations? (NOTE: Additional staff resources will be required for each grade crossing at the cost of grantee).

Maximum Allowed: 150 characters

18. If vehicles will remain on your event route, list how your jurisdiction will ensure a safe interface between motorized and non-motorized modes of transportation, and or retail uses.

Maximum Allowed: 300 characters

Project Feasibility

19. Estimated month & year of Event (Funds will be available starting in January 2022, pending Metro Board approval. Event must be staged by December 31, 2023)

Maximum Allowed: 6 digits

20. Describe how your City's General Plan or other planning program documents and procedures support open and slow street events and/or active transportation?

(Examples include: previous slow street implementation, adopted Complete Streets Policy or updated Circulation Element to include Complete Streets, adopted a Bike Plan, adopted a Pedestrian Plan, developing or implementing Bike Share Programs, adopted Climate Action Plans, implementation of local Transportation Demand Management ordinances and implementation of Parking Management Programs to encourage more efficient use of parking resources and curbside management)

Maximum Allowed: 500 characters

21. Would your jurisdiction be amenable to scope change or increased route length in order to encourage social distancing? (Y/N)

Demonstration of Ability to Produce Successful Event

22. Does your city/jurisdiction plan to partner with any non-profits, event production companies, city departments, and/or community partners to assist in event implementation and planning? (Y/N)

If “YES” for question 22

22a. List your proposed partners and their role in the event planning and implementation.

Maximum Allowed: 600 Characters

If “NO” for question 22

22b. What is your city/jurisdiction doing in lieu of partnerships with outside agencies (including non-profits and other community partners) to engage the community and make the event successful? *Maximum Allowed: 800 Characters*

23. Does your city have previous experience organizing open and slow street events or other large public events that require street closures (such as street fairs, large city-wide or region-wide events related to transportation, athletics, cultural celebrations)? List and describe.

Maximum Allowed: 800 Characters

If “YES” for question 23

23a. What lessons has your city learned from previous open and slow street events (or similar events that closed streets to auto traffic) that will increase the success of the proposed event? *Maximum Allowed: 800 Characters*

Event Budget

24. What is the total estimated cost of the event?

Maximum Allowed: 10 characters.

25. What is the requested grant amount? *Maximum Allowed: 10 characters*

26. What is the proposed local match amount? (min 20% in-kind required)

Maximum Allowed: 10 characters.

27. What are the estimated outreach costs?

Maximum Allowed: 10 characters.

28. What are the estimated pre-event planning costs?

Maximum Allowed: 10 characters.

29. What are the estimated event staging costs (including staffing, rentals, permits, etc.)?

Maximum Allowed: 7 characters.

30. Agencies are required to provide a 20% match: Will you provide an in-kind or a local fund match?

31. What is the event cost per mile (Answer to #24 / Answer #11)?

32. Attach completed Financial Plan and event Scope of Work templates provided at <https://www.metro.net/projects/active-transportation/metro-open-streets-grant-program/>

Route Setting

33. Will the route connect multiple cities? Y/N
List all partner cities.

If "YES" to question 33

33a. How will your city ensure connectivity throughout the route, coordination between multiple agencies and a sense of one contiguous event?

Maximum Allowed: 1000 characters.

34. Will the route be along or connect various commercial corridors? Y/N Explain.

Maximum Allowed: 1000 characters.

35. Will the route be along any residential corridors? (Y/N)

Maximum Allowed: 1000 characters

36. Will the route be along or connect to cultural, architectural, recreational and/or historical destinations and events? Y/N Explain.

Maximum Allowed: 1000 characters.

37. List and describe the bicycle and off-street pedestrian infrastructure along or adjacent to the route. *Maximum Allowed: 1000 characters.*

38. List ways that the event will differentiate itself from previous LA County Open and Slow Street events and how it will attract new participants (examples include afternoon or evening events, weekday events, events that celebrate holidays, events that encourage increased local retail/stakeholder participation, multi-day events, etc.).

Maximum Allowed: 1000 characters.

39. Provide an outline of how the route will be activated.

Maximum Allowed: 1000 characters.

40. Use CalEnviroScreen score to determine the average score of the combined census tracts that the route traverses.

<http://oehha.maps.arcgis.com/apps/Viewer/index.html?appid=112d915348834263ab8ecd5c6da67f68>

Maximum Allowed: 4 digits

Marketing and Outreach

41. Upload a letter of support from the city/county applicant and if applicable each city/non-profit/other partner. (Please include all letters in one PDF).

42. Describe how your city will satisfy Metro's data collection requirements (i.e. agency staff, volunteers, consultant, etc.) and any additional data the agency may request.

43. If your agency plans to submit more than one application, please rank this application in order of priority with 1 being the most important and 2 the second most important, etc.

Route Accessibility

44. List all rail stations within a ½ mile radius of the event route.

Maximum Allowed: 250 characters

45. For those rail stations within a ½ mile radius of the event that do not connect directly to the route, please provide explanation for the lack of connection, and describe how you will ensure safe transport of participants from those stations to the route (including coordination with the station operators, local transit operators and other means).

Maximum Allowed: 1000 characters

46. How will your city encourage people to access the event other than by personal automobile?

Maximum Allowed: 1000 characters

Covid-19 Response

47. What measures will be taken to encourage increased social distancing along the route.

48. What other measure will you use to increase the safety of participants.

Post Event Significance

51. Closing the roadway is often one of the most expensive elements of implementing on-street bicycle and pedestrian infrastructure. Do you have any plans to utilize your open or slow street event related road closures to implement any pilot or permanent infrastructure.

Maximum Allowed: 500 characters

52. What measures will your city take increase bicycle and pedestrian mode shares post event?

Maximum Allowed: 500 characters

Attachment C

Metro Open Streets Grant Program Evaluation Study

http://libraryarchives.metro.net/DB_Attachments/ATTACHMENT%20C%20-%20Open%20Streets%20Evaluation%20Study.pdf



Metro

Board Report

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

File #: 2020-0375, **File Type:** Motion / Motion Response

Agenda Number: 40.

REGULAR BOARD MEETING MAY 28, 2020

Motion by:

DIRECTORS GARCETTI, SOLIS, GARCIA, BONIN, AND FASANA

Open Streets Program Response to COVID-19

The COVID-19 emergency has required limiting or closing traditional public spaces, depriving residents from safe ways of spending time outside. As an alternative, many cities are reconfiguring streets through temporary traffic calming to create spaces for residents to get outside and maintain their physical and mental health. As a transportation authority, Metro can help local jurisdictions in Los Angeles County implement these reconfigurations.

Through the Metro Open Streets Grant Program, the Board recently awarded over \$5 million for various open streets events in Los Angeles County. However, due to the Safer at Home order and widespread call for social distancing in public, several large-scale, single-day, open streets events such as CicLAvia, 626 Golden Streets, and Long Beach's Beach Streets have been postponed, and their feasibility in the immediate future remains unclear.

In response to the COVID-19 pandemic, the May 13, 2020 Los Angeles County Department of Public Health Safer at Home Order permits local public entities to elect to temporarily close streets to through automobile traffic to allow more space for recreational activity in compliance with Social (Physical) Distancing requirements.

As such, residents of Los Angeles County may, in addition to traveling for essential trips, use the public right-of-way to walk and cycle for recreation or exercise close to home while maintaining safe physical distance. Many residents do not have easy access to open space and maintaining safe physical distances can be challenging on existing sidewalks, especially in densely populated neighborhoods. Easily accessible alternatives to beaches, trails and parks are needed throughout the county so that all residents can safely get outside. Allowing local entities to provide this additional space in streets through full or partial closure to motor vehicles, while avoiding impacts to transit operations where practicable, will relieve pressure on recreational facilities like beaches and trails, and reduce travel to them.

Temporary use of local streets to allow increased pedestrian and bicycle use at safe physical

distances has been deployed in several cities in the U.S. during the COVID-19 crisis and is variously known as Healthy, Safe, Family-Friendly, or “Slow Streets.”

Since some Open Streets Grant Program awardees are unable to use their grants as intended, this funding can be put to different and effective use in the COVID-19 crisis response.

SUBJECT: OPEN STREETS PROGRAM RESPONSE TO COVID-19

RECOMMENDATION

APPROVE Motion by Directors Garcetti, Solis, Garcia, Bonin, and Fasana that the Board authorize the CEO to negotiate administrative scope changes to awarded events in the Open Streets Grant Program, at the written request of the grantee, such that funds may be used for COVID-19 response Slow Streets or similar programs, including but not limited to:

- Expanding one-day events to longer-term temporary traffic interventions;
- Replacing a large, single-corridor event intended for regional audiences with many smaller, neighborhood-scale interventions catering to local audiences;
- Creating spaces within the public right-of-way to support economic activity such as dining and vending; and
- Providing education, encouragement, and monitoring for safe physical distancing in accordance with the Safer at Home Order in partnership with and supporting community-based leadership.



Metro Open Streets Grant Program Cycle Four

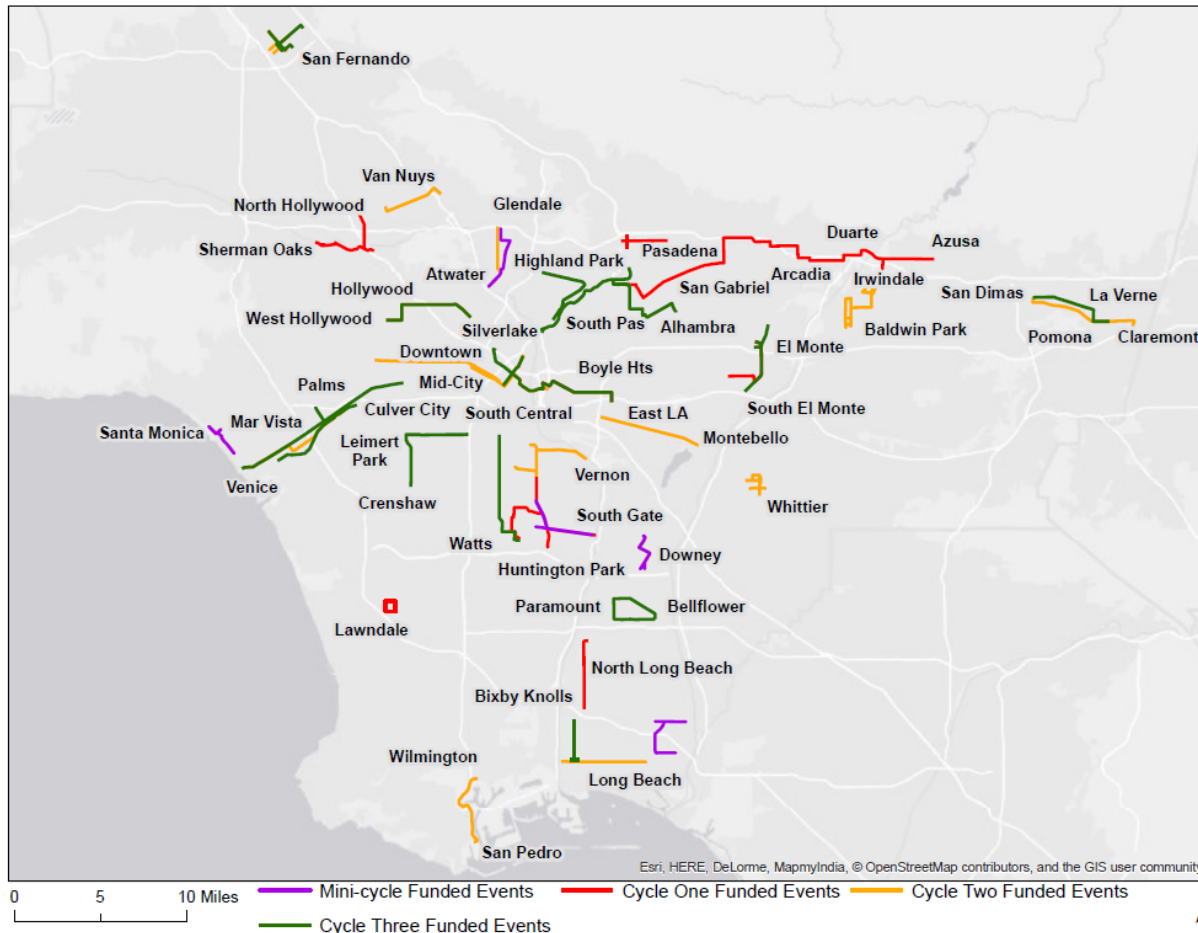
Open Streets Grant Program

Recommendation: Authorize the Metro Open Streets Grant Program Cycle Four Application and Guidelines.

- In June 2013, the Board introduced Motion 72, directing staff to award up to \$2 million annually to support Open Street events.
- Cycle Four builds on past cycles and supports a competitive application process for events through December 2023.
- Based on experience from the 2020 Mini-Cycle, staff recommends increasing the available annual funding from \$2 million to \$2.5 million.
- Following the May Board Motion 2020-0375 staff updated guidelines to allow for “slow streets” that encourage social distancing and multi-day events.
- Board authorization of the Open Streets Grant Program Cycle Four Application Package and Guidelines is requested in order to proceed.

Program Implementation

- To date, \$12.74 million has been awarded to 46 events in 34 jurisdictions.
- Of these, 33 events totaling over 206 miles have been implemented.
- 13 additional events are planned through December 2021, including those postponed as result of COVID-19 and those re-scoped to “Slow Street” events.



Open Streets Evaluation Study

Key findings from event-day data:

- Rail boardings systemwide increased on average 7%.
- Lines directly adjacent to events saw the largest increase.
- Sales of new tap cards increased 11% systemwide on event-days compared to non-event Sundays. People ride bikes more often after attending Open Streets for the first time.



Cycle Four Application and Guidelines

- Increase annual funding from \$2 million to \$2.5 million.
- Maintain \$500,000 max funding ceiling per event.
- Maintain focus on regional distribution.
- Continue to accept applications for Slow Streets and related programs that encourage social distancing, and safe spaces for walking and biking .
- Implement incentives through application scoring:
 - Events in equity-focused communities;
 - Innovative events;
 - Multi-day, extended route events that encourage social distancing; and
 - New routes and improvements on previous routes.



Metro

Cycle Four Next Steps

Pending Board Approval:

- Release online application summer 2021.
- Hold an informational virtual application workshop.
- Outreach to COGs, the Metro TAC and TAC subcommittees.
- Return to Board for Cycle Four funding recommendations winter 2021.





File #: 2021-0307, File Type: Contract

Agenda Number: 19.

**PLANNING AND PROGRAMMING COMMITTEE
JUNE 16, 2021**

SUBJECT: METRO FREEWAY SERVICE PATROL

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

A. INCREASE Contract Modification Authority (CMA) to 27 existing Freeway Service Patrol (FSP) contracts as delineated below for an aggregate amount of \$5,580,000, thereby increasing the CMA amount from \$28,919,130 to \$34,499,130 and extend the periods of performance as follows:

- Beat no. 3: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$245,000 for up to 9 months
- Beat no. 5: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$455,000 for up to 9 months
- Beat no. 6: Neighborhood Towing 4 U Contract No. FSP3469600B6, for \$320,000 for up to 9 months
- Beat no. 7: Girard & Peterson Contract No. FSP3469900B7/11, for \$195,000 for up to 9 months
- Beat no. 10: Neighborhood Towing 4 U Contract No. FSP3848100FSP1410, for up to 4 months
- Beat no. 11: Girard & Peterson Contract No. FSP3469900B7/11, for \$195,000 for up to 9 months
- Beat no. 12: Tip Top Tow Contract No. FSP2826700FSP14, for \$140,000 for up to 4 months
- Beat no. 17: Sonic Towing, Inc. Contract No. FSP3469500B5/17, for \$265,000 for up to 9 months
- Beat no. 18: Bob & Dave's Towing, Inc. Contract No. FSP2690300FSP1418, for \$365,000 for up to 9 months
- Beat no. 20: Bob's Towing Contract No. FSP2836600FSP1420, for \$340,000 for up to 9 months
- Beat no. 21: Bob's Towing Contract No. FSP2839000FSP1421, for \$25,000 for up to 4 months
- Beat no. 24: T.G. Towing, Inc. Contract No. FSP2833200FSP1424, for \$130,000 for up to 9 months

- Beat no. 27: Hovanwil, Inc. dba Jon's Towing Contract No. FSP3470400B27/39, for \$440,000 for up to 9 months
- Beat no. 28: Hadley Tow Contract No. FSP3847300FSP1428, for \$80,000 for up to 9 months
- Beat no. 29: Platinum Tow & Transport, Inc. Contract No. FSP3470600B29, for \$175,000 for up to 9 months
- Beat no. 31: Navarro's Towing Contract No. FSP3470700B31/50, for \$110,000 for up to 9 months
- Beat no. 33: Mid Valley Towing Contract No. FSP2851900FSP1433, for \$280,000 for up to 9 months
- Beat no. 34: South Coast Towing, Inc. Contract No. FSP2839600FSP1434, for \$170,000 for up to 4 months
- Beat no. 36: Hadley Tow Contract No. FSP2841400FSP1436, for \$235,000 for up to 9 months
- Beat no. 37: Reliable Delivery Service Contract No. FSP3696000FSP1437, for \$210,000 for up to 9 months
- Beat no. 38: Steve's Towing Contract No. FSP38468001438, for \$205,000 for up to 9 months
- Beat no. 39: Hovanwil, Inc. dba Jon's Towing Contract No. FSP5966400FSPB39, for \$335,000 for up to 9 months
- Beat no. 42: Platinum Tow & Transport Contract No. FSP2842100FSP1442, for \$205,000 for up to 9 months
- Beat no. 43: Hollywood Car Carrier Contract No. FSP3469400B3/43, for \$250,000 for up to 9 months
- Beat no. 50: Navarro's Towing Contract No. FSP3470700B31/50, for \$130,000 for up to 9 months
- Beat no. 70: Tip Top Tow Contract No. FSP3471300B70, for \$30,000 for up to 4 months
- Beat no. 71: Bob & Dave's Towing, Inc. Contract No. FSP3471500B71, for \$50,000 for up to 4 months

ISSUE

Recommendation A authorizes increasing contract modification authority (CMA) in the aggregate amount of \$5,580,000 to execute contract modifications to existing FSP light duty tow service contracts and extend periods of performance.

BACKGROUND

FSP is a congestion mitigation program managed in partnership with Metro, CHP and Caltrans serving motorists on all major freeways in Los Angeles County. The Los Angeles County FSP program has the highest benefit to cost ratio of all the statewide FSP programs.

The program utilizes a fleet of roving tow and service trucks designed to reduce traffic congestion by efficiently rendering disabled vehicles operational or by quickly towing those vehicles from the freeway to a designated safe location. Quick removal of motorists and their disabled vehicles from the freeway reduces the chances of further incidents caused by onlookers and impatient drivers. FSP helps save fuel and reduces air polluting emissions by reducing stop-and-go traffic. The service

is free to motorists and operates seven days a week during peak commuting hours.

Metro contracts with independent tow service providers for light duty tow service on general purpose lanes on all major freeways in Los Angeles County, 2 light duty contracts on the ExpressLanes (I-110 and I-10), and 2 heavy duty (Big Rig) contracts (I-710 and SR-91).

The annual benefit of the program is as follows:

- For individual beats, an annual Benefit to Cost Ratio of 10:1 - For every \$1 spent, there is a \$10 benefit to motorists.
- 325,000 motorist assists
- 9,727,671 hours motorists saved from sitting in traffic
- 16,721,867 gallons of fuel savings
- Approximately 147,000,000 kg of CO2 reductions
- The average motorist wait time for FSP service is 7 minutes (the average wait time for other roadside service is over 30 minutes)
- The Los Angeles County FSP program generates one-half of the cumulative benefits of the 14 FSP programs in the state.

DISCUSSION

On April 1, 2020, the FSP program reduced tow service on all beats in response to the COVID-19 pandemic and its impact on funding and freeway congestion levels. In FY20 Q4, FSP's operating budget was reduced by 40% (the reduction continued thru FY21). At that time, the decision was made to delay operations of seven FSP contracts awarded in February 2020 and delay the procurement of additional new contracts, which were anticipated to have higher operating costs since with each procurement, hourly rates have increased. These actions were taken to ensure that the program continued to operate at necessary service levels and within budget. Staff also decided to pursue contract extensions, in lieu of initiating scheduled new solicitations, which enabled continued provision of this vital service to Los Angeles County motorists at the required levels and at a reasonable cost.

Recently the decision was made to have the seven contracts (awarded Feb 2020) begin operations in FY22 Q1. In addition, due to the recent cancellation of an IFB for twenty-two FSP beats, a subsequent IFB is expected to be released this month. Staff expects to return to the Board at the appropriate time for authorization to award twenty-two contracts. The contracts are anticipated to begin service in FY22 Q3. Authorizing increased contract modification authority and extending the periods of performance will ensure seamless and efficient operation of the FSP program until the seven contracts start in Q1 and extend twenty-two beats to provide sufficient time to reissue the IFB and award new contracts. Increased CMA will also provide funds to address operating costs not recovered by contractors due to the reduction in service levels, increased insurance premiums, major maintenance expenses, fluctuating fuel prices, and will also replenish funding to contracts that provide support to Caltrans construction projects through a Cooperative Agreement which reimburses Metro for FSP support.

DETERMINATION OF SAFETY IMPACT

The FSP Program enhances safety on Los Angeles County freeways by assisting motorists with disabled vehicles, towing vehicles from freeway lanes to prevent secondary accidents and removing debris/obstacles from lanes that can be a hazard to motorists.

FINANCIAL IMPACT

The amount of \$5,580,000 for CMA is included in the FY22 budget in cost center 3352, Metro Freeway Service Patrol.

Impact to Budget

The FSP program is funded through a combination of dedicated state funds, SB1 funding and Proposition C 25% sales tax. These funds are not eligible for Metro Bus and Rail Operating and Capital expenses. Metro is also reimbursed for the services provided to support Caltrans construction projects.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The FSP Program aligns with Strategic Goal 1: Provide high quality mobility options that enable people to spend less time traveling. The program mitigates congestion on all major freeways in Los Angeles County.

ALTERNATIVES CONSIDERED

The Board may decide not to authorize the increase in contract modification authority. This alternative is not recommended as it will adversely impact the existing contracts and the level and quality of FSP service provided in Los Angeles County.

NEXT STEPS

Upon Board approval, staff will execute the necessary contract modifications to assure efficient and seamless delivery of the FSP program. Staff will work on new procurements to address needs beyond FY22. Barring additional unforeseen impacts, staff will return to the Board at the appropriate time to secure approval for new contracts with services to commence in January 2022.

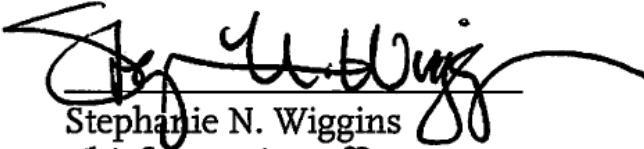
ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification Authority (CMA) Summary
Attachment C - Contract Modification/Change Order Log

Attachment D - FSP Beat Map
Attachment E - DEOD Summary

Prepared by: John Takahashi, Senior Highway Operations Manager, (213) 418-3271

Reviewed by: Shahrzad Amiri, Executive Officer, Congestion Reduction, (213) 922-3061
Debra Avila, Chief Vendor/Contract Management, (213) 418-3051



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

METRO FREEWAY SERVICE PATROL/VARIOUS BEATS

1.	Contract Number: Various, See Attachment B			
2.	Contractor: Various, See Attachment B			
3.	Mod. Work Description: General Redeployment Support, Caltrans Construction, Special Event Support, Service Coverage			
4.	Contract Work Description: Freeway Service Patrol			
5.	The following data is current as of: May 10, 2021			
6.	Contract Completion Status		Financial Status	
	Contract Awarded:	Various	Contract Award Amount:	Various, See Attachment C
	Notice to Proceed (NTP):	N/A	Total of Modifications Approved:	Various, See Attachment C
	Original Complete Date:	N/A	Pending Modifications (including this action):	Various, See Attachment C
	Current Est. Complete Date:	Various	Current Contract Value (with this action):	Various, See Attachment C
7.	Contract Administrator: DeValory Donahue		Telephone Number: (213)-922-4726	
8.	Project Manager: John Takahashi		Telephone Number: (213)-418-3271	

A. Procurement Background

This Board Action is to approve an increase in Contract Modification Authority (CMA) for multiple, firm fixed unit rate contracts (see Attachment B – Contract Modification Authority (CMA) Summary) for towing services in support of the Metro Freeway Service Patrol (FSP) program.

These Contract Modifications will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price.

The proposed CMA increase for 27 FSP general purpose lanes and ExpressLane contracts in the amount of \$5,580,000 will continue required towing services for the FSP program and extend the period of performance to support unanticipated events, redeployment, and support during freeway construction work, and service delivery until successor contracts are put in place.

Attachment B – Contract Modification Authority (CMA) Summary provides the list of contracts that require an increase in CMA and the CMA amounts needed for each.

Attachment C – Contract Modification/Change Order Log shows the modifications that have been issued to date for each contract, and that no contract modifications are currently in negotiations or pending.

B. Cost/Price Analysis

The recommended unit rates have been determined to be fair and reasonable based upon price analysis, technical evaluation, and fact finding.

ATTACHMENT B
CONTRACT MODIFICATION AUTHORITY (CMA) SUMMARY
METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES

Beat	Contractor	Contract No.	Original Contract Value	Approved CMA	Requested CMA Increase	Revised Total CMA
3	Hollywood Car Carrier	FSP3469400B3/43	\$1,915,326.00	\$1,490,532.00	\$ 245,000.00	\$1,735,532.00
5	Sonic Towing, Inc.	FSP3469500B5/17	\$1,808,057.00	\$1,050,000.00	\$ 455,000.00	\$1,505,000.00
6	Neighborhood Towing 4 U	FSP3469600B6	\$1,760,238.00	\$1,018,000.00	\$ 320,000.00	\$1,338,000.00
7	Girard & Peterson	FSP3469900B7/11	\$2,891,301.00	\$245,000.00	\$ 195,000.00	\$440,000.00
10	Neighborhood Towing 4 U	FSP3848100FSP1410	\$1,717,924.00	\$1,541,792.00	\$ -	\$1,541,792.00
11	Girard & Peterson	FSP3469900B7/11	\$2,891,301.00	\$270,000.00	\$ 195,000.00	\$465,000.00
12	Tip Top Tow	FSP2826700FSP14	\$2,312,650.00	\$1,381,000.00	\$ 140,000.00	\$1,521,000.00
17	Sonic Towing, Inc.	FSP3469500B5/17	\$1,782,209.00	\$946,000.00	\$ 265,000.00	\$1,211,000.00
18	Bob & Dave's Towing, Inc.	FSP2690300FSP1418	\$2,486,760.00	\$1,290,000.00	\$ 365,000.00	\$1,655,000.00
20	Bob's Towing	FSP2836600FSP1420	\$2,292,530.00	\$871,000.00	\$ 340,000.00	\$1,211,000.00
21	Bob's Towing	FSP2839000FSP1421	\$2,292,530.00	\$798,000.00	\$ 25,000.00	\$823,000.00
24	T.G. Towing, Inc.	FSP2833200FSP1424	\$1,753,911.00	\$1,770,391.00	\$ 130,000.00	\$1,900,391.00
27	Hovanwil, Inc. dba Jon's Towing	FSP3470400B27/39	\$2,594,126.00	\$650,000.00	\$ 440,000.00	\$1,090,000.00
28	Hadley Tow	FSP3847300FSP1428	\$2,293,737.00	\$689,000.00	\$ 80,000.00	\$769,000.00
29	Platinum Tow & Transport, Inc.	FSP3470600B29	\$3,012,024.00	\$170,000.00	\$ 175,000.00	\$345,000.00
31	Navarro's Towing	FSP3470700B31/50	\$2,909,952.00	\$735,000.00	\$ 110,000.00	\$845,000.00
33	Mid Valley Towing	FSP2851900FSP1433	\$1,671,437.00	\$1,318,143.00	\$ 280,000.00	\$1,598,143.00
34	South Coast Towing, Inc.	FSP2839600FSP1434	\$1,724,050.00	\$1,544,405.00	\$ 170,000.00	\$1,714,405.00
36	Hadley Tow	FSP2841400FSP1436	\$1,932,125.00	\$1,446,212.00	\$ 235,000.00	\$1,681,212.00
37	Reliable Delivery Service	FSP3696000FSP1437	\$1,898,072.00	\$1,220,000.00	\$ 210,000.00	\$1,430,000.00
38	Steve's Towing	FSP38468001438	\$2,263,556.00	\$796,000.00	\$ 205,000.00	\$1,001,000.00
39	Hovanwil, Inc. dba Jon's Towing	FSP5966400FSPB39	\$2,152,353.00	\$893,000.00	\$ 335,000.00	\$1,228,000.00
42	Platinum Tow & Transport, Inc.	FSP2842100FSP1442	\$1,765,665.00	\$1,206,566.00	\$ 205,000.00	\$1,411,566.00
43	Hollywood Car Carrier	FSP3469400B3/43	\$1,915,326.00	\$1,368,000.00	\$ 250,000.00	\$1,618,000.00
50	Navarro's Towing	FSP3470700B31/50	\$3,283,230.00	\$500,000.00	\$ 130,000.00	\$630,000.00
70	Tip Top Tow	FSP3471300B70	\$3,885,770.00	\$1,828,577.00	\$ 30,000.00	\$1,858,577.00
71	Bob & Dave's Towing, Inc.	FSP3471500B71	\$5,455,123.12	\$1,882,512.00	\$ 50,000.00	\$1,932,512.00
	Totals			\$28,919,130.00	\$ 5,580,000.00	\$34,499,130.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES AND EXPRESS LANES

	Contract No. FSP3469400B3/43	Beat No. 3		
Mod No	Description	Status (Approved or Pending)	Date	Amount
1	Modified contract start date	Approved	5/23/2016	\$ -
2	Add funding and period of performance	Approved	5/19/2019	\$ 191,532.00
3	Add funding and period of performance	Approved	7/25/2019	\$ 849,000.00
4	Service reduction	Approved	4/3/2020	\$ -
5	Add funding and period of performance	Approved	5/21/2020	\$ 240,000.00
6	Add funding and period of performance	Pending	Pending	\$ 245,000.00
	Modification Total:			\$ 1,525,532.00
	Original Contract:			\$ 1,915,326.00
	Total:			\$ 3,440,858.00

	CONTRACT No. FSP3469500B5/17	Beat No. 5		
Mod No.	Description	Status (approved or pending)	Date	Amount
1	Period of Performanace	Approved	6/27/2019	\$ -
2	Add funding and period of performance	Approved	7/25/2019	\$ 320,000.00
3	Service Redcution	Approved	4/3/2020	\$ -
4	Add funding and period of performance	Approved	5/21/2020	\$ 490,000.00
5	Add funding and period of performance	Pending	Pending	\$ 455,000.00
	Modification Total:			\$ 1,265,000.00
	Original Contract:			\$ 1,808,057.00
	Total:			\$ 3,073,057.00

	CONTRACT No. FSP346960B6	Beat No. 6		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of Performance	Approved	6/27/2019	\$ -
2	Add funding and extend period of performance	Approved	7/25/2019	\$ 338,000.00
3	Service reduction	Approved	4/3/2020	\$ -
4	Add funding and extend period of performance	Approved	5/21/2020	\$ 500,000.00
5	Add funding and extend period of performance	Pending	Pending	\$ 320,000.00
	Modification Total:			\$ 1,158,000.00
	Original Contract:			\$ 1,760,238.00
	Total:			\$ 2,918,238.00

	CONTRACT No. FSP3469900B7/11	Beat No. 7		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add period of performance	Approved	4/3/2020	\$ -
2	Service reduction	Approved	4/14/2020	\$ -
3	Add funding and extend period of performance	Pending	Pending	\$ 195,000.00
	Modification Total			\$ 195,000.00
	Original Contract:			\$ 2,891,301.00
	Total			\$ 3,086,301.00

	CONTRACT No. FSP3848100FSP1410	Beat No. 10		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add period of performance	Approved	8/20/2018	\$ -
2	Add fundign and period of performance	Approved	12/27/2018	\$ 171,792.00
3	Add funding and period of performance	Approved	7/25/2019	\$ 610,000.00
4	Service reduction	Approved	4/3/2020	\$ -
5	Service reduction	Approved	7/6/2020	\$ -
6	Add funding and period of performance	Approved	7/21/2020	\$ 320,000.00
7	Extend period of performance by 4 months	Pending	Pending	\$ -
	Modification Total:			\$ 1,101,792.00
	Original Contract:			\$ 1,717,924.00
	Total:			\$ 2,819,716.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES AND EXPRESS LANES

CONTRACT No. FSP3469900B7/11		Beat No. 11		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add period of performance	Approved	4/3/2020	\$ -
2	Service reduction	Approved	4/14/2020	\$ -
3	Add funding and extend period of performance	Pending	Pending	\$ 195,000.00
Modification Total:				\$ 195,000.00
Original Contract:				\$ 2,891,301.00
Total:				\$ 3,086,301.00

CONTRACT No. FSP2826700FSP14		Beat No. 12		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and period of performance	Approved	7/25/2019	\$ 796,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and period of performance	Approved	7/21/2020	\$ 125,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 140,000.00
Modification total:				\$ 1,061,000.00
Original Contract:				\$ 2,312,650.00
Total:				\$ 3,373,650.00

CONTRACT No. FSP3470200B17		Beat No. 17		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and period of performance	Approved	7/18/2018	\$ 241,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and period of performance	Approved	5/21/2020	\$ 475,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 265,000.00
Modification Total:				\$ 981,000.00
Original Contract:				\$ 1,782,209.00
Total:				\$ 2,763,209.00

CONTRACT No. FSP2690300FSP14-18		Beat No. 18		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of performance	Approved	4/18/2015	\$ -
2	Period of performance	Approved	5/16/2019	\$ -
3	Period of performance	Approved	6/14/2019	\$ -
4	Add funding and period of performance	Approved	8/1/2019	\$ 695,000.00
5	Service reduction	Approved	4/3/2020	\$ -
6	Service reduction	Approved	7/20/2020	\$ -
7	Add funding and period of performance	Approved	7/23/2020	\$ 280,000.00
8	Add funding and extend period of performance	Pending	Pending	\$ 365,000.00
Modification Total:				\$ 1,340,000.00
Original Contract:				\$ 2,486,760.00
Total:				\$ 3,826,760.00

CONTRACT No. FSP2836600FSP14-20		Beat No. 20		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and period of performance	Approved	7/18/2019	\$ 211,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add period of performance	Approved	7/29/2020	\$ 200,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 340,000.00
Modification Total:				\$ 751,000.00
Original Contract:				\$ 2,292,530.00
Total:				\$ 3,043,530.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES AND EXPRESS LANES

CONTRACT No. FSP2839000FSP14-21		Beat No. 21		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and period of performance	Approved	7/25/2019	\$ 153,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and period of performance	Approved	7/29/2020	\$ 110,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 25,000.00
Modification Total:				\$ 288,000.00
Original Contract:				\$ 2,292,530.00
Total:				\$ 2,580,530.00

CONTRACT No. FSP2833200FSP14-24		Beat No. 24		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of performance	Approved	5/11/2018	\$ -
2	Period of performance	Approved	8/3/2018	\$ -
3	Add funding and period of performance	Approved	12/21/2018	\$ 175,391.00
4	Add funding and period of performance	Approved	5/17/2019	\$ 330,000.00
5	Period of performance	Approved	8/30/2019	\$ -
6	Period of performance	Approved	9/27/2019	\$ -
7	Period of performance	Approved	10/31/2019	\$ -
8	Period of performance	Approved	11/27/2019	\$ -
9	Add funding and period of performance	Approved	12/6/2019	\$ 275,000.00
10	Service reduction	Approved	4/3/2020	\$ -
11	Add funding and period of performance	Approved	5/12/2020	\$ 580,000.00
12	Addfunding and extend period of performance	Pending	Pending	\$ 130,000.00
Modification Total:				\$ 1,490,391.00
Original Contract:				\$ 1,753,911.00
Total:				\$ 3,244,302.00

CONTRACT No. FSP3470400B27/39		Beat No. 27		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and period of performance	Approved	2/27/2020	\$ 355,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and extend period of performance	Pending	Pending	\$ 440,000.00
Modification Total:				\$ 795,000.00
Original Contract:				\$ 2,594,126.00
Total:				\$ 3,389,126.00

CONTRACT No. FSP3847300FSP1428-28		Beat No. 28		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and period of performance	Approved	7/18/2019	\$ 99,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and period of performance	Approved	7/31/2020	\$ 145,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 80,000.00
Modification Total:				\$ 324,000.00
Original Contract:				\$ 2,293,737.00
Total:				\$ 2,617,737.00

CONTRACT No. FSP3470600B29		Beat No. 29		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Service reduction	Approved	4/3/2020	\$ -
2	Period of performance	Approved	4/17/2020	\$ -
3	Service reduction	Approved	7/2/2020	\$ -
4	Add funding and extend period of performance	Pending	Pending	\$ 175,000.00
Modification Total:				\$ 175,000.00
Original Contract:				\$ 3,012,024.00
Total:				\$ 3,187,024.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES AND EXPRESS LANES

CONTRACT No. FSP3470700B31/50		Beat No. 31		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Service reduction	Approved	4/3/2020	\$ -
2	Add funding and extend period of performance	Approved	5/21/2020	\$ 375,000.00
3	Service reduction	Approved	7/6/2020	\$ -
4	Add funding and extend period of performance	Pending	Pending	\$ 110,000.00
Modification Total:				\$ 485,000.00
Original Contract:				\$ 2,909,952.00
Total:				\$ 3,394,952.00

CONTRACT No. FSP2851900FSP14-33		Beat No. 33		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of performance	Approved	6/12/2018	\$ -
2	Add funding and extend period of performance	Approved	1/9/2019	\$ 167,143.00
3	Add funding and extend period of performance	Approved	5/17/2019	\$ 380,000.00
4	Add funding and extend period of performance	Approved	7/25/2019	\$ 266,000.00
5	Service reduction	Approved	4/3/2020	\$ -
6	Add funding and extend period of performance	Approved	7/23/2020	\$ 180,000.00
7	Add funding and extend period of performance	Pending	Pending	\$ 280,000.00
Modification Total				\$ 1,273,143.00
Original Contract:				\$ 1,671,437.00
Total:				\$ 2,944,580.00

CONTRACT No. FSP2839600FSP1434		Beat No. 34		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of performance	Approved	6/12/2018	\$ -
2	Add funding and extend period of performance	Approved	12/19/2018	\$ 172,405.00
3	Add funding and extend period of performance	Approved	7/25/2019	\$ 607,000.00
4	Service reduction	Approved	4/3/2020	\$ -
5	Add funding and extend period of performance	Approved	7/24/2020	\$ 270,000.00
6	Add funding and extend period of performance	Pending	Pending	\$ 170,000.00
Modification Total:				\$ 1,219,405.00
Original Contract:				\$ 1,724,050.00
Total:				\$ 2,943,455.00

CONTRACT No. FSP2841400FSP14-36		Beat No. 36		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of performance	Approved	6/12/2018	\$ -
2	Add funding and extend period of performance	Approved	12/20/2018	\$ 193,212.00
3	Add funding and extend period of performance	Approved	7/18/2019	\$ 638,000.00
4	Service reduction	Approved	4/3/2020	\$ -
5	Add funding and extend period of performance	Approved	7/31/2020	\$ 105,000.00
6	Add funding and extend period of performance	Pending	Pending	\$ 235,000.00
Modification Total:				\$ 1,171,212.00
Original Contract:				\$ 1,932,125.00
Total:				\$ 3,103,337.00

CONTRACT No. FSP363600FSP1437		Beat No. 37		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and extend period of performance	Approved	7/18/2019	\$ 690,000.00
2	Service reduction	Approved	4/30/2020	\$ -
3	Add funding and extend period of performance	Approved	7/23/2020	\$ 200,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 210,000.00
Modification Total:				\$ 1,100,000.00
Original Contract:				\$ 1,898,072.00
Total:				\$ 2,998,072.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES AND EXPRESS LANES

	CONTRACT No. FSP38468001438	Beat No. 38		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and extend period of performance	Approved	7/18/2019	\$ 106,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and extend period of performance	Approved	7/29/2020	\$ 215,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 205,000.00
	Modification Total:			\$ 526,000.00
	Original Contract:			\$ 2,263,556.00
	Total:			\$ 2,789,556.00

	CONTRACT No. FSP5966400FSP39	Beat No. 39		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and extend period of performance	Approved	7/18/2019	\$ 253,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and extend period of performance	Approved	5/26/2020	\$ 470,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 335,000.00
	Modification Total:			\$ 1,058,000.00
	Original Contract:			\$ 2,152,353.00
	Total:			\$ 3,210,353.00

	CONTRACT No. FSP2842100FSP14-42	Beat No. 42		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Period of performance	Approved	7/10/2018	\$ -
2	Add funding and extend period of performance	Approved	12/18/2018	\$ 176,566.00
3	Add funding and extend period of performance	Approved	7/18/2019	\$ 585,000.00
4	Service reduction	Approved	4/3/2020	\$ -
5	Add funding and extend period of performance	Approved	7/31/2020	\$ 100,000.00
6	Add funding and extend period of performance	Pending	Pending	\$ 205,000.00
	Modification Total:			\$ 1,066,566.00
	Original Contract:			\$ 1,765,665.00
	Total:			\$ 2,832,231.00

	CONTRACT No. FSP3469400B3/43	Beat No. 43		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and extend period of performance	Approved	7/18/2019	\$ 828,000.00
2	Service reduction	Approved	4/3/2020	\$ -
3	Add funding and extend period of performance	Approved	5/21/2020	\$ 300,000.00
4	Add funding and extend period of performance	Pending	Pending	\$ 250,000.00
	Modification Total:			\$ 1,378,000.00
	Original Contract:			\$ 1,915,326.00
	Total:			\$ 3,293,326.00

	CONTRACT No. FSP3470700B31/50	Beat No. 50		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Service reduction	Approved	4/3/2020	\$ -
2	Add funding and extend period of performance	Approved	5/21/2020	\$ 220,000.00
3	Add funding and extend period of performance	Pending	Pending	\$ 130,000.00
	Modification Total:			\$ 220,000.00
	Original Contract:			\$ 3,283,230.00
	Total:			\$ 3,503,230.00

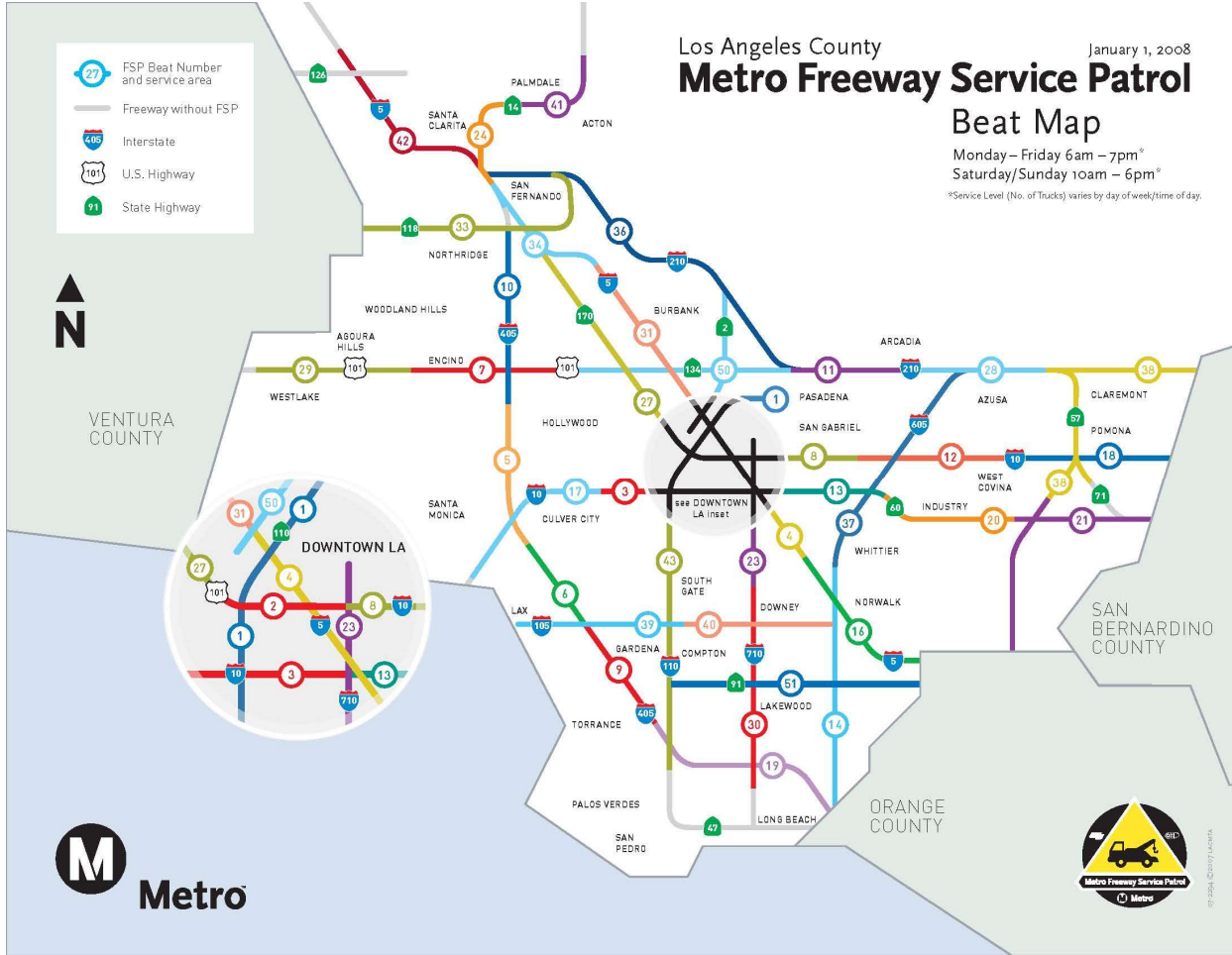
	CONTRACT No. FSP3471300B70	Beat No. 70		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and extend period of performance	Approved	12/18/2018	\$ 388,577.00
2	Add funding and extend period of performance	Approved	7/18/2019	\$ 920,000.00
3	Service reduction	Approved	4/3/2020	\$ -
4	Add funding and extend period of performance	Approved	7/27/2020	\$ 260,000.00
5	Add funding and extend period of performance	Pending	Pending	\$ 30,000.00
	Modification Total:			\$ 1,598,577.00
	Original Contract:			\$ 3,885,770.00
	Total:			\$ 5,484,347.00

CONTRACT MODIFICATION/CHANGE ORDER LOG

METRO FREEWAY SERVICE PATROL
TOWING SERVICES FOR GENERAL PURPOSE LANES AND EXPRESS LANES

	CONTRACT No. FSP3471500B71	Beat No. 71		
Mod No.	Description	Status (Approved or Pending)	Date	Amount
1	Add funding and extend period of performance	Approved	12/18/2018	\$ 480,512.00
2	Add funding and extend period of performance	Approved	7/18/2019	\$ 932,000.00
3	Service reduction	Approved	4/3/2020	\$ -
4	Add funding and extend period of performance	Approved	7/24/2020	\$ 250,000.00
5	Add funding and extend period of performance	Pending	Pending	\$ 50,000.00
	Modification Total:			\$ 1,712,512.00
	Original Contract:			\$ 5,455,123.12
	Total:			\$ 7,167,635.12

Attachment D



DEOD SUMMARY**METRO FREEWAY SERVICE PATROL/VARIOUS BEATS****A. Small Business Participation – Various Beats**

Of the 27 FSP contracts included in this modification, Contractors made Small Business Enterprise (SBE) commitments for 22 Beats, 13 of which are meeting or exceeding their SBE commitment(s) and 10 of which are SBE Primes.

The FSP Contractors for Beats 27, 33, 38, 39 and 71 did not make SBE commitments and have no SBE participation. These contracts were procured prior to the 2016 legislative change to the Public Utilities Code that authorized meeting the SBE goal as a condition of award for non-federal IFB procurements.

The FSP Contractors for Beats 3, 7, 11, 12, 31, 34, 43, 50, and 70 have participation levels below their respective commitment levels and are in shortfall.

For Beats 3 and 43, Disco Auto Sales dba Hollywood Car Carrier, made a 10.20% SBE commitment on each, which are 86% and 100% complete, respectively. Current SBE participation is 0.11% and 0.10%, representing shortfalls of 10.09% and 10.10%. Disco explained that their shortfall is the result of their SBE firm being decertified prior to the execution of a sub agreement. Disco has submitted a shortfall mitigation plan demonstrating their plans to reduce the shortfall. DEOD will continue to monitor the contract to ensure compliance.

For Beats 7 and 11, Girard & Peterson, Inc., made a 4.03% SBE commitment on each, which are 82% and 80% complete, respectively. Current SBE participation is 1.84% and 1.95%, representing shortfalls of 2.19% and 2.08%, respectively. Girard explained that their shortfall is the result of their SBE firm being decertified prior to the execution of a sub agreement. Girard has submitted a shortfall mitigation plan demonstrating their efforts to reduce the shortfall by adding an additional certified firm to the contract. DEOD will continue to monitor the contract to ensure compliance.

For Beats 12 and 70, Classic Tow, Inc., dba Tip Top Tow made a 10.20% SBE commitment for each beat, which are 86% complete for both beats. Current SBE participation is 2.09% and 0.01%, representing shortfalls of 8.11% and 10.19%, respectively. Tip Top Tow explained that their listed SBEs had been decertified prior to subcontract execution for Beat 70 but they have added two (2) SBE subcontractors, as well as reaching out to additional vendors to mitigate their shortfall for both beats. DEOD will continue to monitor the contract to ensure compliance.

For Beats 31 and 50, Navarros Towing, made a 6.00% SBE commitment on each, which are 95% and 82% complete, respectively. Current SBE participation is 0.00% on each, representing a shortfall of 6.00% for each beat. Navarros explained that their shortfall is the result of their SBE firm being decertified prior to executing a sub agreement. Navarros has submitted a shortfall mitigation plan demonstrating their efforts to reduce the shortfall by adding an additional certified fuel supplier/broker. DEOD will continue to monitor the contract to ensure compliance.

For Beat 34, South Coast Towing made an 11.31% SBE commitment. The project is 77% complete. As a result of a correction to its supplier crediting, South Coast Towing has a current SBE participation of 8.29%, representing a shortfall of 3.02%. However, South Coast Towing has indicated that they will increase their spend with the certified supplier, as well as adding an additional certified subcontractor to ensure compliance in meeting their SBE commitment.

Notwithstanding, Metro Project Managers and Contract Administrators will meet bi-monthly with DEOD to review participation levels to ensure that the FSP Contractors are on schedule to meet or exceed their SBE commitments. Additionally, key stakeholders associated with the contract have been provided access to Metro’s online monitoring system to ensure that all parties are actively tracking Small Business progress.

Beat 3 – Disco Auto Sales dba Hollywood Car Carrier

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuels	10.20%	0.00%
2.	Hunter Tires	Added	0.11%
	Total	10.20%	0.11%

Beat 5 – Sonic Towing, Inc.

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment	16.70%	0.00%
2.	Sonic Towing, Inc. (SBE Prime)	-	74.00%
	Total	16.70%	74.00%

Beat 6 – Neighborhood Towing 4U

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment	16.70%	0.00%
2.	Neighborhood Towing 4U, Inc. (SBE Prime)	-	50.37%
	Total	16.70%	50.37%

Beat 7 – Girard & Peterson, Inc.

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	1.45%	0.00%
2.	Buchanan & Associates	1.20%	1.37%
3.	Casanova Towing Equipment	1.38%	0.46%
4.	Oasis Fuels	Added	0.01%
	Total	4.03%	1.84%

Beat 10 – Neighborhood Towing 4 U

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Neighborhood Towing 4 U (SBE Prime)	10.02%	43.72%
2.	AAA Oils, Inc.	Added	4.45%
	Total	10.02%	48.17%

Beat 11 – Girard & Peterson, Inc.

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	1.45%	0.00%
2.	Buchanan & Associates	1.20%	1.39%
3.	Casanova Towing Equipment	1.38%	0.55%
4.	Oasis Fuels	Added	0.01%
	Total	4.03%	1.95%

Beat 12 –Tip Top Tow

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	10.20%	2.06%
2.	Hunter Tires	Added	0.00%
3.	JCM & Associates	Added	0.03%
	Total	10.20%	2.09%

Beat 17 – Sonic Towing, Inc.

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Casanova Towing Equipment	16.70%	0.00%
2.	Sonic Towing (SBE Prime)	-	72.53%
	Total	16.70%	72.53%

Beat 18 – Bob & Dave’s Towing

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Deborah Dyson Electrical	4.95%	8.31%
2.	JCM & Associates	0.07%	0.43%
	Total	5.02%	8.74%

Beats 20 and 21 – Safeway Towing Services, Inc. dba Bob’s Towing

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Bob’s Towing (SBE Prime)	100%	100%
	Total	100%	100%

Beat 24 – T.G. Towing, Inc.

	SBE Subcontractor(s)	% Commitment	% Participation
1.	T. G. Towing, Inc. (SBE Prime)	100%	100%
	Total	100%	100%

Beat 28 – Hadley Tow

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	18.83%	17.88%
2.	Manatek Insurance	2.62%	9.18%
	Total	21.45%	27.06%

Beats 29 and 42 – Platinum Tow & Transport

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Platinum Tow & Transport (SBE Prime)	100%	100%
	Total	100%	100%

Beat 31 – Navarro’s Towing, LLC

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuel	6.00%	0.00%
	Total	6.00%	0.00%

Beat 34 – South Coast Towing, Inc.

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuel	11.31%	8.29%
	Total	11.31%	8.29%

Beat 36 – Hadley Tow

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuel	16.77%	17.22%
2.	Manatek Insurance	2.33%	8.03%
	Total	19.10%	25.25%

Beat 37 – Reliable Delivery Service

	SBE Subcontractor(s)	% Commitment	% Participation
1.	Reliable Delivery Service (SBE Prime)	100%	100%
	Total	100%	100%

Beat 43 – Disco Auto Sales dba Hollywood Car Carrier

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc. dba California Fuel	10.20%	0.00%
2.	Hunter Tires	Added	0.10%
	Total	10.20%	0.10%

Beat 50 – Navarro’s Towing, LLC

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	6.00%	0.00%
	Total	6.00%	0.00%

Beat 70 – Tip Top Tow Service

	SBE Subcontractor(s)	% Commitment	% Participation
1.	AAA Oils, Inc.	10.20%	0.00%
2.	Hunter Tires	Added	0.00%
3.	JCM & Associates	Added	0.01%
	Total	10.20%	0.01%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this contract/modification. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$20.15 per hour (\$14.60 base + \$5.55 health benefits), including yearly increases. The increase may be up to 3% of the total wage, annually. In addition, contractors will be responsible for submitting the required reports for the

Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0108, File Type: Appointment

Agenda Number: 20.

OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE JUNE 17, 2021

SUBJECT: MEMBERSHIP ON METRO'S REGIONAL SERVICE COUNCILS

ACTION: APPROVE NOMINATIONS

RECOMMENDATION

APPROVE nominees for membership on Metro's Gateway Cities, San Fernando Valley, San Gabriel Valley, South Bay Cities and Westside Central Service Councils.

ISSUE

Each Metro Service Council (MSC) is comprised of nine Representatives that serve terms of three years; terms are staggered so that the terms of three of each Council's nine members expire annually on June 30. Incumbent Representatives can serve additional terms if re-nominated by the nominating authority and confirmed by the Metro Board.

BACKGROUND

Metro Service Councils were created in 2002 as community-based bodies tasked with improving bus service and promoting service coordination with municipal and local transit providers. The MSC bylaws specify that Representatives should live in, work in, or represent the region; have a basic working knowledge of public transit service within their region and an understanding of passenger transit needs. To do so, each Representative is expected to ride at least one transit service per month.

The MSC are responsible for convening public hearings to receive community input on proposed service modifications, and rendering decisions on proposed bus route changes considering staff's recommendations and public comments. All route and major service changes that are approved by the MSC will be brought to the Metro Board of Directors as an information item. Should the Metro Board decide to move an MSC-approved service change to an Action Item, the MSC will be notified of this change prior to the next Service Council monthly meeting.

DISCUSSION

The individuals listed below have been nominated to serve by the Councils' appointing authorities for the three-year term of July 1, 2021 through June 30, 2024. If approved by the Board, these

appointments will serve a three-year term. A brief listing of qualifications for the new nominees and the nomination letters from the nominating authorities are provided in Attachments A and B.

For your reference, the 2019 American Community Survey demographics and 2019 Metro Ridership Survey demographics for each region are compared to the membership, should these nominees be appointed, for each region.

Gateway Cities

- A. Danny Hom, Gateway Cities Service Council, Re-Appointment
Nominated by: Gateway Cities Council of Governments
- B. Wally Shidler, Gateway Cities Service Council, Re-Appointment
Nominated by: Gateway Cities Council of Governments
- C. Justin D. Lawson, Gateway Cities Service Council, New Appointment
Nominated by: Gateway Cities Council of Governments

Should these nominees be appointed, the Gateway Cities (GWC) Service Council membership will compare to the region and the region’s ridership as follows:

Region Demographics	Hispanic	White	Asian	Black	Native Amer	Other
GWC Council Region	65.5%	14.9%	9.1%	8.0%	0.2%	2.2%
GWC Region Ridership	66%	6%	3%%	21%	0%	4%
GWC Membership/No.	44.4% / 4	44.4% / 4	11% / 1	0% / 0	0% / 0	0% / 0

The gender makeup of the GWC Service Council will be as follows:

Gender	GWC Membership/No.	Los Angeles County
Male	77.7% / 7	49.7%
Female	22.2% / 2	50.3%

San Fernando Valley

- D. Leslie Aguirre, San Fernando Valley Service Council, Re-Appointment
Nominated by: Los Angeles Mayor Eric Garcetti
- E. David Perry, San Fernando Valley Service Council, Re-Appointment
Nominated by: Los Angeles County Fifth District Supervisor Kathryn Barger
- F. Jess Talamantes, San Fernando Valley Service Council, Re-Appointment
Nominated by: City of Burbank

Should these nominees be appointed, the San Fernando Valley (SFV) Service Council membership

will compare to the region and the region’s ridership as follows:

Region Demographics	Hispanic	White	Asian	Black	Native Amer	Other
SFV Council Region	41.0%	41.1%	11.2%	3.7%	0.1%	2.9%
SFV Region Ridership	63%	13%	9%	9%	1%	5%
SFV Membership/No.	44% / 4	44% / 4	0% / 0	11% / 1	0% / 0	0% / 0

The gender makeup of the SFV Service Council will be as follows:

Gender	SFV Membership/No.*	Los Angeles County
Male	55.5% / 5	49.7%
Female	44.4% / 4	50.3%

San Gabriel Valley

- G. Roger Chandler, San Gabriel Valley Service Council, Re-Appointment
Nominated by: The City of Arcadia
- H. David Diaz, San Gabriel Valley Service Council, Re-Appointment
Nominated by: Los Angeles County First District Supervisor Hilda Solis
- I. Ben Wong, San Gabriel Valley Service Council, Re-Appointment
Nominated by: San Gabriel Valley Council of Governments

Should these nominees be appointed, the San Gabriel Valley (SGV) Service Council membership will compare to the region and the region’s ridership as follows:

Race	Hispanic	White	Asian	Black	Native Amer	Other
SGV Council Region	49.90%	17.40%	27.2%	3.2%	0.2%	2.1%
SGV Region Ridership	67%	8%	13%	8%	1%	4%
SGV Membership/ No.	33% / 3	44% / 4	22% / 2	0% / 0	0% / 0	0% / 0

The gender makeup of the SGV Council will be as follows:

Gender	SGV Membership/No.	Los Angeles County
Male	88.8% / 8	49.7%
Female	22.2% / 1	50.3%

South Bay Cities

- J. Rochelle Mackabee, South Bay Service Council, Re-Appointment
Nominated by: South Bay Council of Governments

K. Donald Szerlip, South Bay Service Council, Re-Appointment
Nominated by: South Bay Council of Governments

L. Richard Montgomery, South Bay Valley Service Council, New Appointment
Nominated by: South Bay Council of Governments

Should these nominees be appointed, the South Bay Cities (SBC) Service Council membership will compare to the region and the region’s ridership as follows:

Region Demographics	Hispanic	White	Asian	Black	Native Amer	Other
SBC Region	44.6%	21.6%	13%	17%	0.2%	3.7%
SBC Region Ridership	64%	5%	6%	22%	1%	3.7%
SBC Membership/No.	33% / 3	11% / 1	22% / 2	22% / 2	0% / 0	11% / 1

The gender makeup of the South Bay Cities Service Council will be is as follows:

Gender	SBC Membership/No.	Los Angeles County
Male	66.6% / 6	49.7%
Female	33.3% / 3	50.3%

Westside Central

M. Martha Eros, Westside Central Service Council, Re-Appointment
Nominated by: Westside Central Council of Governments

N. Elizabeth Medrano, Westside Central Service Council, New Appointment
Nominated by: Los Angeles County Second District Supervisor Holly Mitchell

Should these nominees be appointed, the Westside Central Cities (WSC) Service Council membership will compare to the region and the region’s ridership as follows:

% Region Total	Hispanic	White	Asian	Black	Native Amer	Other
WSC Council Region	42.8%	31.1%	13.3%	9.3%	0.2%	3.3%
WSC Region Ridership	66%	7%	7%	16%	1%	4%
WSC Membership/No.	37.5% / 3	12.5% / 1	12.5% / 1	37.5% / 3	0% / 0	0% / 0

The gender makeup of the Westside Central Cities Service Council will be as follows:

Gender	WSC Membership/No.	Los Angeles County
Male	62.5% / 5	49.7%
Female	37.5% / 3	50.3%

A member of the Westside Central Service Council resigned effective May 12, 2021, which created one (1) vacancy on this Council. The appointing authority is currently recruiting potential replacement candidates and will submit their nomination for approval in the near future.

DETERMINATION OF SAFETY IMPACT

Maintaining the full complement of representatives on each Service Council to represent each service area is important. As each representative is to be a regular user of public transit, and each Council is composed of people from diverse areas and backgrounds, this enables each Council to better understand the needs of transit consumers including the need for safe operation of transit service and safe location of bus stops.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation supports the following Metro Strategic Plan Goal: 30 Enhance communities and lives through mobility and access to opportunity

ALTERNATIVES CONSIDERED

The alternative to approving these appointments would be for these nominees to not be approved for appointment. To do so would result in reduced effectiveness of the Service Councils, as it would increase the difficulty of obtaining the quorum necessary to allow the Service Councils to formulate and submit their recommendations to the Board. It would also result in the Service Councils having less diverse representation of their respective service areas.

NEXT STEPS

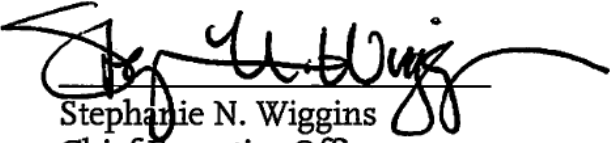
Staff will continue to monitor the major contributors to the quality of bus service from the customer's perspective, and share that information with the Service Councils for use in their work to plan and to implement and improve bus service in their areas and the customer experience using our bus service.

ATTACHMENTS

Attachment A - Nominees Listing of Qualifications
Attachment B - Nomination Letters

Prepared by: Conan Cheung, Sr. Executive Officer, Service Development, Scheduling and Analysis, (213) 418-3034
Dolores Ramos, Transportation Planning Manager, Regional Service Councils, (213) 598-9715

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108



Stephanie N. Wiggins
Chief Executive Officer

NEW APPOINTEES BIOGRAPHIES AND QUALIFICATIONS

Justin D. Lawson, Nominee for Gateway Cities Service Council



Justin D. Lawson is currently employed as a Management Assistant with the City of Los Angeles where he performs budgetary analysis of capital projects within the Cultural and Recreational Facilities Program Prior to joining the City of Los Angeles, Mr. Lawson has held positions as a Transportation Associate with Metro's Diversity and Economic Opportunity Department, as Associated Students Special Projects Coordinator with California State University Fullerton, and as Associate Director for the Executive Office of the Mayor of the District of Columbia.

Mr. Lawson holds a BA in Political Science from California State University Long Beach, and a Master of Public Administration from the University of Southern California's Sol Price School of Public Policy. Mr. Lawson resides in the Wrigley neighborhood of Long Beach with his partner Austin and their French Bulldog Mochi.

Richard Montgomery, Nominee for South Bay Cities Service Council



Richard P. Montgomery is a City of Manhattan Beach Council Member. Councilmember Montgomery has served as President of the Independent Cities Association(2011-2012, 2018- 2019), is a Director of the Sanitation Districts 5 and 7 in Los Angeles County, and is Chair of the Small Craft Harbor Commissioner in Marina Del Rey at the appointment of LA County Supervisor Janice Hahn. He has been on the Beach Cities Toy Drive Board & Manhattan Beach Fireworks Association Board since 2005. Mr. Montgomery was re-elected to the National League of Cities (NLC) Board of Directors in 2019 for a two-year term, which includes a seat on the League of CA Cities Board. Mr.

Montgomery is a board member of the Institute for Local Government (ILG) in the State of California. Finally, Mr. Montgomery is also the 2nd Vice President of the Los Angeles World Airports Community Noise Roundtable.

As of March 2017, Mr. Montgomery is a partner at Riley Media where he guides real estate acquisitions and provides government relations support with local government agencies and elected officials throughout Southern California. Prior to joining Riley Media, Mr. Montgomery was the Real Estate/Government Affairs Manager with Richmont Consulting, a national "outdoor" advertising company in Los Angeles. Montgomery is also a former police officer and resides in Manhattan Beach with his wife Diane.

Elizabeth Medrano, Nominee for Westside Central Cities Service Council



Elizabeth Medrano is a life-long bus rider who became active in the Bus Riders Union as a teenager as a direct result of her rider experience and desire to improve the system for all. She is a consultant, English/Spanish translator, interpreter, transit-dependent mom, and Second District resident. She currently consults for Women Organizing Resources Knowledge and Services (WORKS) around housing rights and community empowerment.


Elizabeth has a long track record of involvement in social and environmental justice work beginning in the mid-1990's; from engaging low-income immigrants, and other communities of color, to address issues such as public transportation, the environment, to working with farmworker women to improve conditions in the fields and advocating for health care coverage and grassroots organizing efforts toward access to food and nutrition in Los Angeles' schools which resulted in several landmark policies.

APPOINTING AUTHORITY NOMINATION LETTERS

Gateway Cities Service Council

SOUTHEAST LOS ANGELES COUNTY

- Artesia
- Avalon
- Bell
- Bellflower
- Bell Gardens
- Cerritos
- Commerces
- Compton
- Cudahy
- Dawney
- Hawaiian Gardens
- Huntington Park
- Industry
- La Habra Heights
- La Mirada
- Lakewood
- Long Beach
- Lynwood
- Maywood
- Monterey Park
- Norwalk
- Paramount
- Pico Rivera
- Santa Fe Springs
- Signal Hill
- South Gate
- Vernon
- Whittier
- County of Los Angeles
- Part of Long Beach



GATEWAY CITIES
COUNCIL OF GOVERNMENTS

April 9, 2021

Mr. Phillip A. Washington, CEO
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

Dear Mr. Washington:


Nominees for the Metro Gateway Cities Service Council

Acting in its capacity as the convening coalition of the Metro Gateway Cities Service Council, the Executive Committee of the Board of Directors of the Gateway Cities Council of Governments has nominated three community members to fill 3 seats expiring on June 30, 2021.

At its regularly scheduled meeting of April 7, 2021, the Gateway Cities Council of Governments Board of Directors nominated Wally Shidler, a current member of the Council, Danny Horn, also a current member of the Council, and Justin Lawson, a community member in the City of Long Beach, to fill the seats expiring June 30, 2021. A copy of the nominee's applications is enclosed.

We would appreciate your assistance in agendizing the nominations for confirmation by the MTA Board of Directors at the next regularly scheduled meeting.

Sincerely,



Nancy Pfeffer
Executive Director

Enclosure

Cc: Ms. Dolores Ramos, Sr. Administrative Analyst, Regional Service Councils

16401 Paramount Boulevard ■ Paramount, California 90723 ■ phone (562) 663-6850 fax (562) 634-8216
www.gatewaycog.org

San Fernando Valley Service Council

CITY OF BURBANK
OFFICE OF THE CITY MANAGER

February 5, 2021

Dolores Ramos
LA Metro
Chief Administrative Analyst
Regional Service Councils
One Gateway Plaza
Los Angeles, CA 90012-2952

Re: Nomination of Burbank Vice Mayor Jess A. Talamantes to the Metro San Fernando Valley Service Council for the term of July 1, 2021-June 30, 2024

Dear Ms. Ramos:

As you know, the term of one of the two San Fernando Valley Service Council seats representing the East Cluster cities of Burbank, Glendale, and San Fernando expires in June of this year. In order to maintain full representation to this important oversight group, I respectfully request that Burbank Vice Mayor Jess A. Talamantes be re-nominated to serve as a member of the Service Council to represent transit riders in the three cities.

This nomination has been discussed with officials from the Cities of Glendale and San Fernando, who agree that Vice Mayor Talamantes is the appropriate person to once again serve on the Service Council.

Thank you for considering our requested nomination. Should you require any further information, please feel free to contact David Kriske in our Community Development Department at 818.238.5269 or via email at dkriske@burbankca.gov.

Sincerely,



Justin Hess
City Manager
City of Burbank

CC: Roubik Golanian, Interim City Manager - City of Glendale
Nick Kimball, City Manager - City of San Fernando



ERIC GARCETTI
MAYOR

April 23, 2021

Ms. Dolores Ramos
Chief Administrative Analyst
One Gateway Plaza
Los Angeles, CA 90012

Ms. Ramos,

I hereby submit the nomination of Ms. Leslie Aguirre to be reappointed as a representative on the San Fernando Valley Service Council, for term ending on June 30, 2024.

I certify that in my opinion Ms. Aguirre is qualified for the work that will devolve upon her, and that I make this appointment solely in the interest of the City.

Please let me know if you need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Garcetti'.

ERIC GARCETTI
Mayor

EG:cl



BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

869 KENNETH HAHN HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012
Tel: 213-974-5555 Fax: 213-974-1010

KATHRYN BARGER
SUPERVISOR, FIFTH DISTRICT

April 22, 2021

Ms. Dolores Ramos
Chief Administrative Analyst
Regional Service Councils
1 Gateway Plaza, MS 99-7-2
Los Angeles, CA 90012

RE: Reappointment of David Perry to the San Fernando Valley Service Council

Dear Ms. Ramos:

This letter serves as my recommendation to reappoint David Perry as my representative to the Los Angeles County Metro San Fernando Valley Service Council.

David resides in the San Fernando Valley and has served as my transportation policy deputy since 2016. In his capacity as my policy deputy, David has gained extensive knowledge and experience in the area of transportation and related issues affecting the San Fernando Valley and the region. He will continue to serve the San Fernando Valley well.

Sincerely,

KATHRYN BARGER
Supervisor, Fifth District

KB:dps

ANTELOPE VALLEY
42455 10th Street West, Suite 104
Lancaster, CA 93534
(661) 728-3600

EAST SAN GABRIEL VALLEY
615 East Foothill Boulevard, Suite A
San Dimas, CA 91773
(909) 394-2264

SAN FERNANDO VALLEY
21943 Plummer Street
Chatsworth, CA 91311
(818) 993-5170

SAN GABRIEL VALLEY
215 N. Marengo Avenue, Suite 120
Pasadena, CA 91101
(626) 356-5407

SANTA CLARITA VALLEY
27441 Tournay Road, Suite 180
Santa Clarita, CA 91355
(661) 287-3657

San Gabriel Valley Service Council



BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

856 KENNETH HAHN HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012
Telephone (213) 974-4111 / FAX (213) 613-1739

HILDA L. SOLIS

CHAIR, BOARD OF SUPERVISORS
SUPERVISOR, FIRST DISTRICT

January 25, 2021

Dolores Ramos, Administrator
Regional Service Councils
1 Gateway Plaza
Los Angeles, CA 90012

Re: Annual Appointments to Metro San Gabriel Valley Service Council

Dear Ms. Ramos,

As the Supervisor for the First District of Los Angeles County, I would like to nominate Mr. David Diaz to the Metro San Gabriel Valley Service Council to serve as the First District's representative from July 1, 2021 through June 30, 2024. You may contact him directly to request all necessary documentation.

David Diaz
david@activesgv.org

Given his extensive experience in transportation, Mr. Diaz can offer informed insight as part of the Service Council. I have full confidence in his ability to represent the First District of Los Angeles County. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Hilda L. Solis".

HILDA L. SOLIS
Supervisor, First District
Chair, Board of Supervisors



City of Arcadia

Dominic Lazzaretto
City Manager

April 14, 2021

Ms. Dolores Ramos
LA Metro
Chief Administrative Analyst
Regional Service Councils
1 Gateway Plaza, MS 99-7-2
Los Angeles, Ca 90012-2952

Dear Ms. Ramos,

I am in receipt of your letter dated January 21, 2021 regarding the annual appointment to the Metro San Gabriel Valley Service Council. I would like to formally resubmit Arcadia Mayor Roger Chandler as our nominee to serve during the July 1, 2021 – June 30, 2024 term.

The City of Arcadia appreciates the work that the Metro Councils perform in determining routes and schedules for commutes throughout the San Gabriel Valley and beyond.

Cordially,

Dominic Lazzaretto
City Manager

cc: Brian Cook, City Manager, City of Temple City
Alma Martinez, City Manager, City of El Monte

240 West Huntington Drive
Post Office Box 60021
Arcadia, CA 91066-6021
(626) 574-5401
(626) 446-5729 Fax
domlazz@ArcadiaCA.gov
www.ArcadiaCA.gov



April 16, 2021

OFFICERS

President
Margaret Clark

1st Vice President
Becky Shevlin

2nd Vice President
Tim Hepburn

3rd Vice President
Ed Reece

Ms. Dolores Ramos
Metro Service Councils
1 Gateway Plaza, MS 99-7-1
Los Angeles, CA 90012

RE: Metro's San Gabriel Valley Service Council Representative

MEMBERS

- Alhambra*
- Arcadia*
- Azusa*
- Baldwin Park*
- Bradbury*
- Claremont*
- Covina*
- Diamond Bar*
- Duarte*
- El Monte*
- Glendora*
- Industry*
- Irwindale*
- La Cañada Flintridge*
- La Puente*
- La Verne*
- Monrovia*
- Montebello*
- Monterey Park*
- Pasadena*
- Pomona*
- Rosemead*
- San Dimas*
- San Gabriel*
- San Marino*
- Sierra Madre*
- South El Monte*
- South Pasadena*
- Temple City*
- Walnut*
- West Covina*
- First District, LA County*
Unincorporated Communities
- Fourth District, LA County*
Unincorporated Communities
- Fifth District, LA County*
Unincorporated Communities
- SGV Water Districts*

Dear Ms. Ramos:

At their April 15, 2021 meeting, the San Gabriel Valley Council of Governments' Governing Board appointed Ben Wong to serve on the San Gabriel Valley Metro Service Council. The effective term will be July 1, 2021 – June 30, 2024. Should you have any questions, please feel free to contact me at (626) 457-1800.

Sincerely,

Marisa Creter
Executive Director
San Gabriel Valley Council of Governments

cc: Ben Wong

San Gabriel Valley Council of Governments
1000 South Fremont Avenue, Unit #42 ♦ Alhambra, California 91803

South Bay Cities Service Council



SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

2355 Crenshaw Blvd., #125
Torrance, CA 90501
(310) 371-7222
sbccog@southbaycities.org
www.southbaycities.org

May 27, 2021

Ms. Dolores Ramos
Chief Administrative Analyst
Metro Regional Service Councils
One Gateway Plaza MS 99-7-1
Los Angeles, CA 90012

Dear Ms. Ramos:

This letter serves as the South Bay Cities Council of Governments (SBCCOG) recommendation to nominate representatives to serve on the South Bay Metro Service Council.

At their May 27, 2021 Board of Directors meeting, the SBCCOG Board approved the following nominees:

- Don Szerlip (incumbent)
- Rochelle Mackabee (incumbent)
- Hon. Richard Montgomery (new appointee) – Manhattan Beach Councilman who can be reached at RMontgomery@citymb.info

These candidates are nominated to serve three-year terms to commence on July 1, 2021 through June 30, 2024.

We respectfully request that the Metro Board appoint these nominees at the June 24, 2021 Metro Board meeting so that they can be seated in July 2021.

Thank you for your attention to this matter.

Sincerely,

Olivia Valentine, Chair
South Bay Cities Council of Governments

LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita
Manhattan Beach Palos Verdes Estates Rancho Palos Verdes Redondo Beach Rolling Hills
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County

Westside Central Service Council



Date: April 8, 2021

To: Dolores Ramos, Chief Administrative Analyst, Metro

From: Cecilia Estolano, WSCCOG Executive Director
Winnie Fong, WSCCOG Project Director

CC: Martha Eros, Transportation Planner, City of Beverly Hills

Subject: Westside Cities COG Nomination to the Metro Westside/Central Service Council

On April 8, 2021, the Westside Cities Council of Governments (WSCCOG) Board voted unanimously to appoint Martha Eros, Transportation Planner (City of Beverly Hills) to continue serving as the WSCCOG representative to the Metro Westside/Central Service Council for a three-year term beginning July 1, 2021 through June 30, 2024. Attached is her letter of interest.

Please accept the WSCCOG's nomination on behalf of the WSCCOG Board. Should you have any questions regarding this matter, please contact the WSCCOG Project Director Winnie Fong at winnie@estolanoadvisors.com or at (213) 612-4545.



BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

866 KENNETH HAHN HALL OF ADMINISTRATION, LOS ANGELES, CA 90012
PHONE: 213-974-2222 | FAX: 213-680-3283

HOLLY J. MITCHELL
SUPERVISOR, SECOND DISTRICT

May 20, 2021

Ms. Dolores Ramos
Chief Administrative Analyst
Metro Regional Service Councils
One Gateway Plaza MS 99-7-1
Los Angeles, CA 90012

Dear Ms. Ramos:

This letter serves as the recommendation to appoint Ms. Elizabeth Medrano to serve as the Second District representative on the Westside Central Service Council for the term of July 1, 2021 - June 30, 2024.

I am confident that Ms. Medrano's knowledge and experience in the fields of transportation and urban planning will serve the Westside Central Service Council well. Elizabeth Medrano is a life-long bus rider, who became active in the Bus Riders Union as a teenager as a direct result of her rider experience and desire to improve the system for all. Today, she is a consultant, English/Spanish translator, interpreter, and transit-dependent mom. She currently consults for Women Organizing Resources Knowledge and Services (WORKS) around housing rights and community empowerment.

Further, Elizabeth has a long track record of involvement in relevant social and environmental justice work beginning in the mid-1990's. From engaging low-income immigrants and other communities of color to address issues such as public transportation and the environment, to working with farmworker women to improve conditions in the fields and advocating for health care coverage, to organizing grassroots efforts for access to nutritional food in Los Angeles' schools which resulted in several landmark policies, she is undoubtedly a strong leader and a perfect fit for this role.

Please let me know if you need any additional information. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "H. Mitchell".

Holly J. Mitchell
Supervisor, Second District

(LO)

LENNOX FIELD OFFICE
4343 LENNOX BLVD.
LENNOX, CA 90304



Board Report

File #: 2021-0274, File Type: Contract

Agenda Number: 21.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE JUNE 17, 2021

SUBJECT: HERBICIDE APPLICATION SERVICES

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP1788370008370, to Conejo Crest Landscape Inc., dba Conejo Crest Landscape Management, the lowest responsive and responsible bidder, to provide weed abatement using herbicide application services. The contract not-to-exceed amount is \$639,701 for the three-year base, and \$459,975 for the one, two-year option, for a combined not-to-exceed amount of \$1,099,676, effective December 1, 2021, subject to resolution of protests(s), if any.

ISSUE

The existing contract for weed abatement using herbicide application services expires November 30, 2021.

To ensure service continuity, safe operations within Metro Rights-of-Ways (ROWs) and facilities, and compliance with State and Local codes and requirements, a new herbicide application services contract award is required effective December 1, 2021.

BACKGROUND

On January 15, 2015, Metro Board of Directors awarded a five-year, firm fixed unit rate Contract No. OP33673325 to Conejo Crest Landscape Management, to provide weed abatement using herbicide application services system-wide.

Under the existing contract, herbicide application services are performed throughout approximately 195 miles of active and inactive Metro owned ROWs. In February 2016 and thereafter, herbicide application services were expanded to include the additional service areas of Metro Bus Operating Division 13, Metro Foothill Extension and Expo Line Phase II.

DISCUSSION

Conejo Crest Landscape Management, Metro's incumbent contractor, has been providing

satisfactory services. Under this new contract, the contractor is required to provide system-wide weed abatement using herbicide application services.

Regular herbicide application services are essential for Metro facilities and ROWs to ensure compliance with State and local codes and requirements, reduce the threat of fires, maintain proper visibility of signals for safe transit operations, prevent wheel slippage, and allow for proper inspection and maintenance with safe and reliable operations.

The Diversity and Economic Opportunity Department (DEOD) established a 7% goal, inclusive of a 4% SBE goal and a 3% DVBE goal. Conejo Crest Landscape Management made a 4% SBE and a 3% DVBE commitment.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure the continuity of safe and timely services, compliance with State and local municipal codes and ordinances, and to meet Metro maintenance standards while providing a proactive approach for service delivery.

FINANCIAL IMPACT

Given Board approval of the FY22 budget funding of \$245,000 is included under cost center 8370 - Facilities Contracted Maintenance Services, account 50308, Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center Manager and Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

The current source of funds for this action are enterprise operating funds including fares and sales tax. Allocation of these funds to this effort maximizes fund use given approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This Board action supports Strategic Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization. Performing regular herbicide application services will ensure providing safe, clean, and reliable operations while enhancing customer experience system wide.

ALTERNATIVES CONSIDERED

Staff considered providing this service through in-house staff; however, this would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates that this is not a cost-effective option for Metro.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. OP1788370008370, with Conejo Crest Landscape Inc, dba Conejo Crest Landscape Management, to provide the necessary herbicide application services system-wide effective December 1, 2021.

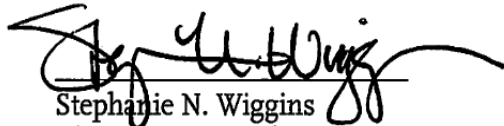
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Errol Taylor, Sr. Executive Officer, Maintenance & Engineering, (Chief Engineer),
(213) 922-3227
Lena Babayan, Deputy Executive Officer, Facilities Contracted Maintenance
Services, (213) 922-6765
Ruben Cardenas, Sr. Manager, Facilities Contracted Maintenance Services,
(213) 922-5932

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


Stephanie N. Wiggins
Chief Executive Officer

**PROCUREMENT SUMMARY
HERBICIDE APPLICATION SERVICES
P1788370008370**

1.	Contract Number: OP1788370008370	
2.	Recommended Vendor: Conejo Crest Landscape Inc. dba Conejo Crest Landscape Management	
3.	Type of Procurement (check one): <input type="checkbox"/> RFP <input checked="" type="checkbox"/> IFB <input type="checkbox"/> IFB-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: January 15, 2021	
	B. Advertised/Publicized: January 17, 2021	
	C. Pre-Proposal/Pre-Bid Conference: January 21, 2021	
	D. Proposals/Bids Due: February 25, 2021	
	E. Pre-Qualification Completed: May 10, 2021	
	F. Conflict of Interest Form Submitted to Ethics: March 9, 2021	
	G. Protest Period End Date: June 21, 2021	
5.	Solicitations Picked up/Downloaded: 15	Bids Received: 4
6.	Contract Administrator: Rommel Hilario	Telephone Number: (213) 922-4654
7.	Project Manager: Shaunt Avanesian	Telephone Number: (213) 922-25931

A. Procurement Background

This Board Action is to approve the award of Contract No. OP1788370008370 to Conejo Crest Landscape Inc. dba Conejo Crest Landscape Management (Conejo Crest), to provide weed abatement using herbicide application services throughout Metro Right-Of-Ways (IROWS), Metro Park & Ride (P&R) Lots, and specific bus and rail facilities.

On January 15, 2021, Invitation for Bids (IFB) No. OP69327-2 was issued as a competitive sealed bid procurement in accordance with Metro's Acquisition Policy. The proposed contract type is firm fixed unit rate. The Diversity and Economic Opportunity Department (DEOD) recommended a 7% goal, inclusive of a 4% Small Business Enterprise (SBE) goal and a 3% Disabled Veteran Business Enterprise (DVBE) goal.

Two amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on January 26, 2021, provided pre-bid conference materials, planholders' list, and prevailing wage information.
- Amendment No. 2, issued on February 17, 2021, extended the bid due date and specified the bid opening date.

A virtual Pre-Bid Conference was held on January 21, 2021. There were no questions received prior to the bid due date.

B. Evaluation of Bids

This procurement was conducted in accordance with and complies with Metro’s Acquisition Policy for a competitive sealed bid. A total of four (bids) were received on February 21, 2021, and are listed below in alphabetical order:

1. Conjeo Crest
2. D’Angelo Brothers, LLC
3. Pest Master Services, Inc.
4. Quality Sprayers, Inc.

Metro’s DEOD Department determined that Pest Master Services, Inc. and D’Angelo Brothers, LLC were non-responsive to the mandatory DVBE goal. Hence, both firms were excluded from further consideration.

The bids of the following remaining firms were reviewed for responsiveness.

1. Conejo Crest
2. Quality Sprayers, Inc.

Areas of responsiveness included meeting the minimum qualification requirements such as years of experience in performing herbicide application services and having the required license, vehicles, (e.g. hi-rail spray truck and one off-track spray truck) and equipment to perform the required services. Both firms were determined to be responsive and qualified to perform the required services based on the IFB requirements.

C. Cost/Price Analysis

The bid price from Conejo Crest has been determined to be fair and reasonable based upon price analysis, independent cost estimate (ICE), and technical analysis.

BIDDER	AMOUNT	METRO ICE	AWARD AMOUNT
Conjeo Crest	\$1,099,676	\$1,938,334	\$1,099,676
Quality Sprayers, Inc.	\$1,372,241		

D. Background on Recommended Contractor

The recommended firm, Conejo Crest, located in Van Nuys, was established in 2005. It offers complete landscape maintenance services for public works, commercial and industrial properties. Conejo Crest has been providing herbicide application services to Metro since 2014 and performance has been satisfactory.

The Conejo Crest team includes Far East Landscape and Maintenance, Inc., a Metro certified SBE firm and IECLT, Inc., a DVBE firm.

DEOD SUMMARY

**HERBICIDE APPLICATION SERVICES
P1788370008370**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 4% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. Conejo Crest Landscape Inc. dba Conejo Crest Landscape Management made a 4% SBE and 3% DVBE commitment.

Small Business Goal	4% SBE 3% DVBE	Small Business Commitment	4% SBE 3% DVBE
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	SBE Subcontractor	% Committed
1.	Far East Landscape and Maintenance, Inc.	4%
	Total SBE Commitment	4%

	DVBE Subcontractor	% Committed
1.	IECLT, Inc.	3%
	Total DVBE Commitment	3%

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0275, **File Type:** Contract

Agenda Number: 22.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
JUNE 17, 2021**

SUBJECT: FIRE-LIFE SAFETY SYSTEMS TESTING, REPAIR AND CERTIFICATION SERVICES

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP72918000 to Link-Nilsen Corp, to provide Fire-Life Safety systems testing, repair and certification services. The contract not-to-exceed amount is \$3,911,744 for the three-year base period, and \$1,990,280 for the one, two-year option, for a combined not-to-exceed amount of \$5,902,024, effective September 16, 2021.

ISSUE

The existing Fire-Life Safety systems testing, repair and certification contract expires September 15, 2021. To continue providing these critical services and ensure compliance with Los Angeles Fire Department (LAFD) Regulation 4 (Reg. 4) and fire/life safety testing mandates, a new contract award is required effective September 16, 2021.

BACKGROUND

On August 25, 2016, Metro Board of Directors awarded a five-year, firm fixed unit rate Contract No. OP5766200 to Link-Nilsen Corp, to provide system-wide annual and five-year testing, calibration, repair, retesting where applicable and certification of water-based fire suppression systems. Services also include as-needed bus simple and complex fire alarm panel and related fire/life safety equipment testing, repair and certification due to the limited resources of Reg. 4 certified testers among Metro personnel.

In January 2017, an additional 484 annual rail wet systems, 136 rail facility elevators and 32 rail auto closing assemblies were added to the contract due to limited Reg. 4 certified testers among Metro personnel and to ensure compliance with the LAFD Reg. 4 and fire/life safety testing requirements.

DISCUSSION

Link Nilsen, Metro's incumbent contractor has been providing satisfactory service. Under this new contract, Link Nilsen is required to continue providing system-wide annual and five-year testing, calibration, repair, retesting where applicable and certification of water-based fire suppressions systems. Simple and complex fire alarm panels and related fire/life safety equipment testing, repair and certification services will be performed on an as-needed basis should there be limited resources of Reg. 4 certified testers among Metro personnel. These services are timely and critical, to ensure compliance with the LAFD Reg. 4 and fire/life safety testing requirements.

The Diversity and Economic Opportunity Department (DEOD) did not recommend a Small/Disabled Veteran Business Enterprise (SBE/DVBE) participation goal for this procurement due to the lack of certified small businesses that perform fire-life safety systems testing and repairs.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure timely testing repair, and certification of the fire/life safety equipment, compliance with the Reg. 4 and fire/life safety mandated testing requirements and guidelines, and the delivery of safe and reliable services to Metro employees and patrons.

FINANCIAL IMPACT

Given Board approval of the FY22 budget, funding of \$1,198,888 is included under cost center 8370 - Facilities Contracted Maintenance Services, account 50308, Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center manager and Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

The current source of funds for this action are Enterprise operating funds including fares and sales tax. Allocation of these funds maximizes their intended use given approved funding guidelines and provisions.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This Board action supports Strategic Goal 5; Provide responsive, accountable, and trustworthy governance within the Metro organization. Providing on-time fire/life safety equipment testing, repair and certification services will ensure compliance with LAFD Reg. 4 and fire/life safety testing requirements while continuing to provide a safe environment for Metro employees and patrons.

ALTERNATIVES CONSIDERED

Staff considered providing this service with in-house staff. This would require the hiring and training of additional certified personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates this is not a cost-effective option for Metro.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. OP72918000 with Link-Nilsen Corp., to provide Reg. 4 and fire-life safety testing, repair and certification services effective September 16, 2021.

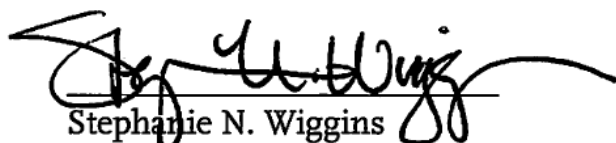
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Errol Taylor, Sr. Executive Officer, Maintenance & Engineering (Chief Engineer), (213) 922-3227
Lena Babayan, Deputy Executive Officer, Facilities Contracted Maintenance Services, (213) 922-6765
Carlos Martinez, Sr. Manager, Facilities Contracted Maintenance Services, (213) 922-6761

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 922-4424
Debra Avila, Chief, Vendor/Contract Management Officer, (213) 418-3051



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

FIRE-LIFE SAFETY SYSTEMS TESTING, REPAIR AND CERTIFICATION SERVICES

1.	Contract Number: OP72918000	
2.	Recommended Vendor: Link-Nilsen Corporation	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: December 16, 2020	
	B. Advertised/Publicized: December 9, 2020	
	C. Pre-Bid Conference: December 22, 2020	
	D. Bids Due: January 19, 2021	
	E. Pre-Qualification Completed: March 25, 2021	
	F. Conflict of Interest Form Submitted to Ethics: February 2021	
	G. Protest Period End Date: June 21, 2021	
5.	Solicitations Picked up/Downloaded: 11	Bids Received: 1
6.	Contract Administrator: Steven Dominguez	Telephone Number: (213) 418-3158
7.	Project Manager: Lew Yonemoto	Telephone Number: (213) 922-6773

A. Procurement Background

This Board Action is to approve the award of Contract No. OP72918000 to Link-Nilsen Corporation to provide system-wide annual and five-year testing, inspection, repair and re-testing of water based fire suppression systems, emergency power systems, elevator testing, simple and complex fire alarm panels, related sensors, systems and fire-life safety equipment.

Invitation for Bid (IFB) No. OP72918 was issued on December 16, 2020 as a competitive sealed bid procurement in accordance with Metro's Acquisition Policy. The proposed contract type is a firm fixed unit rate.

One (1) amendment was issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on December 30, 2020 revised Exhibit A – Scope of Services and Attachment D of Exhibit A – Electronic Device Policy and disseminated the prevailing wage information.

A pre-bid conference was held on December 22, 2020 and was attended by two participants.

Eleven (11) firms, representing nine (9) companies downloaded the IFB and were included on Metro's planholders' list. There were no questions received regarding this solicitation.

Only one (1) bid was received on January 19, 2021.

Metro staff canvassed firms on the planholders' list, including two fire protection contractors, to determine why no other bids were received. The following is a summary of the market survey:

1. Potential bidder is a Metro certified SBE firm but does not have the technical capability and certification required to provide Reg4 testing and certification of fire-life safety systems;
2. Potential bidder was not interested in submitting a bid because they currently have a lot of work; and
3. Six (6) firms on the planholders' list provide contract monitoring services for upcoming bid opportunities

B. Evaluation of Bids

This procurement was conducted in accordance with and complies with Metro's Acquisition Policy for a competitive sealed bid. One (1) bid was received from the bidder listed below:

1. Link-Nilsen Corporation

The firm was determined to be responsive, responsible and qualified to perform the services based on the IFB's requirements.

C. Cost/Price Analysis

The recommended fully burdened unit rates from Link-Nilsen Corporation have been determined to be fair and reasonable based on the independent cost estimate (ICE), cost analysis and technical evaluation.

Bidder Name	Bid Amount	Metro ICE	Award Amount
Link-Nilsen Corporation	\$5,902,024	\$6,032,274	\$5,902,024

D. Background on Recommended Contractor

The recommended firm, Link-Nilsen Corporation (Link-Nilsen), located in Arcadia, CA, has been in business since 1972. Link-Nilsen is a family run business that specializes in inspection, testing and maintenance of existing fire protection systems as well as the design, approval, permit, fabrication and installation of new fire protection systems. Link-Nilsen services a wide range of clients in Southern California including Jet Propulsion Laboratory (JPL), California Institute of Technology (CalTech), University of California, Los Angeles, and University of Southern California. Link-Nilsen has been providing fire-life safety testing and maintenance services to Metro since 1997 and performance has been satisfactory.

DEOD SUMMARY

**FIRE-LIFE SAFETY SYSTEMS TESTING, REPAIR AND CERTIFICATION SERVICES
/ OP72918000**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a DBE goal for this solicitation due to the lack of subcontracting opportunities. Although a DBE goal was not established for this project, Metro will continue to encourage bidders/proposers to outreach to and utilize DBE firms, should potential subcontract opportunities become available.

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0292, File Type: Contract

Agenda Number: 23.

OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE JUNE 17, 2021

SUBJECT: UNLEADED FUEL

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a 36 month, Indefinite Delivery/Indefinite Quantity Contract No. FY75015000 for unleaded fuel to Mansfield Oil Company of Gainesville, Inc., the lowest responsive and responsible bidder, for a two year base, inclusive of sales tax, for a not-to-exceed amount of \$6,128,473, and one one-year option for a not-to-exceed amount of \$3,083,094, for a total not-to-exceed contract amount of \$9,211,567, subject to resolution of protest(s), if any.

ISSUE

Under this Contract, the recommended contractor is required to provide unleaded fuel for Metro's non-revenue vehicles (automobiles, trucks, and vans) in support of Bus & Rail Revenue Operations, Facilities Maintenance, Maintenance of Way, and other support operations. The use of an Indefinite Delivery/Indefinite Quantity Contract provides Metro with fuel on an as-needed basis at prevailing Oil Price Information Services (OPIS) pricing with the application of state and federal taxes and fees associated with unleaded fuel. In an environment where future non-revenue vehicles may come in the form of electric automobiles it is prudent to establish maximum flexibility for fuel demand and delivery. Due to the fluctuation and variability in fuel prices, the total not-to-exceed price is subject to change; however, it will be consistent with the prevailing OPIS pricing per gallon for the Los Angeles Region.

BACKGROUND

Metro has a fleet of automobiles, utility trucks, and vans used to support bus and rail operations. These vehicles are required to provide field supervision, bus operator relief, parts delivery, custodial services, facilities maintenance, maintenance of way, and various project management efforts. The

unleaded fuel is required for these vehicles until such time that they are replaced with alternative fuel or zero emission vehicles in future years. The current vendor for unleaded fuel is Pinnacle Petroleum, however this contract is set to end in June 2021. The new unleaded fuel supplier will work with Metro to ensure a smooth transition as we switch vendors.

DISCUSSION

This Contract will provide up to approximately 2.85 million gallons of unleaded fuel for 36 months at prevailing OPIS pricing. OPIS is a widely accepted fuel price index that is published daily to reflect current market prices in the Los Angeles area for petroleum products. OPIS is a private, independent company with no stake in fuel transactions and is not funded by the oil industry.

In order to minimize the cost effects of Oil Price Information Service (OPIS) price uncertainty for Unleaded Fuel to the Contractor and to Metro for the duration of this Contract, a special price escalation/de-escalation provision has been included into the contract where the Contractor is required to notify and provide documentation of economic price adjustment to Metro within thirty (30) days of any price fluctuation of either at least ten percent (10%) greater than or at least ten percent (10%) less than the daily average OPIS rate.

Since this is a requirements contract, the bid quantities are estimates only, with deliveries to be ordered and released as required. There is no obligation or commitment on the part of Metro to order any or all of the unleaded fuel that is estimated.

DETERMINATION OF SAFETY IMPACT

There is no impact on safety standards for Metro.

FINANCIAL IMPACT

Given Board approval of the FY22 budget, funding of \$1,599,179 for this service will be included in account 50405 Fuel Non-Rev. Equipment, within multiple bus and rail cost centers and their respective Enterprise Fund operating projects.

Since this is a multi-year Contract, the cost center managers and Chief Operations Officer will be responsible for budgeting the cost in future years, including any option exercised.

Impact to Budget

The FY22 source of funds for this procurement is from Enterprise operating funds. The source of funds will be Federal, State, and Local funds including sales tax and fares that are eligible for bus and rail operations. Allocating these funds to this effort maximizes fund use given approved

funding guidelines and provisions..

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended contract award supports Metro Vision 2028 Strategic Goal 5: Provide responsive, accountable, and trustworthy governance; Initiative 5.2- Metro will exercise good public policy judgement and sound fiscal stewardship. The approval of this contract will ensure that Metro's non-revenue vehicle assets are effectively and efficiently deployed to support Bus & Rail Revenue Operations, Facilities Maintenance, Maintenance of Way; and in these efforts generate maximum value to our customers who ride public transit.

ALTERNATIVES CONSIDERED

The alternative is to not award the contract and to instead, purchase unleaded fuel on the spot market. This approach is not recommended since it does not provide for a fixed discount on price or a commitment from the supplier to ensure availability and delivery on a timely basis.

NEXT STEPS

Upon approval, staff will execute Contract No. FY75015000 to Mansfield Oil Company of Gainesville, Inc. effective July 1, 2021, to provide unleaded fuel for Metro's non-revenue fleet in support of Bus and Rail operations.

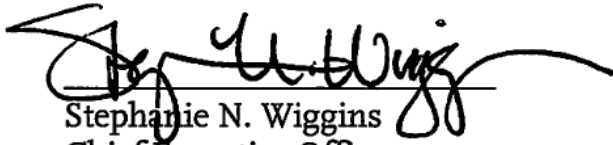
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Otto Ojong, Sr. Mgr., Contract Administration, (213) 922-1454
Daniel Ramirez, Division Maintenance Supt., (213) 922- 5797

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



Stephanie N. Wiggins
Chief Executive Officer



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

ATTACHMENT A

PROCUREMENT SUMMARY

UNLEADED FUEL CONTRACT NO. FY75015000

1.	Contract Number: FY75015000	
2.	Recommended Vendor(s): Mansfield Oil Company of Gainesville, Inc.	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 3/10/2021	
	B. Advertised/Publicized: 3/5/21, 3/11/21	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 4/19/21	
	E. Pre-Qualification Completed: 5/11/21	
	F. Conflict of Interest Form Submitted to Ethics: 4/26/21	
	G. Protest Period End Date: (15 Calendar Days after Notification of Intent to Award) 6/18/21	
5.	Solicitations Picked up/Downloaded: 12	Bids/Proposals Received: 5
6.	Contract Administrator: Lorretta Norris	Telephone Number: (213) 922-2632
7.	Project Manager: Dan Ramirez	Telephone Number: (213) 922-5797

A. Procurement Background

This Board Action is to approve Contract No. FY75015000 for the procurement of unleaded gasoline in support of Metro’s non-revenue fleet vehicles. Contract award is subject to resolution to any properly submitted protest.

The IFB was issued in accordance with Metro’s Acquisition Policy and the contract type is an Indefinite Delivery, Indefinite Quantity (IDIQ).

Six amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on March 16, 2021, to update Metro’s standard terms and conditions, and revise the bid price form;
- Amendment No. 2, issued on March 30, 2021, to update Metro’s standard terms and conditions, and revise the bid price form;
- Amendment No. 3, issued on April 1, 2021, to revise the critical due dates;
- Amendment No. 4, issued on April 6, 2021, to update exhibit package and provide OPIS report;
- Amendment No. 5, issued on April 9, 2021, to revise the critical due dates;
- Amendment No. 6, issued on April 12, 2021, to revise the critical due dates, revise the bid price form, and provide OPIS report.

A total of five bids were received on April 19, 2021. One bid was deemed non-responsive.

B. Evaluation of Bids

This procurement was conducted in accordance and complies with Metro's Acquisition Policy for a competitive sealed bid. There were four bids that were deemed responsive and responsible to the IFB requirements.

The recommended firm, Mansfield Oil Company of Gainesville, Inc., the lowest responsive and responsible bidder was found to be in full compliance in meeting the bid and technical requirements of the IFB.

C. Price Analysis

The recommended bid price from Mansfield Oil Company of Gainesville, Inc., has been determined to be fair and reasonable based upon adequate price competition, Independent Cost Estimate (ICE), historical purchases and selection of the lowest responsive and responsible bidder.

Bidder's Name	Total Bid Amount	Metro ICE
Mansfield Oil Company of Gainesville, Inc.	\$9,211,567.00	\$10,101,300.00
Merrimac Petroleum, Inc.	\$9,221,391.00	
AAA Oil, Inc.	\$9,223,007.00	
Pinnacle Petroleum, Incorporated	\$9,785,189.00	

D. Background on Recommended Contractor

The recommended firm, Mansfield Oil Company of Gainesville, Inc., is headquartered in Gainesville, Georgia and has been in the petroleum business for over 60 years. Mansfield Oil Company of Gainesville, Inc., has provided the same and similar products to other agencies including Southern California Regional Rail Authority (Metrolink), San Francisco Bay Area - Water Emergency Transportation Authority, San Mateo County Transit, City of Stockton (CA), Dysart Unified School District, Santa Clara Valley Transportation Authority and numerous other agencies.

DEOD SUMMARY

UNLEADED FUEL / CONTRACT NO. FY75015000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not established a Disadvantaged Business Enterprise (DBE) goal for this solicitation due to the lack subcontracting opportunities. Although a DBE goal was not established for this project, Metro will continue to encourage bidders/proposers to outreach and utilize DBE firms, should potential subcontract opportunities become available.

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0276, File Type: Contract

Agenda Number: 27.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE June 17, 2021

SUBJECT: ELEVATOR AND ESCALATOR MAINTENANCE SERVICES

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Modification No. 10 to Contract No. OP710100003367 with Mitsubishi Electric USA, Inc. (MEUS), to continue performing comprehensive preventative maintenance, inspections and repairs of elevators and escalators along with their associated systems and equipment. Modification No. 10 is to exercise the one, two-year option in the amount of \$32,592,290, increasing the total contract value from \$76,732,083.65 to \$109,324,373.65 and extending the period of performance from November 1, 2021 to October 31, 2023.

ISSUE

The existing contract five-year base period expires October 31, 2021. To ensure service continuity providing safe, comprehensive preventative maintenance, inspections and repairs of elevators and escalators along with their associated systems and equipment throughout Metro facilities, excluding Metro Gateway Headquarters and Union Station East Portal, which are covered under a separate maintenance contract, a contract modification is required effective November 1, 2021.

BACKGROUND

On August 25, 2016, Metro Board of Directors authorized the Chief Executive Officer to award a firm fixed unit rate Contract No. OP710100003367 for comprehensive elevator and escalator maintenance, inspection, and repair services, with MEUS, for a five-year base period and one, two-year option, effective November 1, 2016.

DISCUSSION

Under the existing contract, MEUS has been providing satisfactory services performing elevator and escalator maintenance, inspections, and as-needed repairs. A systematic preventive maintenance program and timely repair of the equipment is necessary to meet the State code requirements and provide a safe and reliable vertical transportation system to Metro patrons.

Contractor responsibilities have expanded to include nine (9) elevators and four (4) escalators for a total of 13 additional units at Metro B Line (Red) Universal City Station Pedestrian Bridge, North Hollywood Station, Crenshaw/LAX Division 16, and Location 64. The updated number of transit and non-transit units maintained under this contract is 173 elevators and 139 escalators for a total of 312 units system-wide, excluding Metro Gateway Headquarters and Union Station East Portal which are covered under a separate maintenance contract.

Under this contract, the contractor has been providing enhanced cleanliness services for the escalator steps and elevator hoistway glass and pits, to improve units' overall conditions. State-of-good repair refurbishment projects have been an integral part of this contract performing elevator flooring replacement for approximately \$2,010,000, corrosion damage repairs to hoistway entrances and platforms for \$1,900,000, and escalator step tread replacement for approximately \$430,000.

Additional as-needed services will continue to repair damages caused by water intrusion, vandalism, and misuse of units, and replace obsolete parts and upgrade existing equipment. This is necessary to ensure service reliability, maintain a state of good repair and remain in compliance with State code requirements.

The annual average Key Performance Indicator (KPI) for Metro's transit 139 elevators and 139 escalators exceeds 99%. Elevator and escalator annual average KPI measures units' availability while verifying contractor's responsiveness and ability to maintain the units in operation. Units' availability is calculated taking into consideration all downtime for inoperable units reported to Metro due to scheduled maintenance or unplanned downtime caused by misuse of units, vandalism, and/or technical matters.

As part of this contract, terms for liquidated damages are included and designed to minimize equipment downtime, provide an incentive for the contractor to respond and perform timely repairs in accordance with contract requirements, and keep the units in operation. Liquidated damages are also applicable for failure to repair a unit after repeated calls for the same problem and excessive equipment downtime.

This comprehensive elevator and escalator maintenance contract is critical to Metro's operations to ensure service continuity, sustain high levels of equipment availability and reliability, and minimize equipment downtime and impact on riders. The elevators and escalators throughout Metro's transit system play a vital role in riders' access, especially for mobility impaired patrons.

The Diversity and Economic Opportunity Department (DEOD) established a 7% Small Business Enterprise (SBE) goal and a 3% Disadvantage Veteran Business Enterprise (DVBE) goal for this contract. MEUS made a commitment of 7.51% for SBE and 3.05% for DVBE. The project is 80% complete and the current SBE participation is 8.21%, exceeding the commitment by 0.70%, and the current DVBE participation is 3.02%, representing a 0.03% shortfall. MEUS is working DEOD and has identified additional resources to mitigate the DVBE shortfall, with an anticipation to be on target with their community by the end of May 2021.

DETERMINATION OF SAFETY IMPACT

The approval of this item will provide continuity of maintenance services for the elevators and escalators throughout Metro's transit system, ensure compliance with State code requirements, and sustain high levels of equipment availability, in an effort to continue delivering safe, on-time, and reliable access to our patrons.

FINANCIAL IMPACT

Given Board approval of the FY22 budget, funding of \$15,869,294 is included under cost center 8370 - Facilities Contracted Maintenance Services, account 50308, Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center manager and Sr. Executive Officer, Maintenance and Engineering will be accountable for budgeting the cost in future years.

Impact to Budget

The current source of funds for this action are Enterprise operating funds including fares and sales tax. Allocation of these funds maximizes their intended use given approved funding guidelines and provisions.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This board action supports Strategic Goal 1) Provide high-quality mobility options that enable people to spend less time traveling, and Strategic Goal 2) Deliver outstanding trip experiences for all users of the transportation system. Specifically, the system-wide elevator and escalator maintenance contract ensures the continuity of meeting the State mandated regulations and critical maintenance needs necessary to provide safe, clean, timely, and reliable services.

ALTERNATIVES CONSIDERED

Staff considered providing this service through Metro in-house staff. This would require the hiring of State certified technical personnel, the purchase of parts, equipment, vehicles, supplies, and the acquisition of warehouse space to inventory long lead parts and supplies. Establishing an in-house maintenance capability would require years to develop and be very challenging for Metro to consistently attract, train, and retain a sufficient number of certified employees to perform the work within this highly competitive industry. Staff's assessment indicates that this is not a cost-effective option for Metro.

NEXT STEPS

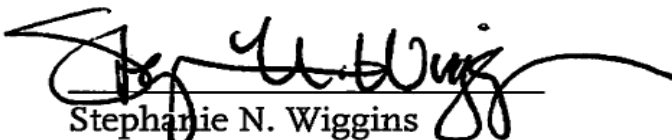
Upon approval by the Board, staff will execute Modification No. 10 to Contract No. OP710100003367 with MEUS, for comprehensive preventative maintenance, inspections, repairs, and cleaning of elevators and escalators along with their associated systems and equipment, excluding Metro Gateway Headquarters and Union Station East Portal, which are covered under a separate maintenance contract, effective November 1, 2021.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Errol Taylor, Sr. Executive Officer, Maintenance & Engineering (Chief Engineer),
(213) 922-3227
Lena Babayan, Deputy Executive Officer, Facilities Contracted Maintenance
Services, (213) 922-6765
Carlos Martinez, Sr. Manager, Facilities Contracted Maintenance Services, (213)
922-6761

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


Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

ELEVATOR/ESCALATOR MAINTENANCE / OP710100003367

1.	Contract Number: OP710100003367		
2.	Contractor: Mitsubishi Electric US, Inc. (MEUS)		
3.	Mod. Work Description: Exercise one, two-year option		
4.	Contract Work Description: To provide comprehensive preventative maintenance, inspection and repair of elevators and escalators along with their associated systems and equipment throughout Metro facilities, excluding Metro Gateway Headquarters and Union Station East Portal.		
5.	The following data is current as of: 4/29/21		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	11/1/16	Contract Award Amount: \$75,077,960
	Notice to Proceed (NTP):	N/A	Total of Modification Approved: \$1,654,124
	Original Complete Date:	10/31/21	Pending Modification (including this action): \$32,592,290
	Current Est. Complete Date:	10/31/23	Current Contract Value (with this action): \$109,324,374
7.	Contract Administrator: Rommel Hilario		Telephone Number: (213) 922-4654
8.	Project Manager: Carlos Martinez		Telephone Number: (213) 922-6761

A. Procurement Background

This Board Action is to approve Modification No. 10 to Contract No. OP710100003367 with Mitsubishi Electric, USA, Inc. to exercise the one, two-year option term to continue to provide comprehensive preventative maintenance, inspection and repair of elevators and escalators along with their associated systems and equipment throughout Metro facilities, excluding Metro Gateway Headquarters and Union Station East Portal.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate.

Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost/Price Analysis

The recommended price for the one two-year option has been determined to be fair and reasonable based on rates that were established and evaluated as part of the competitive contract award in 2016. Price analysis revealed that negotiated rates are lower than current market rates for similar services. Therefore, exercising the one, two-year option is in the best interest of Metro.

Proposed Amount	Metro ICE	Award Amount
\$32,592,290	\$32,592,290	\$32,592,290

CONTRACT MODIFICATION/CHANGE ORDER LOG

ELEVATOR AND ESCALATOR MAINTENANCE SERVICES / OP710100003367

Mod. No.	Description	Date	Amount
1.	Increase contract authority due to the addition of two escalator units at the Universal City Pedestrian Bridge.	10/13/17	\$ 291,657.12
2.	Increase contract authority due to the addition of two escalator units at the North Hollywood Station.	1/31/18	\$ 255,199.98
3.	Increase contract authority due to the addition of three escalator units at the Universal City Pedestrian Bridge.	11/11/18	\$ 210,718.97
4.	Increase contract authority due to the addition of two elevator units at the North Hollywood Station.	8/1/2019	\$ 413,321.82
5	Increase contract authority to provide funding for two escalator units at the Universal City Pedestrian Bridge to cover maintenance services for years 3 and 4 of the base term.	10/1/19	\$ 311,225.76
6	Increase contract authority to cover maintenance services of four additional elevator units (2 units at Location 64 and 2 units at Division 16); and discontinue maintenance services on two (2) escalator units (1 unit at Location 61 and one unit at MGL Willowbrook/Rosa Parks).	12/9/19	\$ 172,000.00
7	Amend the Statement of Work to revise invoice submittal requirements.	6/18/20	\$ 0.00
8	Amend the Statement of Work to require the submission of Contractor's employee timesheets as supporting documentation for invoices.	1/12/21	\$ 0.00
9	Amend the Statement of Work to require the submission of maintenance records/reports on inoperable units.	5/11/21	\$ 0.00
10	Exercise Two-Year Option	PENDING	\$ 32,592,290.00
	Modification Total:		\$ 1,654,123.65
	Original Contract:	08/25/16	\$ 75,077,960.00
	Total Contract Value:		\$ 109,324,373.65

DEOD SUMMARY

ELEVATOR/ESCALATOR MAINTENANCE SERVICES/OP710100003367

A. Small Business Participation

Mitsubishi Electric US, Inc. Elevator and Escalator Division (MEUS) made a 7.51% Small Business Enterprise (SBE) and 3.05% Disabled Veteran Business Enterprise (DVBE) commitment for this contract. The project is 80% complete and the current SBE participation is 8.21%, which exceeds the commitment by 0.70%. The current DVBE participation is 3.02%, representing a 0.03% shortfall.

MEUS explained that to mitigate the DVBE shortfall, they have identified additional shifts for the DVBE mechanic to perform. MEUS further explained that they anticipate being on target with their commitment by the end of May 2021 and will continue to monitor the monthly progress to ensure they stay on track with meeting the commitments on this contract. Metro staff will request MEUS submit an update to its mitigation plan if the firm is not on track to meet its small business commitments.

Notwithstanding, Metro Project Managers and Contract Administrators will work in conjunction with DEOD to ensure that MEUS remains on schedule to meet or exceed its SBE/DVBE commitments. Additionally, key stakeholders associated with the contract have been provided access to Metro's online monitoring system to ensure that all parties are actively tracking Small Business progress.

Small Business Commitment	SBE 7.51% DVBE 3.05%	Small Business Participation	SBE 8.21% DVBE 3.02%
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	SBE Subcontractors	% Committed	Current Participation¹
1.	Elevators Etc. LP	2.78%	2.78%
2.	Lift Solutions, Inc.	0.06%	0.79%
3.	Elite Escalator, Inc.	1.85%	1.82%
4.	Excelsior Elevator Corporation	2.82%	2.82%
	Total	7.51%	8.21%

	DVBE Subcontractors	% Committed	Current Participation¹
1.	Vintage Elevator Services, Inc.	3.05%	3.02%
	Total	3.05%	3.02%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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

Approve Contract Modification

Elevator and Escalator Maintenance Services



Elevator & Escalator Maintenance Services

Contract Overview

- On August 25, 2016, Metro Board of Directors approved a firm fixed unit rate Contract No. OP10100003367 to Mitsubishi Electric USA (MEUS)
- Contract effective start date: November 1, 2016

CONTRACT TERM	CONTRACT VALUE
Five-Year Base	\$76,732,083.65
One, Two-Year Option	\$32,592,290
Total of Seven Years	\$109,324,373.65

- MEUS provides comprehensive preventative maintenance, inspections and repairs for elevators, escalators and their associated systems and equipment
- Currently there are 173 elevators and 139 escalators for a total of 312 units maintained under this contract
- Elevators and escalators within Gateway Building & Union Station E. Portal are maintained under a separate contract
- The five-year base period expires October 31, 2021

Elevator & Escalator Maintenance Services

DEOD Goal

GOAL	SBE	DVBE
DEOD Goal	7%	3%
MEUS Commitment	7.51%	3.05%
MEUS Participation To-date	8.21%	3.02%

- MEUS exceeded the SBE commitment
- MEUS is working closely with DEOD where additional resources have been identified to mitigate the DVBE shortfall of 0.03, and anticipated to be on target during this month



Elevator & Escalator Maintenance Services

Contractor's Performance

- MEUS has been performing satisfactorily, providing elevator and escalator preventative maintenance, inspections, elevator pit and hoistway glass cleaning, escalator step cleaning and as-needed repairs
- Additional services include State of Good Repair (SGR) projects:
 - ✓ Elevator floor replacement for 66 Units at ~\$2M
 - ✓ Corrosion damage repairs to elevator hoistway entrances and platforms for 34 units at \$1.9M
 - ✓ Escalator step tread replacement for ~\$430,000

Other repairs are performed due to damages caused by water intrusion, vandalism and misuse of units, as well as replacement of obsolete parts and equipment upgrade



Before

**A Line
Willowbrook-Rosa Parks Station
Elevator Floor Replacement**



After

Elevator & Escalator Maintenance Services

Contractor's Performance

- Key Performance Indicator (KPI) measures units' availability based on downtime for inoperable units reported to Metro due to:
 - ✓ Scheduled preventative maintenance
 - ✓ Unplanned downtime due to vandalism, misuse of units and mechanical and/or aging unit failure
- KPIs also validate contractor's responsiveness and ability to maintain the units in operation
- Metro actual KPIs for the transit elevators and escalators exceed 99%

FY 21 KPI	ELEVATORS	ESCALATORS
Goal	99.38	99.06
Actual	99.40	99.39

Elevator & Escalator Maintenance Services

Cost Analysis to Exercise the One, Two-Year Option

- The rates were evaluated and negotiated as part of the competitive contract award in 2016
- Price analysis performed indicates rates are lower than current market rates for similar services

ITEM	SYSTEM-WIDE CONTRACT AWARDED AUGUST 2016	USG BLDG. & US E. PORTAL CONTRACT AWARDED MARCH 2021
Total Units	312	33
Elevators	173	26
Escalators	139	7
Avg. Cost/Unit	\$3,137	\$3,587
12.5% Cost Savings		

Further Improvements to Enhance Customer Experience

- ✓ Improve escalator step cleaning frequency from bi-annual to a quarterly service
- ✓ Install cameras inside elevators to mitigate broken glass, fire hazard and other vandalism related activities, and improve safety and overall conditions

**Board Report**

File #: 2021-0357, **File Type:** Contract**Agenda Number:** 28.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
JUNE 17, 2021****SUBJECT: INFRASTRUCTURE PROTECTION SERVICES****ACTION: APPROVE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 8 to Contract No. PS560810024798 with RMI International, Inc. (RMI) to continue providing existing infrastructure protection services, increase the not-to-exceed contract value by \$15,000,000 from \$105,453,758 to \$120,453,758, and extend the period of performance from October 1, 2021 to March 31, 2022.

ISSUE

The existing contract will expire on September 30, 2021. In order to continue the existing infrastructure protection services at Metro stations, parking lots/structures, and critical infrastructures, Contract Modification No. 8 is required. This modification will also allow time for System Security and Law Enforcement (SSLE) to conduct a comprehensive evaluation of Metro's existing infrastructure protection service requirements and consult with the newly formed Public Safety Advisory Committee (PSAC) in the development of the revised scope of services resulting in a new solicitation.

BACKGROUND

RMI provides critical infrastructure protection services at selected locations of the regional Metro System to protect Metro assets and to prevent unlawful entry into secured areas, which if breached can disrupt Metro Operations and put Metro staff at risk. In order to continue to provide preventative physical security at Metro stations, parking lots/structures, and critical infrastructures, and to increase visible protection presence at bus/rail maintenance facilities consistent with industry best practices, Contract Modification No. 8 is required. Metro staff will continue to manage all areas being patrolled and guarded by RMI in an effort to deter and detect threats, mitigate security risks while minimizing costs wherever possible.

DISCUSSION

Under this contract, RMI provides infrastructure protection services at selected locations of the regional Metro System, including rail and bus lines, stations, transit facilities, parking lots, construction sites, bus and rail operating divisions, and maintenance facilities. It also provides additional protection services on an as-needed basis for special events and emergencies.

DETERMINATION OF SAFETY IMPACT

This Board action will not have any negative impact on establishing safety standards.

FINANCIAL IMPACT

The increase requested is to modify the current contract value from \$105,453,758 to \$120,453,758. The funding is included in the FY22 Adopted Budget (\$23.7M) aligned to System Security & Law Enforcement within cost center 2612, Account 50399 and extend the current contract period of performance for an additional six (6) month term on the current multi-year contract. At the termination of the contract extension, it is anticipated the new Request for Proposal (RFP) and award for Infrastructure Protection Services will be in place commencing April 1, 2022.

Impact to Budget

The FY22 Adopted Budget includes \$23.7 million allocated for contract services in Cost Center 2612, Account 50399 and multiple operating projects. The source of funds for this contract modification will be local operating funds including Proposition A, C, TDA, Measure R, and Measure M taxes. These funds are eligible for Bus and Rail operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goal 2.1 of committing to improving security. To achieve this goal, Metro will rely on a multi-layered, integrated security program that comprises of plans, organizing, equipment, training, exercises, technology, public awareness, and regional partnerships and collaborations.

ALTERNATIVES CONSIDERED

Alternatives to this staff recommendation is not recommended because Metro currently does not have internal resources to provide the necessary level of staffing needed to safeguard its critical infrastructures and the assets and, employees at those locations. Further, discontinuation of the current levels of protection services will significantly increase known security risks related to crime, security breaches, and acts of terrorism.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 8 to Contract No. PS560810024798 with RMI International, Inc., to continue to provide infrastructure protection services to the end of the extended contract term.

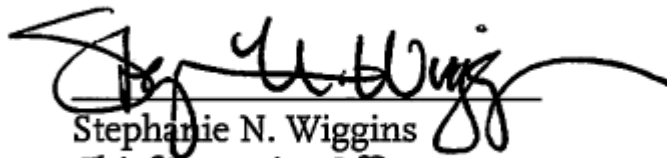
ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification / Change Order Log

Attachment C - DEOD Summary

Prepared by: Cathryn Banuelos, Chief Administrative Analyst, System Security and Law Enforcement Officer, (213) 922-7650

Reviewed by: Judy Gerhardt, Chief System Security and Law Enforcement Officer, (213) 922-4811
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Stephanie N. Wiggins
Chief Executive Officer

**PROCUREMENT SUMMARY
SECURITY GUARD SERVICES/PS560810024798**

1	Contract Number: PS560810024798		
2	Contractor: RMI International, Inc.		
3	Mod. Work Description: Increase contract authority and six-month extension		
4	Contract Work Description: Security Guard Services		
5	The following data is current as of: May 12, 2021		
6	Contract Completion Status		Financial Status
	Contract Awarded:	9/27/2016	Contract Award Amount: \$81,944,840
	Notice to Proceed (NTP):	N/A	Total of Modifications Approved: \$23,508,918
	Original Complete Date:	9/30/2021	Pending Modifications (including this action): \$15,000,000
	Current Est. Complete Date:	3/31/22	Current Contract Value (with this action): \$120,453,758
7	Contract Administrator: Aielyn Dumaua		Telephone Number: (213) 922-7320
8	Project Manager: Judy Gerhardt		Telephone Number: (213) 922-4811

A. Procurement Background

This Board Action is to approve Modification No. 8 to Contract No. PS560810024798 to RMI International, Inc. for infrastructure protection services at selected locations of the regional Metro System which includes rail and bus lines, stations, transit facilities, parking lots, construction sites, bus and rail operating divisions and maintenance facilities.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate.

In September 2016, the Board approved a five-year contract to RMI International, Inc. to provide infrastructure protection services.

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

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on price analysis and are subject to Metro's living wage rates.

Proposed Amount	Metro ICE	Award Amount
\$15,000,000	\$15,000,000	\$15,000,000

ATTACHMENT B

**CONTRACT MODIFICATION/CHANGE ORDER LOG
SECURITY GUARD SERVICES/PS560810024798**

Mod. No.	Description	Status (approved or pending)	Date	\$ Amount
1	Clarified basis for payment of billable overtime work and holiday hours	Approved	9/27/2016	\$ 0
2	Increase contract value due to unanticipated living wage adjustment for FY17/18	Approved	7/1/2017	\$5,108,918
3	Revised fully burdened hourly labor as a result of unanticipated living wage rate adjustments for FY18/19	Approved	7/1/2018	\$ 0
4	Change in deployment	Approved	1/25/2019	\$ 0
5	Updated list of subcontractors and issued applicable living wage rates for FT 19/20	Approved	7/1/2019	\$ 0
6	Increased contract value to cover increased security guard presence and living wage rate adjustments	Approved	2/1/2020	\$18,400,000
7	Updated list of subcontractors	Approved	10/12/2020	\$ 0
8	Increase contract authority and extend period of performance by six months	Pending	Pending	\$15,000,000
	Modification Total:			\$38,508,918
	Original Contract:			\$81,944,840
	Total:			\$120,453,758

DEOD SUMMARY

SECURITY GUARD SERVICES/PS560810024798

A. Small Business Participation

RMI International, Inc (RMI) made a 33.20% Disadvantaged Business Enterprise (DBE) commitment. Based on payments reported, the contract is 99.75% complete and the current DBE participation is 30.27%, representing a 2.93% shortfall.

According to RMI's 2020 Shortfall Mitigation plan, RMI intent was to increase the work for DBE firms, Allied Protection Services and American Eagle, and to become compliant in meeting their DBE commitment within the 2020 calendar year, RMI indicated that the primary concern for all contractors on this contract is staffing and manpower. RMI contends that during the 4th quarter of 2020, all vendors began to experience negative guard staff retention and on-boarding numbers as a direct result of the COVID-19 pandemic. As such, RMI indicated their need to fulfill the service hours that its subcontractors were unable to meet, to support the operational needs of METRO. Metro DEOD staff met with Allied and American Eagle, who both stated that they continue to recruit to increase their level of staffing and RMI further indicated that they are looking to add additional sites to their subcontractors to increase the level of participation.

RMI reported that it is meeting with its DBE subcontractors bi-weekly to discuss their operations. RMI explained that steps are being taken to increase their level of participation and remain committed to reducing the shortfall. RMI was requested to submit an updated shortfall mitigation plan outlining how it will reduce the shortfall post-COVID conditions. Metro staff will continue to track DBE utilization and meet with the Project Manager and RMI to ensure all feasible remedies are explored to meet the commitment.

Small Business Commitment	DBE 33.20%	Small Business Participation	DBE 30.27%
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	DBE Subcontractors	Ethnicity	% Committed	Current Participation¹
1.	Allied Protection Services, Inc.	African American	13.44%	1.64%
2.	North American Security and Investigations, Inc.	Hispanic American	5.96%	16.59%

3.	Security America, Inc. (<i>substituted due to voluntary withdrawal</i>)	Hispanic American	13.80%	9.37%
4.	American Eagle Protective Services	African American Female	Added	2.62%
5.	Absolute Security International, Inc.	Asian Pacific Female	Added	0.05%
Total DBE Participation			33.20%	30.27%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Contracting Outreach and Mentoring Plan (COMP)

RMI International Inc. is mentoring (3) DBE protégés: Allied Protection Services, North American Security & Investigations, and Absolute Security International, Inc.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Living Wage Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this contract/modification. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$20.15 per hour (\$14.60 base + \$5.55 health benefits), including yearly increases. The increase may be up to 3% of the total wage, annually. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

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.



Board Report

File #: 2021-0279, **File Type:** Contract

Agenda Number:

**REVISED
CONSTRUCTION COMMITTEE
JUNE 17, 2021**

SUBJECT: CONSTRUCTION SUPPORT SERVICES FOR SOUNDWALL CONSTRUCTION

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE a cost-plus fixed fee Contract No. PS68345MC079 with Prescience Corporation to provide Construction Support Services for I-210 Soundwall Package 10 and I-710 Soundwall Packages 2 and 3, in an amount Not-to-Exceed \$6,614,868 for a period of performance of 3 years, plus two (2) one-year options (\$826,000 each year) that may be exercised in the future subject to resolution of properly submitted protest(s); and
- B. NEGOTIATE and execute individual Contract Work Orders and Contract Modifications up to the authorized Not-to-Exceed amount.

ISSUE

A Construction Support Services Consultant (CSSC) is required to assist Metro Program Management staff's direct oversight of I-210 Soundwall Package 10 and I-710 Soundwall Packages 2 and 3 (respectively known as Early Action Improvement Project (EAIP) I-710 South Corridor projects). These projects include new soundwalls and aesthetic treatments to existing soundwalls to match the new walls. Construction support services will be provided from final design through pre-construction activities, construction, contract close out, and administration of the construction contracts, and will help to ensure compliance with contract requirements and government regulations.

BACKGROUND

Soundwalls are noise barriers built between a noise generator and a sensitive receptor, such as a residential community, to reduce the level of noise transmitted from the generator to the receptor. The soundwall projects are located within Caltrans and City right of way and generally consist of construction of a 14 -foot tall masonry block wall supported on CIDH pile foundations or occasionally

on spread footing foundations, grade beams or barrier rail concrete sections. Additionally, these projects may include retaining walls, drainage systems, concrete deck slab placement and paving, striping, elevated signage poles, utility relocation, traffic control and landscaping. The stated objectives of the projects are to reduce or eliminates outside noise, create a quieter, calm, composed environment inside an enclosed environment.

DISCUSSION

I-210 SOUNDWALL PACKAGE 10 - This project consists of constructing soundwalls along I-210 freeway from west of Marengo Avenue Overcrossing to Wilson Avenue in the City of Pasadena, constructing soundwalls from Baldwin Avenue to Santa Anita Avenue in the City of Arcadia, and constructing soundwalls on SR-134 East of Cahuenga Blvd near Arcola Street. This construction project consists of approximately 8,690 linear feet of sound wall. Soundwall installation attenuate high noise levels in neighborhoods adjacent to the freeway.

I-710 SOUNDWALL PACKAGE 2 - This project consists of constructing new and improving existing soundwalls within Caltrans' right of way in the Cities of Bell Gardens, Commerce, Compton, East Los Angeles, and Long Beach. This project consists of approximately 2,713 linear feet of new soundwalls and 19,367 linear feet of aesthetic treatment of existing soundwalls.

I-710 SOUNDWALL PACKAGE 3 - This project consists of constructing 4,131 linear feet of new soundwalls, 4,750 linear feet of aesthetic treatment of existing soundwalls and 13,376 linear feet of existing soundwalls to be replaced. Soundwall Package 3 is located south of SR-91 in Caltrans' right of way in the City of Long Beach. The existing walls will be aesthetically treated to match the new soundwalls being constructed.

The projects within the scope of this contract are all design-bid-build projects. As such, it is beneficial to have additional reviews of the technical bid documents by a consultant team to minimize risks to Metro during construction. The CSSC consultant will provide review support of the technical bid documents, administration, oversight and inspection services during construction and technical support during the close out phases of the project. The CSSC consultant will provide skilled individuals to assist Metro with the construction management of the project. The consultant team will reside in an integrated project field office with Metro staff.

A Contract Work Order (CWO) will be issued for each project. Each CWO will include negotiated direct labor, indirect cost rates, general and administrative expenses (if applicable), fixed fee, and negotiated hours for the level of effort to match the work. The CWOs will be funded from the existing project budgets. Staff shall ensure that strict project controls are in place prior to approving and issuing each CWO, and will closely monitor the Consultant's budget, incurred costs, and schedules. No funds are obligated until the CWO is approved.

Prescience Corporation, a Prime, exceeded the goal by making a 64.06% SBE goal and 3.95% DVBE commitment, see Attachment B. DEOD will actively monitor the consultant and their subcontracting plan to ensure the awarded party will uphold their commitment to the SBE/DVBE goals during the Contract.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety

FINANCIAL IMPACT

The projects under this scope are funded on a fiscal year basis. I-210 Soundwall Package 10, I-710 Soundwall Package 2 and I-710 Soundwall Package 3 projects are funded under project numbers 460323, 463416 and 463516, respectively, within Cost Center 8510. The I-210 Soundwall Package 10 project has a 2015 board approved LOP. The CSSC contract work scope would be planned and funded on an annual basis within Board approved project budgets until Life of Project Budgets are established for each project.

Since this is a multi-year contract/project, the Project Manager, Cost Center Manager and the Executive Officer, Program Management will be responsible for budgeting costs in future fiscal years.

IMPACT TO BUDGET

The source of funds for this recommendation is Measure R Highway Capital (20%) Funds, which are not eligible for bus or rail operations. No other funds were considered.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project is consistent with the following Metro Vision 2028 Goals and Objectives:

Goal 1: Providing high-quality mobility options and improve transit efficiency;

Goals 4 and 5: Transforming LA County through regional collaboration with Caltrans and the corridor cities by contributing funds and providing resources to assist Caltrans in completion of these projects

ALTERNATIVES CONSIDERED

The Board could direct Metro staff to perform construction support tasks with current in-house resources. However, this alternative is not recommended, as it would require diversion of staff resources from on-going projects and would require the hiring of multiple full-time personnel that are not immediately available or funded.

NEXT STEPS

After Board approval of the recommended action, staff will complete the process to award and execute Contract No. PS68345MC079.

ATTACHMENTS

Revised Attachment A - Procurement Summary
Attachment B - DEOD Summary

Prepared _By

Prepared by:

Sapana Shah, Senior Construction Manager, Program Management (213) 418-3162

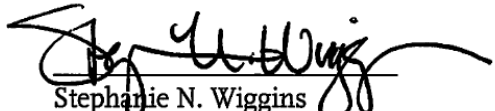
Paul Sullivan, Deputy Executive Officer, Program Management (213) 922-4958

Brad Owen, Executive Officer, Program Management (213) 418-3143

Reviewed by:

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

Bryan Pennington, Chief Program Management Officer (Interim), Program Management (213) 922-7447



Stephanie N. Wiggins
Chief Executive Officer

DEOD SUMMARY

**CONSTRUCTION SUPPORT SERVICES FOR SOUNDWALL CONSTRUCTION /
CONTRACT NO. PS68345MC079**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 27% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. Prescience Corporation, a Small Business Prime, exceeded the goal by making a 64.06% SBE and 3.95% DVBE commitment.

Small Business Goal	27% SBE 3% DVBE	Small Business Commitment	64.06% SBE 3.95% DVBE
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	SBE Subcontractors	% Committed
1.	Prescience Corporation (SBE Prime)	43.89%
2.	SouthStar Engineering & Consulting, Inc.	12.20%
3.	ZT Consulting Group, Inc.	7.97%
	Total SBE Commitment	64.06%

	DVBE Subcontractors	% Committed
1.	Leland Saylor Associates	3.95%
	Total DVBE Commitment	3.95%

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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

PROCUREMENT SUMMARY

**CONSTRUCTION SUPPORT SERVICES
CONTRACT NUMBER PS68345MC079**

1.	Contract Number: PS68345MC079	
2.	Recommended Vendor: Prescience Corporation	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: Feb 26, 2020	
	B. Advertised/Publicized: February 26, 2020 (Vendor Portal) / February 28, 2020 (Periodicals of General Circulation)	
	C. Pre-Proposal Conference: March 24, 2020 – Conference Cancelled	
	D. Proposals Due: April 16, 2020	
	E. Pre-Qualification Completed: June 25, 2020	
	F. Conflict of Interest Form Submitted to Ethics: April 21, 2020	
	G. Protest Period End Date: June 22, 2021	
5.	Solicitations Picked up/Downloaded: 92	Proposals Received: 3
6.	Contract Administrator: Vanessa Vingno	Telephone Number: 213-922-7574
7.	Project Manager: Sapana Shah	Telephone Number: 818-435-7759

A. Procurement Background

This Board Action is to approve Contract No. PS68345MC079, Construction Support Services Contract, for multiple Highway improvement projects that involves new construction and improvement of Soundwalls at various locations along the I-210 and I-710 freeway. The Work will be authorized by individual Contract Work Order by individual projects. Award of the Contract is subject to the resolution of any timely protest.

The RFP was issued in accordance with Metro’s Acquisition Policies and Procedures. The contract type is a Cost Plus Fixed Fee (CPFF) for a term of three (3) years plus 2 one year options. A pre-proposal conference was scheduled on March 24, 2020 and was cancelled in accordance with the California Governor Executive Order N-33-20 related to COVID-19. Ninety two (92) individuals from various firms picked up or downloaded the RFP Package.

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

- Amendment No. 1, issued on March 3, 2020, to revise the percentage in the Evaluation Criteria, add additional Scope of Service, and delete an outdated Reporting and Invoicing instruction.
- Amendment No. 2, issued on March 10, 2020, to revise SP-19 Right to Review Clause. Adding the paragraph from the Scope of Services to the correct section.

- Amendment No. 3, issued on March 16, 2020, to cancel the Pre-proposal Conference due to Covid-19.
- Amendment No. 4, issued March 19, 2020, to revise Letter of Invitation and Submittal Requirements, allowing electronic submission and removing the notary requirement.
- Amendment No. 5, issued April 7, 2020, to revise Letter of Invitation adding detailed proposal by email instructions.

A total of three (3) proposals were received on April 16, 2020, from the following firms, in alphabetical order:

1. ABA Global, Inc.
2. Biggs Cardosa and Associates
3. Prescience Corporation

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro Program Management was convened and conducted a comprehensive evaluation of the proposals received.

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

- Experience and Capabilities of Firms on the Team..... (20%)
 - Experience and Capabilities of Individuals in The Team (20%)
 - Effectiveness of Management Plan..... (20%)
 - Project Understanding and Approach..... (25%)
 - Cost Proposal (15%)
- Total 100%

The evaluation criteria are appropriate and consistent with criteria developed for other professional services procurements. Several factors were considered when developing the weightings, giving the greatest importance to the Project Understanding and Approach.

During the months of April and May 2020, the PET evaluated the three (3) written proposals. Of the three (3) proposals received, two (2) were determined to be within the competitive range. The two (2) firms within the competitive range are listed below in alphabetical order:

1. Biggs Cardosa and Associates
2. Prescience Corporation

The Proposals from ABA Global, Inc was outside the competitive range and excluded from further consideration because (1) its initial overall score was marginal (63.72); (2) ABA Global did not meet the mandatory SBE/DVBE goals and was deemed non-responsive. ABA Global, Inc. intended to propose as an SEB Prime, however they were not SBE certified.

On May 13, 2020, Metro held a virtual Oral Presentations with two (2) proposing firms. In the interest of time, oral presentations were held before the determination of whether or not the proposers were responsive to the SBE/DVBE goals.

This procurement was subject to Metro's Medium-Sized Business Enterprise (MSZ) Program and was solicited as such. ABA Global, Inc. and Biggs Cardosa Associates identified themselves as MSZ firms. Only Biggs Cardosa was responsive to the mandatory SBE/DVBE goal. Prescience is the certified SBE firm. According to Letter of Invitation (LOI), LACMTA will consider bids/proposals from other size firms that non-MSZ only in the event LACMTA does not receive more than one responsive and responsible MSZ bid/proposal.

Qualifications Summary of the responsive firm within the Competitive Range:

Prescience Corporation

- The Proposal demonstrate an excellent level of experienced personnel that significantly exceeds the RFP requirements. Key personnel demonstrate experience on highway and freeway projects, has sufficient commitment and availability for the project.
- The Proposal demonstrate an excellent schedule and cost control implementation methods on carrying out their management plan.
- The Prime consultant and Subconsultants have a wide range of construction management experience on Caltrans projects. Each firm demonstrates a thorough understanding and knowledge of the complexity of similar projects.
- The Proposal demonstrate a complete understanding of the scope of services in accordance with the requirements of RFP. The project team shows a comprehensive understanding of the project goals, resources, schedules, project challenges and issues.

The Proposal Evaluation Team (PET) ranked (2) proposals within the competitive range. The evaluation was based on the evaluation criteria in the RFP, and assessed major strengths, weaknesses, and associated risks of each of the

proposers to determine the most advantageous firm. The final scoring was based on evaluation of the written proposal, as supported by an oral presentation, and clarifications received from the Proposer. The result of the final scoring is shown below:

1	Firm	Average Score	Factor Weight	Weighted Average Score*	Rank
2	Prescience Corporation				
3	Experience and Capabilities of Firms on the Team	95.11	20%	19.02	
4	Experience and Capabilities of Individuals on the Team	94.33	20%	18.87	
5	Effectiveness of Management Plan	97.11	20%	19.42	
6	Project Understanding and Approach	90.53	25%	22.63	
7	Cost Proposal**	100.00	15%	15.00	
8	Total		100.00%	94.94	1
9	Biggs Cardoso and Associates				
10	Experience and Capabilities of Firms on the Team	92.33	20%	18.47	
11	Experience and Capabilities of Individuals on the Team	95.44	20%	19.09	
12	Effectiveness of Management Plan	93.44	20%	18.69	
13	Project Understanding and Approach	93.07	25%	23.27	
14	Cost Proposal**	79.47	15%	11.92	
15	Total		100.00%	91.43	2

* Weighted scores are rounded to the nearest second decimal point.

**Cost proposals were based on the Proposers' rates for the provided level of effort of 64,690 hours in the Staffing Plan. Scores shown above for the cost proposals are based on formula in the RFP highest score going to the lowest cost proposal.

C. Cost/Price Analysis

Metro staff performed a cost analysis of the responsive proposals, establish a negotiation plan, and commence with negotiations. The final negotiated amounts complied with all requirements of Metro Procurement Policies and Procedures, including fact-finding, clarifications, and cost analysis. To prevent delay in contract

award, provisional indirect cost rates will be established subject to retroactive adjustments upon completion of any necessary audits. The negotiated costs were determined to be fair and reasonable.

Proposer: Prescience Corporation			
Contract Duration	Proposal Amount	Metro ICE	NTE Funding Amount
Base Period – 3 Years	\$6,614,868 ⁽¹⁾	\$14,385,260 ⁽²⁾	\$6,614,868
Option Year 1	\$2,114,742 ⁽¹⁾		
Option Year 2	\$842,481 ⁽¹⁾		

- (1) The proposal amount is based on the Metro established staffing plan. The Consultant’s overall cost for labor, overhead, fees, and other elements were lower for the three years.
- (2) The amount \$14,385,260 is the Independent Cost Estimate (ICE) for 3-year base Period of the Contract. After the RFP was issued, Project Management determined that the Level of Effort will be reduced by approximately 25% because Metro will be utilizing Metro employees.

D. Background on Recommended Contractor

Prescience Corporation, is located at Aliso Viejo, CA, and was established 2013. A certified Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE), Prescience has coordinated and managed the construction of more than \$40 million in public works and capital improvement projects over the past five years. Prescience’s key personnel have over two decades in experience in construction support services and highway projects. A number of these projects being similar in scope to the soundwall includes: I-580 Corridor Widening, Edinger Bridge Replacement, SR-210: Segments 9, 10 and 11 (New 6-Lane Freeway Construction), I-10 EB Truck Lane and I-10 WB Median Lane Widening.



Board Report

File #: 2021-0325, File Type: Contract

Agenda Number: 31.

REVISED
CONSTRUCTION COMMITTEE
JUNE 17, 2021

SUBJECT: METRO PILOT CRENSHAW/LAX TRANSIT PROJECT BUSINESS SOLUTION CENTER

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 4 to Contract No. PS2890900 with Del Richardson & Associates, Inc. (DRA) for the continuation of professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for twelve months, inclusive of two, 3-month option periods, in an amount not to exceed \$219,070 (\$110,723 for the base six (6) months; \$56,835 for Option Period 1, and \$51,512 for Option Period 2), increasing the total contract value from \$1,531,125 to \$1,750,195; and
- B. INCREASE the Contract Modification Authority (CMA) specific to Contract No. PS2890900 in the amount of \$100,000 increasing the total CMA amount from \$100,000 to \$ 200,000 for additional support services related to BSC implementation.

ISSUE

On July 24, 2014, Metro’s Board of Directors issued Motion 79 that authorized the CEO to establish a Metro Pilot Business Solution Center (BSC) to provide hands-on case management services and business assistance to small businesses along the Crenshaw Corridor. Metro has continued to provide direct, immediate, hands-on technical assistance to small and micro businesses along the Crenshaw/LAX corridor through the contracted professional services of Del Richardson & Associates, Inc.

The authorization of Modification No. 4 to Contract No. PS2890900 supports the ongoing implementation of the BSC as approved by Metro’s Board of Directors, ensuring that small businesses are supported through construction of the Crenshaw/LAX Transit Project.

DISCUSSION

The Pilot BSC program has been operational for over six years since the Board of Directors authorized the establishment of the program. As a result of Metro staff and the contracted program administrator's efforts, more than 400 businesses within the Crenshaw and Inglewood communities have been contacted and more than 300 small businesses have been served by the BSC. Recognizing that Metro's BSC provides critical support through immediate, hands-on business development, technical assistance and referrals to partnering business resource providers to small businesses along the corridor during the term of construction of the Crenshaw/LAX Transit Project, ongoing operations are necessary.

Following is a summary of the BSC support services outcomes as of Q1 2021:

Total number of businesses contacted:	479
Number of businesses completing intake/ assessment:	363
Number of referrals to resource providers and/or services:	1145

Metro and the BSC program administrator will continue to collaborate and identify focused support services and program activities for small businesses engaged in the BSC; and Metro staff will continue to provide proactive oversight and assessment of the pilot program and the Contractor during the final term of the center's operations.

DETERMINATION OF SAFETY IMPACT

Approval of this recommendation will not impact the safety of Metro's patrons or employees.

FINANCIAL IMPACT

The administrative cost for the implementation of the program is allocated from Measure R Administration funds. Funds for FY21 are currently budgeted in Cost Center 0691 Non-Departmental Procurement Project Number 100055, Project Name - Admin-Measure R Task 06.02. Furthermore, Vendor/Contract Management has requested the necessary funds in the submitted FY22 budget request, which is currently under review, in support of program activities within the aforementioned cost center, project and task.

Impact to Budget

Measure R Administration funds were previously identified as eligible for this expense through prior Board of Directors authorization and approval. The annual appropriation of the funding source does

not impact transit operations and/or capital projects/programs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The implementation of the Crenshaw/LAX Pilot Business Solution Center aligns to strategic goal 3 - enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

1. Not executing Modification No. 4 to Contract No. PS2890900. Staff is not recommending this alternative because it will affect Metro's ability to continue to provide the identified services to small and micro businesses along the Crenshaw Corridor during the remaining term of construction of the Crenshaw/LAX Transit Line.
2. Utilizing Metro staff to operate the Pilot BSC. This alternative is not recommended, because Metro does not have the required staffing availability or dedicated resources to operate the Pilot BSC.

NEXT STEPS

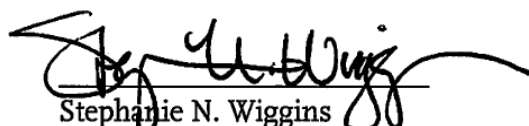
Upon Board approval, staff will execute Modification No. 4 to Contract No. PS2890900 with Del Richardson and Associates, Inc. to continue supporting the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project BSC.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Kyle Wagner, Manager (Interim), DEOD, (213) 418-3333
Michael Flores, Director (Interim), DEOD, (213) 922-6387
Miguel Cabral, Executive Officer, DEOD, (213) 418-3270

Reviewed by: Debra Avila, Chief Vendor/Contract Management (213) 418-3051


Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

METRO PILOT CRENSHAW/LAX TRANSIT PROJECT
BUSINESS SOLUTION CENTER/ PS2890900

1.	Contract Number: PS2890900		
2.	Contractor: Del Richardson & Associates, Inc.		
3.	Mod. Work Description: Professional services to continue support for the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC)		
4.	Contract Work Description: Professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project BSC		
5.	The following data is current as of: 5/3/21		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	10/27/2016	Contract Award Amount: \$849,008
	Notice to Proceed (NTP):	11/03/2016	Total of Modifications Approved: \$682,117
	Original Complete Date:	11/02/2018	Pending Modifications (including this action): \$219,070
	Current Est. Complete Date:	07/03/2022	Current Contract Value (with this action): \$1,750,195
7.	Contract Administrator: Lily Lopez		Telephone Number: (213) 922-4639
8.	Project Manager: Kyle Wagner		Telephone Number: (213) 418-3336

A. Procurement Background

This Board Action is to approve Contract Modification No. 4 issued for the continuation of professional services to support the ongoing implementation of the Metro Pilot Crenshaw/LAX Transit Project Business Solution Center (BSC) for up to an additional twelve (12) months with focus on supporting businesses for transition and/or referral to existing service providers for ongoing business assistance and development.

This Contract Modification was processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed price.

On October 27, 2016, the Board awarded a two-year, firm fixed price Contract No. PS2890900 to Del Richardson & Associates, Inc. to operate the Metro Pilot Crenshaw/LAX Transit Project BSC.

Three modifications have been issued to date.

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

B. Price Analysis

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate (ICE), technical analysis, a price analysis, fact finding, and negotiations.

Proposal Amount	Metro ICE	Negotiated Amount
\$557,597	\$99,290	\$219,070

The ICE was based on an estimate from the current level of effort and projected levels to be performed during the remaining term of the Pilot BSC. However, the ICE underestimated the anticipated level of effort required, increased market rates and did not account for the two, three-month option periods.

CONTRACT MODIFICATION/CHANGE ORDER LOG
METRO PILOT CRENSHAW/LAX TRANSIT PROJECT
BUSINESS SOLUTION CENTER/ PS2890900

Mod. No.	Description	Status	Date	\$ Amount
1	Continuation of services and extension of period of performance (POP) through May 6, 2019.	Approved	10/31/2018	\$100,000
2	Addition of DVBE subcontractor and extension of POP through July 2, 2019.	Approved	04/18/2019	\$0
3	Ongoing implementation of the BSC and extension of POP through July 3, 2021.	Approved	06/27/2019	\$582,117
4	Ongoing implementation of the BSC and extension of POP through July 3, 2022 (12-month inclusive of 2 three-month options).	Pending	Pending	\$219,070
	Modification Total:			\$901,187
	Original Contract:		11/03/2016	\$849,008
	Total:			\$1,750,195

DEOD SUMMARY

**METRO PILOT CRENSHAW/LAX TRANSIT PROJECT BUSINESS SOLUTION
CENTER/PS2890900**

A. Small Business Participation

Del Richardson & Associates, Inc., a Small Business Prime, made a 62.37% Small Business Enterprise (SBE) and a 3.09% Disabled Veteran Business Enterprise (DVBE) commitment for this contract. Based on payments reported, the contract is 71.70% complete and the current SBE participation is 63.61% and the current DVBE participation is 4.04%. Del Richardson & Associates, Inc. is exceeding both the SBE commitment and the DVBE commitment by 1.24% and 0.95%, respectively.

Del Richardson & Associates, Inc. also reported that subcontractor engagement was halted due to the COVID-19 pandemic, but work was scheduled to resume in June 2021. As such, the Prime stated that it will continue to either meet or exceed its commitments by the end of contract term.

Small Business Commitment	SBE 62.37% DVBE 3.09%	Small Business Participation	SBE 63.61% DVBE 4.04%
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	SBE Subcontractor	Committed %	Current Participation¹
1.	Del Richardson & Associates (SBE Prime)	62.37%	63.61%
	Total SBE Participation	62.37%	63.61%

	DVBE Subcontractors	Committed %	Current Participation¹
1.	Intelligent Technology Integration Solutions, LLC (It Is, LLC)	3.09%	2.72%
2.	Servexo	Added	1.32%
	Total DVBE Participation	3.09%	4.04%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

A review of the current service contract indicates that the Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) was not applicable at the time of award. Therefore, the LW/SCWRP is not applicable to this modification.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0355, File Type: Program

Agenda Number: 33.

CONSTRUCTION COMMITTEE JUNE 17, 2021

SUBJECT: NEW ENHANCEMENTS TO METRO'S MEDIUM-SIZE BUSINESS ENTERPRISE PROGRAM AND SMALL BUSINESS ENTERPRISE PROGRAM

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

APPROVE:

- A. New Medium Size Business Program Enhancements;
- B. Increase of Small Business Prime limits for competitively negotiated procurements;
- C. Community Level Contracting Program Concept; and
- D. Pursuit of Letters of Agreement with the County of Los Angeles, Los Angeles Community College District, the City of Los Angeles, Los Angeles Unified School District, Metrolink, and Los Angeles World Airports for them to officially accept Metro's SBE Certification and pursue reciprocity agreements with BART and VTA since they have similar requirements for certification.

ISSUE

On January 28, 2021, the Board passed Motion 51 (Directors Dupont-Walker, Hahn, Mitchell, Butts, Najarian and Solis) requesting a report back in April 2021 on strategies to create new pathways for the increase and continued access to contracting opportunities for Small Business Enterprises (SBEs) and Medium-Size Business Enterprises (MSZs) through the enhancement of Metro's MSZ and SBE Programs. Subsequently, the Board directed staff to report back in June with program recommendations for Board consideration with an implementation timeline.

BACKGROUND

Metro's current Small Business Enterprise (SBE) goal program has aided Metro in increasing SBE participation on Metro contracts. Over the last three fiscal years, Metro has awarded \$424 million to small businesses on its non-federally funded contracts. Small business set-asides allow for small businesses to bid as primes, fostering opportunities to grow and build capacity. In 2014, Metro

launched its Small Business Prime Set-Aside program to help small businesses compete for contracts as primes by "setting aside" specific purchases from three thousand dollars (\$3,000) to three million dollars (\$3,000,000) exclusively for participation by Metro SBE certified firms. The program has experienced continuous improvement through legislative authorization to include set-aside procurements on competitively low bid procurements contributing to the increase of participation in the program. From program inception through to-date, Metro has awarded more than \$177 million in SBE Prime Set-Aside awards. This program is vital to increasing small business participation in Metro’s contracting and has proven to be successful toward meeting this growth objective. In 2016, Metro launched its Medium Size Business Enterprise (MSZ) program, the first of its kind nationally to address the gap between small and large businesses by creating opportunities where MSZs can compete on non-federally funded procurements.

DISCUSSION

Medium Size Business Program

Assessment of the MSZ program consisted of creating a tiered approach for competitively negotiated procurements and incorporating feedback received from stakeholders in the February 2021 program improvement survey, reviewing existing contract thresholds, and revisiting the MSZ eligibility criteria. The current MSZ limit is \$12M - \$30M. New enhancements to the MSZ Program include a two-tiered approach for non-federally funded competitively negotiated procurements.

MSZ-I and MSZ-II Competitively Negotiated Threshold and Applicability Request for Proposal (RFPs)				
Action Type	Current MSZ Threshold	Proposed MSZ Threshold	Applicable to Federally Funded Acquisition	Applicable to Non-Federally Funded Acquisitions
Negotiated procurements for, Supplies, Equipment Materials and Services, including professional services, excluding Architecture and Engineering Services	Formal Acquisitions	Formal Acquisition		
	MSZ \$12M - \$30M	MSZ- I \$5,000,000 - \$14,999,999 MSZ- II \$15,000,000 - \$30,000,000	RFP No	RFP Yes

To determine the proposed thresholds, Metro reviewed the number of contracts awarded within the gap between the SB Prime and the MSZ programs. The review revealed that small, medium, and large businesses are all bidding within this space without a program in place that creates set aside

opportunities for small certified firms and firms that have surpassed the limits of certification programs. Metro also considered benchmarking results from the City of Chicago's Medium Size Business Initiative (MBI), the only MSZ program we could find nationally outside of Metro's program. Chicago's two-tier contracting thresholds are: MBI 1 - for contracts estimated not less than \$10 million and not more than \$20 million and MBI 2 - for contracts not less than \$3 million and not more than \$10 million. In addition, Metro assessed results of its Medium Size Business (MSZ) and Small Business (SBE) Program's survey conducted in February 2021 and found respondents recommended a wide range of threshold changes from \$500K to as high as \$75M. Notwithstanding, as a ground breaking initiative, Metro took the approach to split the middle of the new range to create the tiers.

- **MSZ-I:** The MSZ-I will provide set-aside prime contracting opportunity for firms that have surpassed the limits for participation in the certification programs and are now considered medium size firms and meets the definition for MSZ-I. These firms are no longer eligible to participate in the Small Business Prime program. The new threshold, will offer an immediate step from the Small Business Prime (subject to threshold change) to the MSZ-I. An additional enhancement to this program is to open a pathway for certified small, disadvantaged, and disabled veteran business firms to team, bid and compete as a prime, among MSZ-I firms within this contract threshold. It is recommended that MSZ-I solicitations are strictly set-aside for firms that meet the MSZ-I definition.
- **MSZ-II:** The MSZ II will provide set-aside prime contracting opportunities for medium-sized firms that meet the definition of MSZ-II. This upper limit of the MSZ threshold range does not exceed the current \$30 million cap for the program. The MSZ-II tier will promote growth for MSZ-I firms by providing an open pathway for MSZ-I firms to team, bid and compete among MSZ-II firms within this contract threshold.

Solicitations that fall within the MSZ-I and MSZ-II contract thresholds will be subject to established SBE/DVBE goals, where applicable. As such, MSZs and all other proposers must meet the SBE/DVBE goal(s) to be eligible for award. The recommended changes to the MSZ definition for each level are:

- **MSZ - I:**
 1. A firm that is not a subsidiary of another firm and has gross annual receipts, averaged over three years or number of employees that do not exceed one and a half times the Small Business Size Standards set forth in 13 C.F.R. Part 121, in its applicable North American Industry Classification System (NAICS) Code(s), as amended; or
 2. A certified Metro SBE firm, a DBE firm certified by the California Unified Certification Program (CUCP) or certified as a DVBE by the Department of General Services. Firms no longer deemed eligible under the subject certification programs, must meet (1) above.

- MSZ - II:
 1. A firm that is not a subsidiary of another firm and has gross annual receipts of at least \$26.30 million, averaged over three years or number of employees that do not exceed two times the Small Business Size Standards, as set forth in 13 C.F.R. Part 121, in its applicable North American Industry Classification System (NAICPS) Code(s), as amended.

For non-federally funded competitive low bid procurements, Metro is unable to apply the MSZ tier-approach. This will require a legislative change to the Public Utilities Code (PUC) Section 130232(f) (5)(vi). The current definition for MSZ, a firm that is not a subsidiary of another firm, has gross annual receipts of \$25 million - maximum \$250 million (averaged over three years), with a maximum of 250 employees, will remain unchanged for competitive low bid procurements. However, Metro does recommend lowering the minimum threshold for competitive low bid from \$12M down to \$3M but not to exceed \$29,999,999, which is allowable under current statutory authority. This change will create an immediate step from the Small Business Prime program to the MSZ program for competitively low bid procurements.

Competitively Low Bid Threshold and Applicability Invitation for Bid (IFB) / Request for Quotes (RFQs)			
Action Type	Formal Acquisitions	Applicable to Federally Funded Acquisition	Applicable to Non-Federally Funded Acquisitions
Awards under Sealed Bid for Supplies, Equipment materials and Services, and Public Works, excluding Architecture and Engineering Services	\$3,000,000 - \$29,999,999	IFB/RFQ	
		No	Yes

Small Business Prime

The recommended improvement to the Small Business Prime limits is specifically for non-federally funded competitively negotiated procurements. The recommendation is to increase the maximum contract threshold from \$3 million to \$4,999,999. The benefit for this change is to allow an immediate step from the Small Business Prime to the new proposed minimum of the MSZ-I tier.

The current Small Business Prime competitively low bid threshold exceeds \$5,000 - but is less than \$3 million. Any change will require a legislative change to the Public Utilities Code (PUC) Section 130232(f)(5)(v). As such the current threshold will remain in place. Metro will assess the current competitive low bid contract threshold limits for Small Business Prime and MSZ and will propose new legislative changes as applicable for the 2022 Legislative calendar.

Action Type	Current Threshold	New Threshold
Negotiated awards for Supplies, Equipment, Materials and Services, including all professional services, excluding Architecture and Engineering Services (RFPs)	\$3,000 to \$3 Million	\$3,000 to \$4,999,999

SBE Certification

In evaluating other local and regional SBE Programs through extensive benchmarking as well as evaluating the responses to Metro’s Small Business Programs Survey, Metro recommends that DEOD obtain letters of agreement with the City of Los Angeles, the County of Los Angeles, Los Angeles Community College District, Metrolink, LAWA, and the Los Angeles Unified School District in order for them to officially recognize Metro’s SBE Certification. In addition, Metro staff will increase the Small Business Program’s (SBE) Personal Net Worth (PNW) threshold should legislation be approved by Congress increasing the PNW for the Federal DBE Program. A recent increase to the DBE Gross Receipts from \$23.98 million to \$26.29 million went into effect on January 13, 2021. In response, Metro has already increased the SBE program gross receipts to match this increase as Metro’s SBE program mirrors the Federal DBE program.

While Metro staff does not recommend self-certification; we do recommend pursuing official Letters of Agreement with City and County agencies and reciprocity agreements with BART and VTA which share similar certification standards with Metro.

Additionally, the following is a partial list of entities already accepting Metro’s Small Business certification (without a formal agreement), thereby leveraging the strength of Metro’s certification for small businesses that choose to be certified with us:

- City of Los Angeles
- Los Angeles World Airports (LAWA)
- County of Los Angeles
- Los Angeles Unified School District
- Los Angeles Community College District
- Southern California Regional Rail Authority (Metrolink)
- Numerous private firms with supplier diversity/small business programs.

Community Level Contracting Program

In March, Metro staff met with the City of Los Angeles’ staff on their Community Level Contracting (CLC) program. The City of Los Angeles’s contracting authority supports the execution of contracts to be used in a manner similar to Job Order Contracting (JOC). This project specific contracting

program carves out construction opportunities for small and emerging businesses on predetermined projects, such as sidewalk repair, truck washing, and solar panel installation. These projects are typically under \$100,000, priced by the City, and offered to pre-approved small businesses on a rotating basis.

Currently, Metro does not have authority to enter into similar arrangements under the PUC. Through the Government Relations Office, Metro staff has initiated discussion with County Counsel and client departments to define Metro's objectives for the use of the JOC program on capital projects, inclusive of CLC program parameters. Metro is using the school districts JOC PUC statute as a model in crafting language for Metro. Government relations will coordinate efforts to pursue conforming legislation in the 2021 legislative calendar. Staff is developing the administrative manual to implement this Program.

Implementation Timeline

The timeline in Attachment A addresses the activities necessary for implementation of recommendations.

FINANCIAL IMPACT

There is no immediate budget impact to this Recommendation report. However, there are several actions Metro can take to increase contracting opportunities and advance equity that may have a financial impact to the FY22 budget.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

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

NEXT STEPS

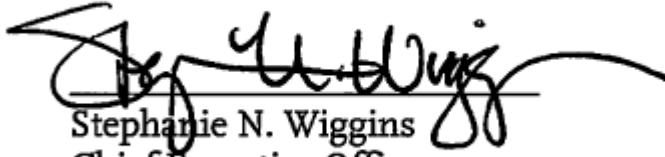
Staff will continue with its implementation plan and timeline as outlined and will provide report back to the Board in 6 months.

ATTACHMENTS

Attachment A - New Medium and Small Business Program Enhancement Implementation Timeline
Attachment B - Motion 51

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Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

NEW MEDIUM SIZE AND SMALL BUSINESS PROGRAM ENHANCEMENT IMPLEMENTATION TIMELINE					
	March – May	June – July	August – September	October – November	December – January
MSZ Policy Enhancements	<ul style="list-style-type: none"> • Explored new program requirements • Review changes with VCM and County Counsel • Draft Policy changes • Prepare Board recommendations 	<ul style="list-style-type: none"> • Present policy recommendations to EMC • Upon Board approval, work with VCM and Acquisition Policy to update Solicitation Templates with new requirements 	<ul style="list-style-type: none"> • Update VCM administrative procedures • Announce new program changes to bidding community • New policy changes will apply to Solicitations advertised on or after September 1, 2021 	<ul style="list-style-type: none"> • Engage Government Relations on any updates to PUC Section for applications on competitively low bid procurements 	<ul style="list-style-type: none"> • Develop framework for PUC statute change as applicable for the 2022 Leg Calendar
Community Level Contracting (CLC)	<ul style="list-style-type: none"> • Develop Task Force with DEOD/VCM/ County Counsel • Review state/federal statute impacts • Review Job Order Contracting (JOC) and CLC requirements for compatibility to Metro • Pursue new PUC Section to address JOC and CLC programs 	<ul style="list-style-type: none"> • Develop draft JOC/CLC statute language • Engage Clients for best project scopes to Pilot • Seek bill sponsor for the current 2021 Leg Calendar 	<ul style="list-style-type: none"> • Collaborate with Government Relations, VCM/Counsel through Leg process 	<ul style="list-style-type: none"> • Develop Administrative Policy for CLC based on final bill language 	<ul style="list-style-type: none"> • January 1, 2022 effective date subject to successful signing of impending bill into law
Leader / Follower	<ul style="list-style-type: none"> • Develop Task Force with DEOD/VCM/ County Counsel • Review state/federal statute impacts 	<ul style="list-style-type: none"> • Explore and define opportunities and challenges 	<ul style="list-style-type: none"> • Research concept on applicability competitively negotiate procurements • Assess enhancement to existing Mentor Protege program 	<ul style="list-style-type: none"> • Draft program initiative 	<ul style="list-style-type: none"> • Develop implementation plan
Certification Enhancements	<ul style="list-style-type: none"> • Benchmarking of Local SBE Programs and CUCP SBE Programs • Review of other transit agency SBE programs • Conducted a Metro Small Business survey and conducted an analysis of responses • Identify potential Personal Net Worth Increases to the SBE Program Thresholds 	<ul style="list-style-type: none"> • Present Recommendations to EMC • Upon Board Approval, contact local agencies, and pursue letters of agreement from those who will accept Metro's SBE Certification • Pursue potential reciprocity agreements with BART and VTA 	<ul style="list-style-type: none"> • Execute letters of agreements and applicable reciprocity agreements as appropriate. • Make appropriate changes as approved to the SBE Program language. • Make approved changes to B2GNow. 	<ul style="list-style-type: none"> • Implement Changes 	



Board Report

File #: 2020-0930, File Type: Motion / Motion Response

Agenda Number: 51.

REVISED
REGULAR BOARD MEETING
JANUARY 28, 2021

Motion by:

DIRECTORS DUPONT-WALKER, HAHN, MITCHELL, BUTTS, NAJARIAN, AND SOLIS

Enhancements to Metro’s Medium-Size Business Enterprise Program and Small Business Enterprise Program

In the time of current economic distress, Metro should review its Small Business Enterprise (SBE) program and Medium-Size Business Enterprise (MSZ) program to create new pathways for a continuum of contracting opportunities for SBEs and MSZs.

Metro’s SBE Program was intended to create opportunities for small businesses to obtain contracting agreements with Metro. With Metro’s size and presence in Los Angeles County, an SBE’s trajectory can dramatically change with one contract, however small it may seem compared to Metro’s overall contracting portfolio.

Most importantly, the SBE program has served as a tool for equity and can be made even more impactful with carefully administered adjustments. Metro, through its unique position in the county, has a responsibility and opportunity to lift up local small businesses, especially those in historically overlooked neighborhoods. The chance to compete for Metro contracts should be more accessible to, and protective of, these underserved communities. This creates more possibilities for L.A. County’s remaining SBEs and addresses the needs of an emerging group of MSZs.

Metro currently has many working relationships with such businesses. Still, there is always room for improvement-especially at this moment of ongoing economic distress. One potential is to strengthen its MSZ program to set-aside contracting opportunities for medium-size businesses to compete with similar-size firms.

In January 2019, Metro established the MSZ program. This program addresses the gap between small businesses and large businesses by creating opportunities where only MSZs can compete on non-federally funded procurements. Pursuant to AB-1205 (Jones-Sawyer), the MSZ program applies to both negotiated Requests for Proposal (RFPs) and low-bid Invitations for Bid (IFBs) with an estimated value between \$12 million and \$30 million. MSZs are defined as firms that are not a

subsidiary of another firm, have gross annual receipts of \$25 million - maximum \$250 million (averaged over three years), with a maximum of 250 employees. While the intent of the program is to solicit and award to MSZs, solicitations still allow larger-size firms to respond. If Metro receives only one bid/proposal from an MSZ, it will consider bids/proposals from larger-size firms as well. This may have the unintended consequence of discouraging MSZs from competing for contracts.

Currently, there is one solicitation for the Construction Support Services for Metro G Line (Orange) Bus Rapid Transit Improvements Project. This procurement is pending a result based on proposals being received.

Acknowledging Metro's desire to create a more robust MSZ program, Metro should take additional steps to identify more opportunities to increase MSZ Prime contracting participation while continuing to facilitate small and disadvantaged business participation on such contracts.

SUBJECT: ENHANCEMENTS TO METRO'S MEDIUM-SIZE BUSINESS ENTERPRISE PROGRAM AND SMALL BUSINESS ENTERPRISE PROGRAM

RECOMMENDATION

APPROVE Motion by Directors Dupont-Walker, Hahn, Mitchell, Butts, Najarian, and Solis that the Board direct the Chief Executive Officer to study and recommend MSZ and SBE solutions that embrace Equity considerations, including but not limited to the Disparity Study, impact on historically underutilized businesses, and consistency with industry best practices. These studies should focus on the following:

- A. Review requirements for contracting opportunities with SBEs, including but not limited to:
 - 1. Determining feasibility of achieving certification reciprocity with agencies at the state, county, and local levels that have similar baseline standards as Metro
 - 2. Exploring strategies to ensure that only legitimate SBEs and MSZs may compete for Metro contracts
 - 3. Reviewing certification standards, ownership, owner credentials, and other costs associated with competing for contracts, and recommending steps to streamline the process, ensuring integrity while making it more user-friendly and less costly

- B. Review procurement requirements and identify potential ways to increase contracting opportunities for MSZs, including but not limited to:
 - 1. Reviewing eligibility requirements for participation in the MSZ program to identify strategies to increase the number of businesses that qualify for the program
 - 2. Ensuring that recommendations consider equity, historically underutilized businesses, and key elements of the Disparity Study (current or proposed, if within the next 12 months)

3. Defining strategies to create incentives for prime contractors to utilize MSZs that no longer meet SBE criteria; and
- C. Report back on all the above at the April 2021 Board cycle.



File #: 2021-0356, File Type: Program

Agenda Number: 34.

**CONSTRUCTION COMMITTEE
JUNE 17, 2021**

**SUBJECT: FEDERAL TRANSIT ADMINISTRATION
OVERALL DISADVANTAGED BUSINESS ENTERPRISE GOAL**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

APPROVE 28% Disadvantaged Business Enterprise (DBE) overall goal for Federal Fiscal Years (FFY) 2022 - 2024 for contracts funded, in whole or in part with Federal Transit Administration (FTA) funds.

ISSUE

The United States Department of Transportation (USDOT) Disadvantaged Business Enterprise (DBE) Program regulations, 49 Code of Federal Regulations (CFR) Section 26.21, require FTA grantees, who can reasonably anticipate awarding \$250,000 or more in prime contracts, to submit an overall goal to FTA for the participation of DBE firms every three years.

DISCUSSION

The Metro proposed DBE overall goal for FFY 2022 - 2024 is 28%, a 1% increase from the current FFY 2019- 2021 goal of 27%. The proposed overall goal was established by using the two-step goal-setting process prescribed in 49 CFR § 26.45. Metro's base figure for establishing the relative availability of DBEs follows the method suggested in 49 CFR § 26.45(c)(3), the use of availability and disparity study data from Metro's 2017 a disparity study (Study), posted at:

<https://www.metro.net/about/metro-disparity-study/>.

Overall DBE Goal Calculation Methodology

Base Figure

The Overall DBE Goal Methodology Report FFY 2022 - 2024 (Goal Setting Report), Step 1 establishes a base figure of relative DBE availability. This was done by utilizing quantifiable evidence to determine the relative availability of minority and woman-owned businesses that are ready, willing, and able to perform transportation-related work. Metro expects to award nearly \$970 million worth of FTA-assisted construction, professional services, and goods and services contracts in FFY 2022 through FFY 2024. Approximately, \$314 million, or 32 percent, of those dollars are associated with previously awarded mega projects that will let subcontracting opportunities in FFYs 2022 through

2024.

As part of its Step 1 analysis, Metro only counted the contract dollars on those mega projects that Metro expects to award during the new goal-setting period. Metro also projected the amount of anticipated subcontracting associated with future projects based on information about similar projects that the agency previously awarded. Metro evaluated each anticipated project and assigned it a specific work type (i.e., *subindustry*) based on the 2017 Disparity Study. For a full list of the work types included in the Step 1 analysis, see Appendix E of the 2017 Disparity Study report.

The Study calculated a weighted base, enumerating availability in accordance with the proportion of contracts reviewed during the Study period. In its review of anticipated contracts Metro expects to award in the upcoming goal period, it was determined that such contracts are similar to the types, and size of contracts that were analyzed during the Study period. As such, staff recommends the Study base figure of 22.6%, see Figure 1 of Attachment A.

A Step 2 Adjustment is to be considered once the base figure has been calculated. Step 2 of the process requires Metro to consider other known factors to determine what additional adjustments, if any, are needed. Metro considered the Current capacity of DBEs to perform work on USDOT-assisted contracting, information related to employment, self-employment, education, training, and unions, any disparities in the ability of DBEs to get financing, bonding, and insurance, and other relevant data. Metro made an upward adjustment that specifically accounts for barriers that minorities and women face related to business ownership in the local marketplace. This factor has a clear, direct, and quantifiable effect on the availability of minority- and woman-owned businesses for Metro work, and making an upward adjustment reflects Metro's commitment to remedying the continuing effects of past race- and gender-based discrimination in the marketplace. As such, the adjustment uses potential DBE availability that has been adjusted for disparities in business ownership rates. Doing so yields an overall DBE goal of 27.9%, rounded to 28%, see Figure 3 of Attachment A.

Race-Conscious Application

DBE contract-specific goals can be set higher or lower than the overall goal based on the scope of work of the contract and the identified subcontracting opportunities. Guidance issued by the USDOT and FTA as a result of the decision of the Ninth Circuit Federal Court in the *Western States Paving Co., Inc. v. Washington State Department of Transportation* mandates that race-conscious measures used to remedy effects of discrimination must be "narrowly tailored" to those groups where there is sufficient demonstrable evidence of discrimination.

As such, recipients in the Ninth Circuit cannot consider the use of a race-conscious goal unless a finding of disparity has been made for the ethnic and gender groups to be included in the application. The Study found all groups with the exception of Subcontinent Asian American-owned businesses, exhibited disparity indices substantially below parity on contracts without DBE goals.

A disparity index of 100 indicates parity between participation and the availability for a particular group for a specific set of contracts. A disparity less than 80 has been deemed by several courts to be a "substantial" disparity between participation and availability and have accepted it as evidence of adverse conditions for M/WBEs. The Study shows disparity indices showed substantial disparity for groups on contracts with no goals as follows: Hispanic American (59), Black American (30), Non-

Hispanic white women (37), Asian-Pacific American (73), Native American (52), supporting the continued use of narrowly tailored DBE contract goals for these groups. However, the disparity indices showed Subcontinent Asian American (161), to be at parity (over-utilized), requiring Metro to seek a limited waiver from the US DOT to remove Subcontinent Asian American as eligible for DBE contract goals.

Limited Application Waiver

The DBE Program 49 CFR § 26.47 requires that overall goals must provide for participation by all certified DBEs, must not be subdivided into group specific goals, and must submit to FTA a waiver for approval to do so. In July 27, 2018, Metro staff submitted a waiver letter to FTA Region 9 - Office of Civil Rights for submission to the Office of the Secretary (OSEC) to not consider Subcontinent Asian American-owned DBE firms as eligible for DBE contract goals for the FFY2019-2021 overall goal period. The limited waiver was reviewed by FTA Headquarters and was forwarded to the U.S. Department of Transportation (US DOT), Office of the Secretary for approval. Metro submitted a status to FTA in May 2019 and was informed that FTA would notify Metro of any change in status. This change remains pending.

Notwithstanding, in keeping with the federal requirement, Metro will submit an updated waiver request to FTA for the FFY2022-2024 goal period. Metro is required to make no changes to its program until it receives a response from the OSEC. As such, all DBE groups will remain eligible for contract goals subject to receiving a response to the waiver letter. If approved, staff will notify the Board and the contracting community of any change to the implementation of contract-specific goals.

Public Participation

The DBE overall goal and goal methodology report and public notice was posted on the Metro website on May 13, 2021. A 30-day public comment period was conducted beginning May 13, 2021 and ended on June 13, 2021. Staff held three virtual public meetings on May 25th, 27th and on June 3rd, 2021. Staff issued e-blasts to inform the minority and women business, and businesses at large, of the public notice, the public meetings and ways to submit written or verbal comments. The public notice was also posted on Metro's social media accounts and included in over 14 minority and women and majority newspapers. Metro presented the goal and goal methodology report to the Transportation Business Advisory Council at the June 3rd monthly meeting.

Pandemic Consideration

Metro is aware of substantial impacts to small businesses due to the economic challenges presented by the COVID-19 pandemic. While quantitative information on the impacts for small businesses in Metro's market area are not yet available, DEOD is continuing to monitor the market and look for opportunities to assist small businesses as they adapt to new economic conditions. DEOD expects to learn more about the impact of the pandemic in its next disparity study to be awarded in FY22 Q1 with a 10 to 12-month timeline to complete.

Comparison of Other Agency Overall Goals

Metro staff surveyed other transportation agencies to determine the level of overall goals in

comparison to Metro's Overall DBE Goal. The results are summarized below:

Agency Name	Overall DBE Goal	Goal Period
Los Angeles County Metropolitan Transportation Authority	28%	FFY 2022 - 2024
New York City Transit	8%	FFY 2019 - 2021
San Francisco Municipal Railway	22%	FFY 2020 - 2022
Metropolitan Atlanta Rapid Transit Authority	23%	FFY 2021 - 2023
Denver Regional Transportation District	20.3%	FFY 2020 - 2022
Chicago Transit Authority	26%	FFY 2018 - 2020
San Francisco Bay Area Rapid Transit	16%	FFY 2020 - 2022
Dallas Area Rapid Transit	31%	FFY 2020 - 2022
Caltrans	17.6%	FFY 2019 - 2021
Santa Clara Valley Transportation Authority	20%	FFY 2019 - 2022
Washington Metropolitan Area Transit Authority	25%	FFY 2020 - 2022
Metrolink (SCRRA)	12%	FFY 2019 - 2021
Orange County Transportation Authority	11%	FFY 2019 - 2021
Maryland Transit Administration	30%	FFY 2020 - 2022

DETERMINATION OF SAFETY IMPACT

This board action will not have an impact on safety standards for Metro.

FINANCIAL IMPACT

Funding to support the DBE Program is included in the FY22 budget for multiple capital and non-capital projects.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

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

ALTERNATIVES CONSIDERED

The triennial overall DBE goal is a requirement under the DBE program and a condition of receiving FTA funds, and as such, staff does not recommend an alternative.

NEXT STEPS

- Submit DBE overall goal and goal methodology and limited waiver request to FTA by August 1, 2021 deadline, in order to prevent any delay in the receipt of federal funds

-
- Overall DBE goal effective October 1, 2021 through September 30, 2024
 - Notify the Board of US DOT, Office of Secretary approval or disapproval of limited waiver, and notify contracting community of any changes.

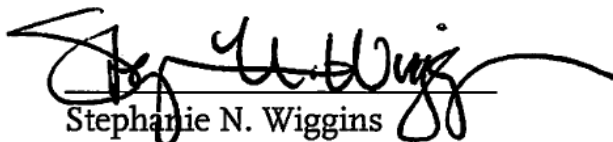
ATTACHMENTS

Attachment A - Overall DBE Goal Methodology Report FFY 2022 - 2024

Attachment B - Overall DBE Goal Presentation

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Stephanie N. Wiggins
Chief Executive Officer

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM PROPOSED THREE-YEAR OVERALL GOAL & METHODOLOGY FOR FEDERAL FISCAL YEARS 2022 THROUGH 2024

The Los Angeles County Metropolitan Transportation Authority (Metro) last developed an overall Disadvantaged Business Enterprise (DBE) goal in 2018, which the agency used for federal fiscal year (FFY) 2019 through FFY 2021 (a goal of 27%). In accordance with 49 Code of Federal Regulations (CFR) Part 26, the United States Department of Transportation's (USDOT's) Tips for Goal-Setting, and other official USDOT guidance, Metro based its goal and goal methodology on a disparity study that BBC Research & Consulting (BBC) completed in September 2018 (referred to herein as the 2017 Disparity Study) as well as on other relevant information. Based on disparity study results, information about USDOT-assisted projects the agency anticipates awarding, and federal guidance, Metro proposes a new three-year overall DBE goal for FFY 2022 through FFY 2024. To determine its new overall DBE goal, Metro followed the two-step goal-setting methodology set forth in 49 CFR Section 26.45.

Step 1. Determining a Base Figure – 49 CFR Section 26.45(c)

Metro began the process of determining its overall DBE goal by first establishing a base figure. Consistent with USDOT guidance, Metro established a base figure based on Federal Transit Administration (FTA)-assisted contracts that the agency anticipates awarding in FFY 2022 through FFY 2024.¹ Metro projects that it will award nearly \$970 million worth of FTA-assisted construction, professional services, and goods and services contracts in FFY 2022 through FFY 2024. Metro also projected the amount of anticipated subcontracting associated with future projects based on information about similar projects that the agency previously awarded. Metro evaluated each anticipated project and assigned it a specific work type (i.e., *subindustry*) based on the 2017 Disparity Study. For a full list of the work types included in the Step 1 analysis, see Appendix E of the 2017 Disparity Study report.

After assigning subindustries, Metro used data from a *custom census* availability analysis that BBC conducted as part of the 2017 Disparity Study to determine the availability of minority- and woman-owned businesses working in each relevant subindustry (for details, see Chapter 5 and Appendix E of the 2017 Disparity Study report). For the purposes of establishing a base figure, the availability analysis was limited to the availability of *potential DBEs*—minority- and woman-owned businesses that are DBE-certified or appear they could be DBE-certified based on revenue requirements described in 49 CFR Section 26.65.

Methodology for the availability analysis. The availability analysis focused on specific subindustries related to the types of FTA-funded contracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Metro used a database of potentially available businesses that BBC

¹ Consistent with USDOT guidance, Metro considers any contract with at least \$1 of FTA funding as an "FTA-assisted contract" and includes the total value of the contract in its pool of total FTA-assisted contracting dollars.

developed through surveys with business establishments that are located in Metro’s relevant geographic market area and that work in relevant subindustries.²

Overview of availability surveys. As part of the 2017 Disparity Study, BBC conducted telephone surveys with business owners and managers to identify businesses that are potentially available for Metro’s FTA-assisted prime contracts and subcontracts.³ BBC began the survey process by collecting information about business establishments from Dun & Bradstreet (D&B) Marketplace listings. BBC collected information about all business establishments listed under 8-digit work specialization codes (as developed by D&B) that were most relevant to Metro contracting.

Information collected in availability surveys. BBC conducted telephone surveys with the owners or managers of the identified business establishments. Survey questions covered many topics about each organization including:

- Status as a private business (as opposed to a public agency or nonprofit organization);
- Status as a subsidiary or branch of another company;
- Primary lines of work;
- Interest in performing work for Metro;
- Interest in performing work as a prime contractor or as a subcontractor;
- Largest prime contract or subcontract bid on or performed in the previous five years (to account for *relative capacity*); and
- Race/ethnicity and gender of ownership.

Information about businesses that completed surveys was entered into a database that served as a basis for the availability analysis.

Considering businesses as potentially available. BBC considered all businesses—regardless of the race/ethnicity or gender of the businesses’ owners—to be potentially available for FTA-assisted contracts Metro anticipates awarding in FFY 2022 through FFY 2024 if they reported possessing *all* of the following characteristics:

- a. Being a private business (as opposed to a nonprofit organization);
- b. Having performed work relevant to Metro FTA-funded contracting;
- c. Having bid on or performed public or private sector prime contracts or subcontracts in the past five years;

² The disparity study analyses indicated that Metro’s relevant geographic market area is Los Angeles County.

³ BBC offered business representatives the option of completing surveys via fax or e-mail if they preferred not to complete surveys via telephone.

- d. Being interested in work for Metro;⁴ and
- e. Having the ability to work in the relevant geographic market area.

BBC also considered the largest contract that each business bid on or performed in the past (to assess *relative capacity*) to determine if the business is potentially available for specific contracts that Metro anticipates awarding in FFY 2022 through FFY 2024.

Steps to calculating availability. As part of the availability analysis, BBC collected and analyzed relevant information to develop dollar-weighted availability estimates to help Metro set its overall DBE goal. BBC used the availability database from the 2017 Disparity Study to determine availability on the FTA-assisted contracts and subcontracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Dollar-weighted availability estimates represent the percentage of contracting dollars that potential DBEs would be expected to receive based on their availability for specific types and sizes of FTA-assisted contracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Only a subset of businesses in the availability database was considered potentially available for any particular contract opportunity based on the type, size, and work type of the opportunity. BBC identified those specific characteristics of each FTA-assisted contract opportunity that Metro anticipates awarding in FFY 2022 through FFY 2024 and then, for the purposes of helping Metro establish a base figure, took the following steps to calculate the availability of potential DBEs for each contract opportunity:

1. BBC identified businesses in the availability database that reported that they:
 - Are qualified and interested in performing related work in that particular role for that specific type of work for Metro;
 - Are able to serve customers in the relevant geographic market area; and
 - Have bid on or performed work of that size.
2. BBC then counted the number of potential DBEs (by race/ethnicity and gender) relative to all businesses in the availability database that met the criteria specified in Step 1.
3. BBC translated the numeric availability of potential DBEs for the contract opportunity into percentage availability.

BBC repeated those steps for each FTA-assisted contract opportunity that Metro anticipates awarding in FFY 2022 through FFY 2024. BBC multiplied percentage availability for each contract opportunity by the dollars associated with the contract opportunity, added results across all contract opportunities, and divided by the total dollars for all contract opportunities. The result was a dollar-weighted estimate of the overall availability of potential DBEs as well as an availability estimate for each relevant racial/ethnic and gender group. Figure 2 presents detailed information about the base figure for Metro’s overall DBE goal:

⁴ That information was gathered separately for prime contract and subcontract work.

- Column (a) presents the groups of potential DBEs that BBC considered as part of the base figure analysis;
- Column (b) presents the availability percentage for each group for anticipated FTA-funded *construction* contract opportunities;
- Column (c) presents the availability percentage for each group for anticipated FTA-funded *professional services* contract opportunities;
- Column (d) presents the availability percentage for each group for anticipated FTA-funded *goods and services* contract opportunities; and
- Column (e) presents the availability percentage for each group for *all* anticipated FTA-funded contract opportunities considered together (i.e., construction; professional services; and goods and services contracts).

As presented at the bottom of column (e), the availability analysis shows that potential DBEs could be considered available for 22.6 percent of the FTA-funded contracts that Metro anticipates awarding in FFY 2022 through FFY 2024. Thus, Metro considers **22.6 percent as its base figure**. As presented in the last row of Figure 1, the overall base figure reflects a weight of 0.49 for construction contracts; 0.13 for professional services contracts; and 0.38 for goods and services contracts, based on the volume of FTA-funded contracts that Metro anticipates awarding in FFY 2022 through FFY 2024.

Figure 1.
Availability components of the base figure
(based on availability of potential DBEs for anticipated FTA-funded contracts)

Potential DBEs	Availability Percentage			Weighted average
	Construction	Professional Services	Goods and services	
Black American owned	4.4 %	3.8 %	4.8 %	4.4 %
Asian Pacific American owned	0.7	1.7	1.8	1.2
Subcontinent Asian American owned	0.1	0.4	0.5	0.3
Hispanic American owned	12.6	2.1	13.4	11.5
Native American owned	0.0	0.0	1.5	0.6
White woman owned	0.4	6.8	9.3	4.6
Total potential DBEs	18.1 %	14.8 %	31.2 %	22.6 %
Industry weight	49 %	13 %	38 %	

Note: Numbers rounded to nearest tenth of 1 percent. Numbers may not add to totals due to rounding.

Source: BBC Research & Consulting availability analysis and Metro data.

Step 2. Determining if an Adjustment is Needed – 49 CFR Section 26.45(d)

After establishing the base figure, Metro considered relevant information to determine whether any adjustment was needed to the base figure as part of determining the overall DBE goal and to make it as precise as possible. In considering an adjustment to the base figure, Metro evaluated information about:

- Current capacity of DBEs to perform work on USDOT-assisted contracting;
- Information related to employment, self-employment, education, training, and unions;
- Any disparities in the ability of DBEs to get financing, bonding, and insurance; and
- Other relevant data.

Current capacity of DBEs to perform work on USDOT-assisted contracting. USDOT’s Tips for Goal-Setting suggests that agencies should examine data on past DBE participation in their USDOT-funded contracts in recent years. USDOT further suggests that agencies should choose the median level of annual DBE participation for those years as the measure of past participation. According to Metro’s Uniform Reports of DBE Awards or Commitments and Payments (Uniform Reports), median DBE participation in the agency’s FTA-assisted contracts from FFY 2016 through FFY 2020 was 23.5 percent, which is similar to Metro’s base figure. Figure 2 presents past DBE participation based on Metro’s Uniform Reports.

Figure 2.
Past DBE participation in FTA-
funded contracts, FFY 2016-2020

Source:
 Metro’s Uniform Reports.

FFY	DBE Attainment	Annual DBE Goal	Difference From Goal
2016	13.8%	26%	-12.2%
2017	9.5%	26%	-16.5%
2018	23.5%	26%	-2.5%
2019	24.6%	27%	-2.4%
2020	24.5%	27%	-2.5%

The information about past DBE participation supports a slight upward adjustment to Metro’s base figure. If Metro were to use the approach outlined by USDOT, the overall goal would be the average of the 22.6 percent base figure and the 23.5 percent median past DBE participation, yielding a potential overall DBE goal of 22.8 percent.

Any disparities in the ability of DBEs to get financing, bonding, and insurance. BBC’s analysis of access to financing, bonding, and insurance revealed quantitative and qualitative evidence that minorities; women; and minority- and woman-owned businesses in Los Angeles County do not have the same access to those business inputs as non-Hispanic white men and businesses owned by non-Hispanic white men (for details, see Chapter 3 and Appendices C and D of the disparity study report). Any barriers to obtaining financing, bonding, and insurance might limit opportunities for minorities and women to successfully form and operate businesses in the Los Angeles County contracting marketplace and place minority- and woman-owned businesses at a disadvantage in competing for Metro’s FTA-funded contracts. Thus, information from the disparity study about financing, bonding, and insurance supports an upward adjustment to Metro’s base figure.

Information related to employment, self-employment, education, training, and unions. BBC used regression analyses to determine whether the race/ethnicity or gender of workers is related to self-employment, that is, the likelihood of them owning businesses in the local marketplace. The regression analyses allowed BBC to examine those effects while statistically controlling for various personal characteristics of workers, including education and

age (for details, see Chapter 3 and Appendix C of the disparity study report). The regression analyses revealed that, even after accounting for various personal characteristics:

- Black Americans, Hispanic Americans, and women are significantly less likely than non-Hispanic whites and men to own construction businesses;
- Black Americans and women are significantly less likely than non-Hispanic whites and men to own professional services businesses; and
- Black Americans, Asian Pacific Americans, Subcontinent Asian Americans, and Hispanic Americans are significantly less likely than non-Hispanic whites to own goods and services businesses.

BBC then analyzed the specific impact that barriers to business ownership have on the base figure. That is, BBC estimated the availability of potential DBEs if minorities and women owned businesses at the same rate as non-Hispanic white men who shared similar personal characteristics. BBC took the following steps to complete the analysis:

1. BBC made adjustments to availability percentages for construction; professional services; and goods and services contracts based on observed disparities in business ownership rates for minorities and women. BBC only made adjustments for those groups that exhibited statistically significant disparities in business ownership rates compared to non-Hispanic whites and men.
2. BBC then combined adjusted availability percentages for construction contracts; professional services contracts; and goods and services contracts in a dollar-weighted fashion.

Figure 3 presents the results of the analysis, which is referred to as a *but for* analysis, because it estimates the availability of potential DBEs but for the continuing effects of past race- and gender-based discrimination. The rows and columns of Figure 3 present the following information from the *but for* analysis:

Figure 3.
Adjustment to base figure to account for disparities in business ownership rates

Industry and group	a. Current availability	b. Disparity index for business ownership	c. Availability after initial adjustment*	d. Availability after scaling to 100%	e. Components of base figure**
Construction					
(1) Black American	4.4 %	70	6.2 %	6.0 %	
(2) Asian Pacific American	0.7	n/a	0.7	0.6	
(3) Subcontinent Asian American	0.1	n/a	0.1	0.1	
(4) Hispanic American	12.6	88	14.4	13.8	
(5) Native American	0.0	n/a	0.0	0.0	
(6) White woman	0.4	44	0.9	0.9	
(7) Potential DBEs	18.1 %	n/a	22.2 %	21.4 %	10.4 %
(8) All other businesses ***	81.9	n/a	81.9	78.6	
(9) Total	100.0 %	n/a	104.1 %	100.0 %	
Professional services					
(10) Black American	3.8 %	57	6.6 %	6.4 %	
(11) Asian Pacific American	1.7	n/a	1.7	1.7	
(12) Subcontinent Asian American	0.4	n/a	0.4	0.4	
(13) Hispanic American	2.1	n/a	2.1	2.0	
(14) Native American	0.0	n/a	0.0	0.0	
(15) White woman	6.8	87	7.8	7.5	
(16) Potential DBEs	14.8 %	n/a	18.7 %	18.0 %	2.4 %
(17) All other businesses	85.2	n/a	85.2	82.0	
(18) Total	100.0 %	n/a	103.9 %	100.0 %	
Goods and services					
(19) Black American	4.8 %	35	13.6 %	11.9 %	
(20) Asian Pacific American	1.8	88	2.0	1.8	
(21) Subcontinent Asian American	0.5	53	1.0	0.9	
(22) Hispanic American	13.4	73	18.3	16.0	
(23) Native American	1.5	n/a	1.5	1.3	
(24) White woman	9.3	n/a	9.3	8.1	
(25) Potential DBEs	31.2 %	n/a	45.6 %	39.9 %	15.0 %
(26) All other businesses	68.8	n/a	68.8	60.1	
(27) Total	100.0 %	n/a	114.5 %	100.0 %	
(28) TOTAL	22.6 %	n/a		n/a	27.9 %

Note: Numbers rounded to nearest tenth of 1%. Numbers may not add to totals due to rounding.

* Initial adjustment is calculated as current availability divided by the disparity index.

** Components of potential step-2 adjustment were calculated as the value after adjustment and scaling to 100 percent, multiplied by the percentage of total FTA-funded contract dollars in each industry (construction = 0.49, professional services = 0.13, and goods and services= 0.38).

*** All other businesses included majority-owned businesses and minority- and woman-owned businesses that were not potential DBEs.

Source: BBC Research & Consulting and Metro data.

- a. **Current availability.** Column (a) presents the current availability of potential DBEs by group and by industry. Each row presents the availability for each group. Before any adjustment, the availability of potential DBEs for the FTA-assisted contracts that Metro anticipates awarding in FFY 2022 through FFY 2024 is 22.6 percent, as shown in row (28) of column (a).
- b. **Disparity indices for self-employment.** For each group that is significantly less likely than non-Hispanic white men to own construction; professional services; or goods and services businesses, BBC estimated business ownership rates if those groups owned businesses at the same rate as non-Hispanic white men who share the same personal characteristics. BBC then calculated a business ownership disparity index for each group by dividing the observed business ownership rate by the simulated business ownership rate and then multiplying the result by 100. Values of less than 100 indicate that, in reality, the group is less likely to own businesses than what would be expected for non-Hispanic white men who share similar personal characteristics. Column (b) presents disparity indices related to self-employment for the different racial/ethnic and gender groups. For example, as shown in row (1) of column (b), Black Americans own construction businesses at 70 percent of the rate that one might expect based on the estimated business ownership rates of non-Hispanic white men who share similar personal characteristics.
- c. **Availability after initial adjustment.** Column (c) presents availability estimates by group and by industry after initially adjusting for statistically significant disparities in business ownership rates. BBC calculated those estimates by dividing the current availability in column (a) by the disparity index for business ownership in column (b) and then multiplying by 100. Note that BBC only made adjustments for those groups that are significantly less likely than similarly-situated non-Hispanic white men to own businesses.
- d. **Availability after scaling to 100 percent.** Column (d) shows adjusted availability estimates that BBC rescaled so that the sum of the availability estimates equaled 100 percent for each industry. BBC rescaled the adjusted availability estimates by taking each group's adjusted availability estimate in column (c) and dividing it by the sum of availability estimates shown under "Total businesses" in column (c)—in row (9) for construction, in row (18) for professional services, and in row (27) for goods and services—and multiplying by 100. For example, the rescaled adjusted availability estimate for Black American-owned construction businesses shown in row (1) of column (d) was calculated in the following way: $(6.2 \% \div 104.1\%) \times 100 = 6.0\%$.
- e. **Components of goal.** Column (e) shows the component of the total base figure attributed to the adjusted minority- and woman-owned availability for each industry. BBC calculated each component by taking the total availability estimate shown under "Potential DBEs" in column (d)—in row (7) for construction, in row (16) for professional services, and in row (25) for goods and services—and multiplying it by the proportion of total anticipated FTA-funded contract dollars for which each industry accounts (i.e., 0.49 for construction, 0.13 for professional services, and 0.38 for goods and services). For example, BBC used the 21.4 percent shown in row (7) of column (d) for construction and multiplied it by 0.49 for a result of 10.4 percent (see row (7) of column (e)). The values in column (e) were then

summed to equal the base figure adjusted for barriers in business ownership—27.9 percent—as shown in the bottom row of column (e).

Other relevant data. The Federal DBE Program suggests that federal funding recipients also examine “other factors” when determining whether to make any adjustments to their base figures.⁵

Success of businesses. There is quantitative evidence that certain groups of minority- and woman-owned businesses are less successful than businesses owned by non-Hispanic white men and face greater barriers in the marketplace, even after accounting for race- and gender-neutral factors (for details, see Chapter 3 and Appendix C of the disparity study report). There is also qualitative evidence of barriers to the success of minority- and woman-owned businesses. Some of that information suggests that discrimination on the basis of race/ethnicity and gender adversely affects minority- and woman-owned businesses in the local contracting industry (for details, see Appendix D of the disparity study report). Thus, information about the success of businesses also supports an upward adjustment to Metro’s base figure.

Evidence from disparity studies conducted within the jurisdiction. USDOT suggests that federal fund recipients also examine evidence from disparity studies conducted within their jurisdictions when determining whether to make adjustments to their base figures. There have been several other disparity studies conducted for state agencies in California in recent years (e.g., San Francisco Bay Area Rapid Transit District (BART), the California Department of Transportation, San Francisco Municipal Transportation Agency, and the San Diego Association of Governments). However, those agencies’ contracts differ substantially in terms of size and type from the FTA-funded contracts that Metro awarded during the study period. In the case of BART, the methodology that was used is substantially more limited than the methodology that BBC used to conduct the 2017 LA Metro Disparity Study. Therefore, the results from other disparity studies are of limited use to Metro in determining whether to make an adjustment to its base figure.

Adjustment. Metro considered all of the above information in considering whether to make an adjustment to the base figure and has decided to make upward adjustment to its base figure that specifically accounts for barriers that minorities and women face related to business ownership in the local marketplace. Metro has decided to base its adjustment specifically on that factor, because it has clear, direct, and quantifiable effect on the availability of minority- and woman-owned businesses for Metro work, and making an upward adjustment reflects Metro’s commitment to remedying the continuing effects of past race- and gender-based discrimination in the marketplace. Thus, Metro has decided to use potential DBE availability that has been adjusted for disparities in business ownership rate as describe above. Doing so yields an **overall DBE goal of 28 percent**, after rounding, for FFY 2022 through FFY 2024.

⁵ 49 CFR Section 26.45.

Race-/Gender-Neutral and Race/Gender-Conscious Split – 49 CFR Section 26.51 (c)

In accordance with federal regulations and USDOT guidance, Metro will attempt to meet the maximum feasible portion of its proposed 28 percent overall DBE goal through the use of race- and gender-neutral measures. Metro used a broad range of race- and gender-neutral measures to encourage the participation of all small businesses—including DBEs—in its FTA-funded contracts in FFY 2016 through FFY 2020 and plans on continuing the use of those measures in the future. Metro’s race- and gender-neutral efforts can be classified into four categories:

- Advocacy and outreach efforts;
- Technical assistance programs;
- Capital, bonding, and insurance assistance;
- Prompt payment policies; and
- Small business preference/set-aside.

Advocacy and outreach efforts. Metro participates in various advocacy and outreach efforts including hosting DBE workshops and using communications that are targeted specifically to disadvantaged businesses.

Communications. Metro communicates with DBEs through email, its Vendor Portal, and its DBE newsletter. Metro uses its Vendor Portal and its newsletter to announce contracting opportunities, special events, policy changes, and new DBE program measures.

Networking events and workshops. Metro hosts various events and workshops for DBEs. Some of those events include Meet the Prime, Meet the Project Managers and Buyers, Salute to Small Business Celebration, and other signature outreach events.

Technical assistance programs. Metro provides an online business toolkit which includes web tutorials for DBEs that cover topics such as how to register as a vendor, the process of bidding on Metro contracts, contract compliance reporting, and certification processes.

Capital, bonding, and insurance. Metro established a Commercial Insurance Broker Panel which assists businesses lacking the required insurance coverages. The panel is available to businesses and contractors through the Transportation Business Advisory Council (TBAC), small business outreach events, and Metro’s small business orientation classes.

Prompt payment policies. Metro has policies in place to help ensure prompt payment to subcontractors. Prime contractors are required to pay their subcontractors within 7 days after receipt of payment from Metro.

Small business enterprise (SBE) program. In 1997, Metro started their SBE program to comply with California’s Proposition 209, which prohibits explicit consideration of race or gender in the award of state- and locally-funded contracts.

Small business set-aside program. Metro’s small business set-aside program started in 2014 and enables small businesses to compete only against other small businesses for prime contracts up to \$5 million, as well as for informal projects under \$100,000. Only Metro-certified SBEs can participate in the program.

Metro considered the race- and gender-neutral program measures that it currently implements and its DBE participation as the result of those measures during FFY 2018 through FFY 2020. Based on Metro’s Uniform Reports, median DBE participation as the result of race- and gender-neutral efforts for FFY 2018 through FFY 2020 was 3.6 percent. Based on that information, Metro projects that it will be able to meet **3.6 percent** of its proposed DBE goal for FFY 2022 through FFY 2024 through the use of race- and gender-neutral measures. Metro projects that it will meet the remainder of its proposed 28 percent overall DBE goal—**24.4 percent**—through the use of race- and gender-conscious measures (i.e., DBE contract goals).

Necessity of race-conscious measures. Metro used race- and gender-conscious DBE subcontracting goals on many contracts during study period that BBC examined as part of the 2017 LA Metro Disparity Study to encourage the participation of disadvantaged business enterprises. The disparity study compared disparity analysis results between contracts that Metro awarded with the use of DBE subcontracting goals (goals contracts) and contracts that Metro awarded without the use of DBE subcontracting goals (no-goals contracts). Examining participation in no-goals contracts provides useful information about outcomes for minority- and woman-owned businesses on contracts that Metro awarded in a race-neutral and gender-neutral environment and whether there is evidence that certain groups face any discrimination or barriers as part of Metro’s contracting.^{6,7,8}

Figure 4 presents 2017 disparity analysis results separately for goals contracts and no-goals contracts. As shown in Figure 4, overall, minority- and woman-owned businesses exhibited better outcomes on goals contracts than on no-goals contracts. Whereas minority- and woman-owned businesses showed a substantial disparity on no-goals contracts (disparity index of 53), they did not show a substantial disparity on goals contracts (disparity index of 96). Results for individual groups indicated that:

- Only Black American-owned business (disparity index of 64) showed substantial disparities on goals contracts.
- All groups except Subcontinent Asian American-owned businesses showed substantial disparities on no-goals contracts.

⁶ Associated General Contractors of America, San Diego Chapter, Inc. v. California Department of Transportation, et al., 713 F.3d 1187, 1192, 1196 (9th Cir. 2013).

⁷ Concrete Works of Colorado, Inc. v. City and County of Denver, 321 F.3d 950, 985, 987-88 (10th Cir. 2003), cert. denied, 540 U.S. 1027, 124 S. Ct. 556 (2003).

⁸ H. B. Rowe Co., Inc. v. W. Lyndo Tippett, NCDOT, et al., 615 F.3d 233,246 (4th Cir. 2010).

Figure 4.
Disparity indices for goals
and no-goals contracts

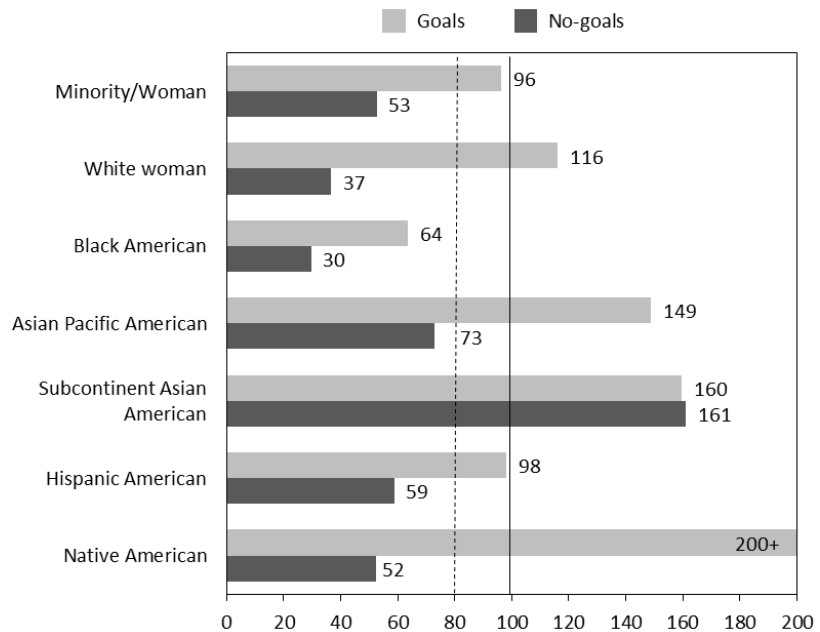
Note:

The study team analyzed 5,293 contract elements to which subcontracting goals applied. The study team analyzed 6,896 contract elements to which no subcontracting goals applied.

For more detail, see Figures F-14 and F-15 in Appendix F of the 2017 LA Metro Disparity Study.

Source:

2017 LA Metro Disparity Study.



The results presented in Figure 4 indicate that Metro’s use of DBE goals is effective in encouraging the participation of minority- and woman-owned businesses in its contracts. Moreover, those results indicate that when Metro does not use race-conscious and gender-conscious measures, most relevant business groups suffer from substantial underutilization in Metro contracting.

Waiver Request

Several seminal court cases have indicated that in order to implement the Federal DBE Program in a narrowly tailored manner, agencies should limit the use of race- and gender-conscious program measures to those groups “that have actually suffered discrimination” within their transportation contracting industries.^{9,10} Moreover, USDOT official guidance states that “even when discrimination is present in a state, a program is narrowly tailored only if its application is limited to those specific groups that have actually suffered discrimination or its effects.”¹¹ As provided in 49 CFR Part 26, such guidance is “valid, and express[es] the official positions and views of the Department of Transportation”¹²

Results from the 2017 Disparity Study indicated that most relevant business groups exhibited *substantial disparities*—that is, disparities whereby participation was less than 80 percent of availability—on key contract sets that the study team examined. However, Subcontract Asian

⁹ *AGC, San Diego Chapter v. California DOT*, 713 F.3d 1187, 1191, 1199, 2013 WL 1607239 (9th Cir. April 16, 2013)

¹⁰ *Western States Paving Co. v. Washington State DOT*, 407 F.3d 983, 997-98 (9th Cir. 2005), *cert. denied*, 546 U.S. 1170 (2006)

¹¹ United States Department of Transportation Official Questions and Answers (Q&A’s) Disadvantaged Business Enterprise Program Regulation (49 CFR 26), <http://www.dot.gov/osdbu/disadvantaged-business-enterprise/official-questions-and-answers-26>

¹² 49 CFR Section 26.9

American-owned businesses did not exhibit substantial disparities on key contract sets, including on no-goals contracts as presented above.

Metro submitted a waiver request to FTA in July 2018 for the Department of Transportation Office of the Secretary review and approval to allow Metro to limit its use of race- and gender-conscious measures (i.e., DBE contract goals) to those DBE groups for which compelling statistical evidence of discrimination—that is, substantial disparities between participation and availability on Metro’s transportation-related contracts—exists in the relevant geographic market area. Based on results from the 2017 Disparity Study, Metro requested to limit its use of DBE contract goals to the following business groups: Black American-owned DBEs, Hispanic American-owned DBEs, Native American-owned DBEs, Asian Pacific American-owned DBEs, and woman-owned DBEs. Metro would not consider Subcontinent Asian American-owned DBEs as eligible to count towards DBE contract goals at this time.

Should Metro receive approval for its waiver request, the agency will closely monitor the participation of Subcontinent Asian American-owned businesses in its transportation-related contracts. If the participation of Subcontinent Asian American-owned businesses decreases substantially, Metro will act immediately to withdraw the waiver. Metro intends to request a waiver that will allow the agency to limit its use of race- and gender-conscious measures (i.e., DBE contract goals) to those DBE groups for which compelling statistical evidence of discrimination—that is, substantial disparities between participation and availability on Metro’s transportation-related contracts—exists in the relevant geographic market area. Based on results from the 2017 Metro Disparity Study, Metro will request to limit its use of DBE contract goals to the following business groups: Black American-owned DBEs, Hispanic American-owned DBEs, Native American-owned DBEs, Asian Pacific American-owned DBEs, and woman-owned DBEs. Metro would not consider Subcontinent Asian American-owned DBEs as eligible for DBE contract goals at this time.

Metro will notify the contracting community of any change to the implementation of contract-specific goals. Metro will closely monitor the participation of Subcontinent Asian American-owned businesses in its transportation-related contracts. If the participation of Subcontinent Asian American-owned businesses decreases substantially during the goal period, Metro will act immediately to withdraw the waiver.

Public Participation – 49 CFR Section 26.45(g)

Public participation is a key component of Metro’s process for setting its overall DBE goal. Metro made information about the proposed goal available to the public through their website posted on May 13, 2021 beginning a 30-day comment period from May 13, 2021 through June 13, 2021. Metro held three virtual public hearings on May 25th, 27th and on June 3rd, 2021. Additionally, Metro presented the goal and goal methodology report at June 3rd TBAC monthly meeting. Comments were also available for submission in writing by email at LAMetroGandM@bbcresearch.com or Goalcomment@metro.net.

The background features large, 3D-style letters 'M' and 'A' in a light cream color, set against a dark green circular backdrop. This is further overlaid on a larger orange circular shape, which is itself on a dark grey background.

ITEM _____

FFY 2022-2024 OVERALL DBE GOAL AND GOAL METHODOLOGY

Executive Management Committee

June 17, 2021



Metro

WHO MUST HAVE A DBE PROGRAM?

As a USDOT fund recipient, Metro is required to implement the DBE program. Every three years, Metro must set their overall goal for DBE participation.

Metro's proposed overall goal triennial period

- Federal Fiscal Year 2022 – 2024
- October 1, 2021 – September 30, 2024



Metro

SETTING OVERALL DBE GOAL

BASE FIGURE

- Information from Disparity Study
- Availability analysis
- Potential DBEs

STEP 2 ADJUSTMENT

- Current DBE capacity
- Marketplace barriers
- Other relevant factors



Metro

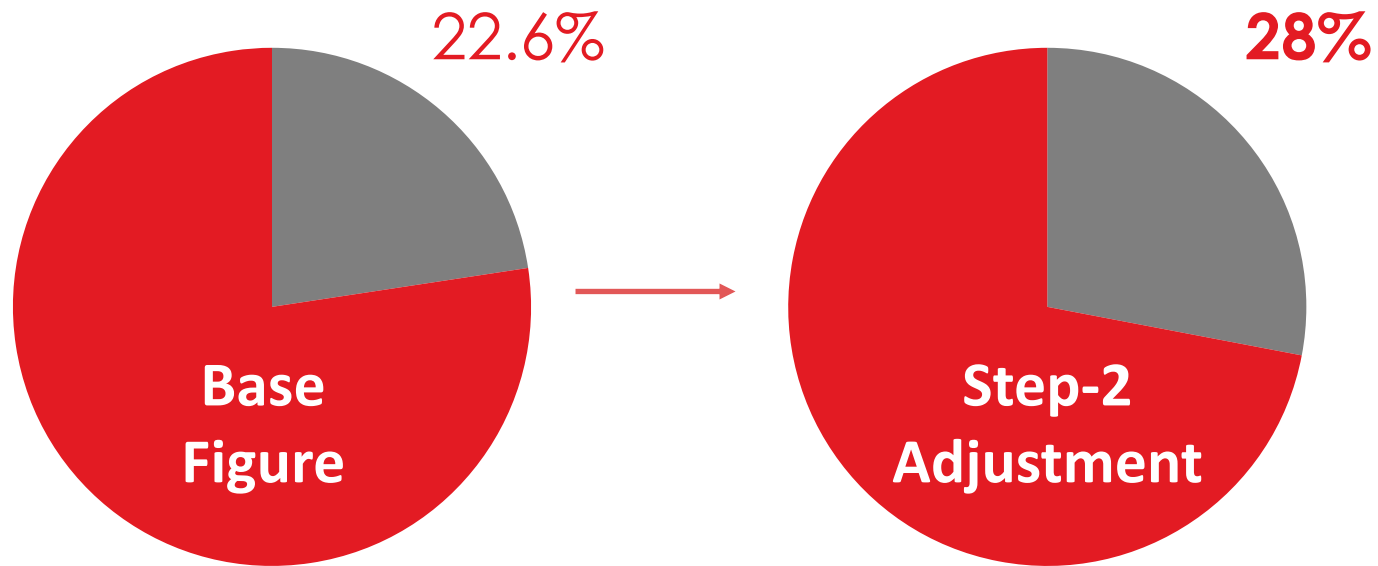
CALCULATING THE BASE FIGURE

Base figure is calculated using a dollar-weighted calculation by industry based on contracts expected for Metro during the next three Federal Fiscal Years

Potential DBEs	Availability Percentage			Weighted average
	Construction	Professional Services	Goods and services	
Black American owned	4.4 %	3.8 %	4.8 %	4.4 %
Asian Pacific American owned	0.7	1.7	1.8	1.2
Subcontinent Asian American owned	0.1	0.4	0.5	0.3
Hispanic American owned	12.6	2.1	13.4	11.5
Native American owned	0.0	0.0	1.5	0.6
White woman owned	0.4	6.8	9.3	4.6
Total potential DBEs	18.1 %	14.8 %	31.2 %	22.6 %
Industry weight	49 %	13 %	38 %	

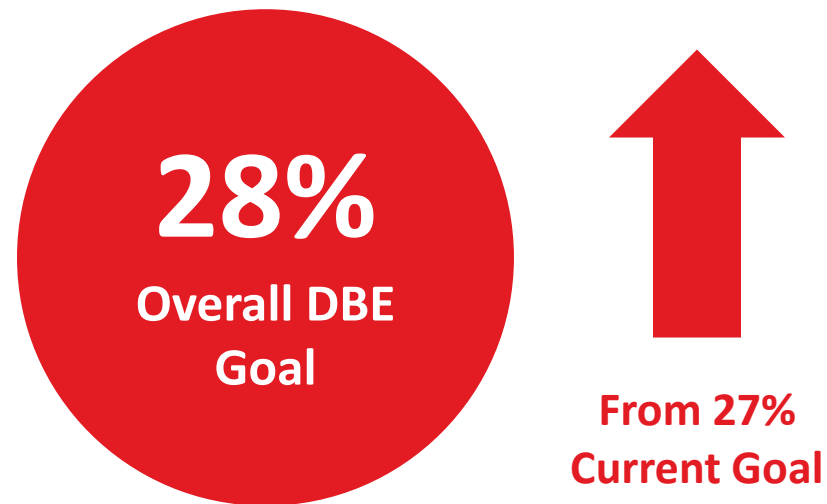
CALCULATING THE GOAL

Projected availability if minorities and women owned businesses at same rate as similarly situated white men—supports upward adjustment to base figure



CALCULATING THE GOAL

Given marketplace barriers, Metro determined that it was appropriate to adjust the base figure upward.



RACE-/GENDER-CONSCIOUS MEASURES

Substantial disparities*

- African American-owned businesses
- Asian-Pacific American-owned businesses
- Hispanic American-owned businesses
- Native American-owned businesses
- White women-owned businesses

No substantial disparities*

- Subcontinent Asian American-owned businesses**



Metro

*Based on disparity analysis

**Subcontinent Asian Americans are persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka

WAIVER FOR SUBCONTINENT ASIAN AMERICAN-OWNED BUSINESSES

Ineligible for race-/gender-conscious measures
(contract goals)

But:

- Included until waiver approval*
- Still included in DBE Program
- Utilization still counts toward overall DBE goal
- Still eligible for neutral program measures
- Minority women-owned businesses still eligible
- Metro will monitor utilization of all DBE groups



Metro

*Waiver must be approved by office of USDOT Secretary

NEXT STEPS

- Board approval
- Submit proposed goal and waiver to FTA
- Overall DBE goal effective October 1, 2021



Thank you



Metro®



Board Report

File #: 2020-0768, File Type: Contract

Agenda Number: 35.

CONSTRUCTION COMMITTEE JUNE 17, 2021

SUBJECT: ENVIRONMENTAL ENGINEERING SERVICES

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer (CEO) to award and execute a five (5) year contract, Contract No. EN66937, with Kleinfelder, Inc. for Environmental Engineering and Consulting services on Task Orders for a total amount not-to-exceed \$48,000,000 inclusive of three base years with an initial amount not-to-exceed \$37,000,000; with two one-year options; and
- B. AUTHORIZING Contract Modification Authority (CMA) in the amount of \$4,800,000 (10% of the not-to-exceed contract amount) and authorizing the CEO to award and execute individual task order changes and/or modifications within the CMA amount.

ISSUE

All major Capital and Capital Improvement Projects, along with many ongoing facilities maintenance and restoration activities undertaken by LA Metro requires environmental engineering and consulting services. Our agency must remain in compliance with all applicable environmental laws and regulations to avoid potential fines, and civil and criminal liability. This contract has been a critical component for technical and environmental engineering support for many of our capital and operating projects. This contract provides technical expert environmental assistance to ensure timely environmental compliance and execution of needed environmental design, data generation and analysis, and environmental measurement and monitoring necessary and as required by Federal and State statutes and regulations, and local ordinances.

Approximately \$33M of the total requested contract value is for the historical core duties performed under previous contracts that include: environmental and geotechnical assessments, Phase I/II environmental site assessments, construction and industrial stormwater monitoring, noise and vibration monitoring, air quality monitoring, soil and groundwater sampling, industrial wastewater sampling, fuel storage tank system design, permitting assistance, and other regulatory reporting requirements.

Approximately \$18M of this requested contract value is to support anticipated geotechnical investigations for the Sepulveda Transit Corridor Project.

DISCUSSION

Contract No. EN66937 scope includes environmental and geotechnical assessments, Phase I/II environmental site assessments, lead-based paint and asbestos surveys, construction and industrial stormwater monitoring, air quality monitoring, soil and groundwater sampling, industrial wastewater sampling, GASB 49 Environmental Liability Reporting, fuel storage tank system design, permitting assistance, and other regulatory reporting requirements.

Kleinfelder, Inc. is the incumbent for the contract that Contract No. EN66937 is replacing. The total contract value of the current Contract PS-8420-3274 is \$25M of which, ~\$24M has been encumbered. Under the current contract PS-8420-3274, Kleinfelder made a 15% DBE commitment. Based on payments reported, the contract is 85% complete and the current level of DBE participation is 26.69%. Kleinfelder is exceeding its DBE commitment by 11.69%.

The new contract, Contract No. EN66937, is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract and the total contract price is the aggregate total of all Task Orders and changes to be issued within the Board authorized contract amount. This contract allows for staff to readily acquire the specialized technical expertise when needed, for the duration needed. The consultant is not guaranteed any work.

When the need for environmental engineering and consulting services arises, only then will staff be able to issue Contract Work Orders from which Task Orders or changes are drawn. These Task Orders and changes will be funded from an existing project's budget with consideration of any information available at the time of planning and applicable time constraints on performance of the work.

All of the Task Orders will be fully negotiated based on agreed upon rates that will be negotiated at the onset of the project. Staff applies strict project controls in the execution of each of these Task Orders to closely monitor the Consultant's budget and Task Order schedules. No funds are obligated until a Contract Work Order/Task Order is awarded against a valid project.

The RFP established a 25% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goals. SBE/DVBE attainment is based on the aggregate value of all task orders issued. See Attachment C for Kleinfelder's actual commitment and the subcontractors listed.

To accomplish the assigned tasks, the consultant will provide necessary staff, sub-consultants, equipment, software, supplies, and services. The consultant shall employ or subcontract as necessary with diverse environmental professionals such as professional engineers; registered geologists, qualified stormwater developers (QSD), Certified Industrial Hygienists (CIH), and Certified Asbestos Consultants (CAC).

DETERMINATION OF SAFETY IMPACT

This Board action will not have an adverse impact on safety standards for Metro. It will however increase safety as sustainability related projects and programs are implemented to increase the health and safety of our staff and enhance customer experience of our system.

FINANCIAL IMPACT

Contract No. EN66937 is an IDIQ contract. All task orders are individually negotiated, and level of effort fully defined prior to obligating the funds. The task orders will be funded by appropriate project budget, authorized through the annual budget adoption. Since this is a multiyear contract, Chief Program Management Officer, Chief Sustainability Officer, and respective Project Managers are responsible for providing appropriate budgets and following task order award process protocols during the execution of each task order. Execution of work under those Task Orders within those Contract Work Order (CWO) awards can continue beyond the contract end date.

Impact to Budget

The funding source will be aligned to the project acquiring this service. Bus and rail eligible funds will be limited to the task orders pertaining to bus and rail operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This consultant contract supports Strategic Goal 2 by optimizing the delivery and performance of Metro's transportation system by incorporating environmental compliance through environmental services activities to reduce impacts to the environment and increase system efficiency.

ALTERNATIVES CONSIDERED

If Contract No. EN66937 is not awarded, staff's ability to provide technical and environmental engineering support for many of our capital and operating projects will be limited. As a consequence; Metro would not be able to immediately address potential and existing environmental liabilities. Furthermore, it would inhibit Metro's ability to remain in compliance with all applicable environmental laws and regulations to avoid potential fines, and civil and criminal liability.

As another alternative, Metro could perform all the environmental engineering and mitigation services in-house. However, to do so, Metro would need to hire additional staff with expertise in many different subjects, such as engineers, geologists, surveyors, asbestos/lead inspectors, laboratory scientists, UST design engineers, and purchasing environmental sampling and monitoring equipment. Staff does not recommend this alternative owing to high acquisition costs to procure personnel and equipment as well as potential for implementation and training delays.

Staff may solicit and award individual contracts for each environmental task on an as-needed basis. Staff does not recommend this alternative. Individually procuring these CWO's and Task Orders have associated inconsistencies, and likely greater cumulative administrative and execution costs, and inefficiencies. The CWOs and Task Orders would also have to be competitively procured, causing

significant delays. This scenario makes it challenging to provide timely responses to sensitive and emergency requirements from within the agency and from regulatory agencies.

NEXT STEPS

Upon Board approval, staff will execute the conformed contract and proceed with issuing Task Orders and Contract Work Orders.

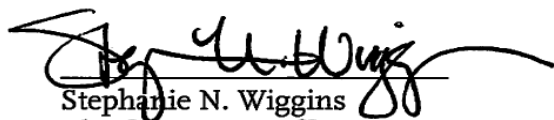
ATTACHMENTS

- A. Procurement Summary
- B. Types and Total Value Estimates of Projects - FY21 to FY25
- C. DEOD Summary

Prepared by: Cris B. Liban, Chief Sustainability Officer, (213) 922-2471

Reviewed by: Bryan Pennington, Chief Program Management Officer (Interim), (213) 922-7449

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


Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

ENVIRONMENTAL ENGINEERING SERVICES
CONTRACT NO. EN66937

1.	Contract Number: EN66937	
2.	Recommended Vendor: Kleinfelder, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued March 9, 2020	
	B. Advertised/Publicized: March 24, 2020 (Periodicals of General Circulation)	
	C. Pre-Proposal Conference: March 27, 2020	
	D. Proposals Due: May 22, 2020	
	E. Pre-Qualification Completed: March 15, 2021	
	F. Conflict of Interest Form Submitted to Ethics: April 17, 2020	
	G. Protest Period End Date: Est. June 21, 2021	
5.	Solicitations Picked up/Downloaded: 54	Proposals Received: 5
6.	Contract Administrator: Daniel A Robb	Telephone Number: 213.922.7074
7.	Project Manager: Cris B. Liban	Telephone Number: 213.922-2471

A. Procurement Background

This Board Action is to approve the award of Contract No. EN66937, Environmental Engineering Services to Kleinfelder, Inc. (Kleinfelder) to provide environmental engineering services for a wide range of projects, in support of Metro's Environmental Compliance and Sustainability Department (ECSD). Efforts would include site assessment, remediation, engineering, and execution of engineered solutions to environmental issues identified at Metro sites. Board approval of contract awards are subject to resolution of any properly submitted protest.

The recommended consultant will furnish all of the labor, materials, and other related items required to perform the services on a Contract Work Order basis for a project, under which specific Task Orders will be issued for specific Scopes of Services and Period of Performance.

The Request for Proposals (RFP) was an Architectural and Engineering (A & E) services, qualifications-based procurement process performed in accordance with Los Angeles County Metropolitan Transportation Authority (Metro) Procurement Policies and Procedures and California Government Code § 4525 -4529.5. The contract type is a Cost Plus Fixed Fee (CPFF). The Contract is for a term of three (3) years plus 2 one-year options.

Two (2) Amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on May 1, 2020, amended the Letter of Invitation to extend the Proposal due date. Delete the RC_DBE Program and replace with SBE/DVBE Program
- Amendment No 2, issued on May 18, 2020, Replace Exhibit 13 Certification of Prospective Contractor, Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

Five (5) proposal were received on May 22, 2020 from the following firms:

1. Atlas Technical Consultants
2. CDM Smith, Inc.
3. Kleinfelder, Inc.
4. Wood Environment & Infrastructure Solutions, Inc.
5. WSP USA, Inc.

All five (5) of the Proposals were responsive to the requirements of the RFP Documents, including Amendment No. 1 and Amendment No. 2.

B. Evaluation of Proposals

The Proposal Evaluation Team (PET) was comprised of representatives from the following departments: Environmental Compliance and Sustainability and Third Party Administration. The PET conducted a comprehensive evaluation of the proposal received.

The proposals were evaluated on the following evaluation criteria and associated weightings:

- Experience and Capabilities of the Firms on the Team(20%)
- Skill and Capability of Individuals on the Team.....(20%)
- Effectiveness of Management Plan.....(25%)
- Project Understanding and Approach.....(35%)

The evaluation criteria are appropriate and consistent with criteria developed for other, similar Professional Service procurements. Several factors were considered when developing the criteria weightings, giving the greatest importance to the Experience and Capabilities of the Firms and Key Personnel on the Consultant’s Team, Effectiveness of Management Plan and Project Understanding and Approach.

This is a qualifications based procurement; therefore, price cannot be used as an evaluation factor pursuant to state and federal law.

Qualifications Summary of Recommended Firm:

The evaluation performed by the PET determined Kleinfelder, Inc. as the qualified firm and team to provide Environmental Engineering Services, as provided in the RFP Scope of Services.

Kleinfelder, Inc. demonstrated an exceptional thorough and comprehensive understanding of the Scope of Services and Metro's needs under this contract, and demonstrated the ability to scale-up or scale-down based on Metro's needs. The proposer has the expertise to accomplish work on several concurrent task orders, which will be crucial as Metro continues to ramp-up construction efforts.

The key personnel on Kleinfelder's team exceed the requirements in the Scope of Services and possess highly applicable experience to meet Metro's needs. Kleinfelder can provide the qualified support staff and subconsultants with diverse and redundant applicable expertise in order to provide support for many concurrent task orders. Kleinfelder's team can allow them to respond to any need Metro may have under the contract.

The Proposal Evaluation Team (PET) evaluated the proposals, and assessed major strengths, weaknesses, and associated risks of the Proposer to determine the qualifications of the firm. The final scoring was based on evaluation of the written proposals received from the Proposers. The results of the scoring are shown below:

Firm	Evaluation Factor	Average Score	Factor Weight	Weighted Score	Rank
Kleinfelder, Inc	Experience and Capabilities of the Firms on the Team	93.35	20%	18.67	
	Skill and Capability of Individuals on the Team	89.30	20%	17.86	
	Effectiveness of Management Plan	93.24	25%	23.31	
	Project Understanding and approach	92.31	35%	32.31	

	TOTAL		100%	92.15	1
Wood Environmental & Infrastructure Solutions	Experience and Capabilities of the Firms on the Team	90.10	20%	18.02	
	Skill and Capability of Individuals on the Team	90.55	20%	18.11	
	Effectiveness of Management Plan	89.40	25%	22.35	
	Project Understanding and approach	89.94	35%	31.48	
	TOTAL		100.00%	89.96	2
WSP USA, Inc	Experience and Capabilities of the Firms on the Team	89.55	20%	17.91	
	Skill and Capability of Individuals on the Team	89.85	20%	17.97	
	Effectiveness of Management Plan	89.92	25%	22.48	
	Project Understanding and approach	88.54	35%	30.99	
	TOTAL		100.00%	89.35	3

CDM Smith	Experience and Capabilities of the Firms on the Team	84.85	20%	16.97	
	Skill and Capability of Individuals on the Team	86.30	20%	17.26	
	Effectiveness of Management Plan	84.48	25%	21.12	
	Project Understanding and approach	89.09	35%	31.18	
	TOTAL		100.00%	86.53	4
Atlas Technical Consultants	Experience and Capabilities of the Firms on the Team	86.50	20%	17.30	
	Skill and Capability of Individuals on the Team	86.35	20%	17.27	
	Effectiveness of Management Plan	82.32	25%	20.58	
	Project Understanding and approach	87.46	35%	30.61	
	TOTAL		100.00%	85.76	5

Note: All Scores rounded to the second decimal.

C. Cost Analysis

The recommended total estimated cost has been determined to be fair and reasonable based upon a cost analysis of labor rates, indirect rates and other direct costs completed in accordance with Metro’s Procurement Policies and Procedures. Metro negotiated and established indirect cost rates and as appropriate provisional indirect (overhead) rates, plus a fixed fee factor to establish a fixed fee amount based on the total estimated cost for task orders, during the contract term to compensate the consultant.

Audits will be requested, where required, for those firms without a current applicable audit of their indirect cost rates, other factors, and exclusion of unallowable costs, in accordance with Federal Acquisition Regulation (FAR) Part 31. In order to prevent any unnecessary delay in contract award, provisional overhead rates have been established subject to Contract adjustments. In accordance with FTA Circular 4220.1.f, if an audit has been performed by any other cognizant agency within the last twelve-month period, Metro will receive and accept that audit report for the above purposes rather than perform another audit.

Proposer: Kleinfelder, Inc...			
Contract Duration	Proposal Amount	Metro ICE	NTE Funding Amount
Base Period – 3 Years	N/A ⁽¹⁾	\$36,600,000. ⁽²⁾	\$37,000,000. ⁽²⁾
Option Year 1	N/A ⁽¹⁾	\$5,600,000. ⁽³⁾	\$6,000,000. ⁽³⁾
Option Year 2	N/A ⁽¹⁾	\$5,000,000. ⁽⁴⁾	\$5,000,000. ⁽⁴⁾

- (1) A proposal amount was not applicable. This is a Cost Plus Fixed Fee (CPFF) Task Order Contract with no definable level of effort for the Scope of Services. Hourly labor rates, overhead and fee were negotiated and determined to be fair and reasonable.
- (2) The amount \$36,600,000. is the Independent Cost Estimate (ICE) for 3-year base Period of the Contract.
- (3) The amount \$5,600,000. is the Independent Cost Estimate (ICE) for Option Year 1 Period of the Contract.
- (4) The amount \$5,000,000. is the Independent Cost Estimate (ICE) for Option Year 2 Period of the Contract.

The Environmental Engineering Services Independent Cost Estimate (ICE) was established based on the Scope of Services developed for the Contract. The probable costs are based on the anticipated level of effort estimated for each year that will be required to perform the Scope of Services by the Consultant and sub-consultants.

D. Background on Recommended Consultant

The recommended firm, Kleinfelder, Inc. (Kleinfelder), a California Corporation headquartered in San Diego, California, has been in business since 1961, and is a leader in the fields of Engineering, Architecture, and Science Consulting. Kleinfelder has nearly 2,000 employees across 74 offices across the United States, Canada, and Australia. They have been working in Los Angeles since 1984 with two Los Angeles County offices in downtown Los Angeles and in Long Beach.

Attachment B: Environmental Engineering Services Contracts

Future Projects	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value	Total Estimated Contract Value
Contractor Consultancy Only						
Programs						
Water Quality Compliance Services (Industrial Wastewater, Construction SWPPP, NDPEs)	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$1,250,000.00
Real Estate-Joint Development Support	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$500,000.00
Environmental Risk and Liability Tracking (GASB49)	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$125,000.00
Tank Systems Design & Operation Support	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$500,000.00
Environmental Regulatory Compliance Support	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$75,000.00
Permitting	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$75,000.00
Environmental Consulting & Emergency Response Services	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$750,000.00
Projects						\$0.00
Regional Connector	\$100,000.00	\$100,000.00	\$25,000.00	\$0.00	\$0.00	\$225,000.00
Crenshaw-LAX	\$250,000.00	\$250,000.00	\$0.00	\$0.00	\$0.00	\$500,000.00
Purple Line Extension-Section 1 / Location 64	\$1,500,000.00	\$1,500,000.00	\$1,000,000.00	\$1,000,000.00	\$0.00	\$5,000,000.00
Purple Line Extension-Section 2	\$1,500,000.00	\$1,500,000.00	\$1,000,000.00	\$1,000,000.00	\$400,000.00	\$5,400,000.00
Purple Line Extension-Section 3	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00	\$1,000,000.00	\$450,000.00	\$5,950,000.00
Active Transportation Rail to Rail Corridor	\$50,000.00	\$50,000.00	\$50,000.00	\$25,000.00	\$0.00	\$175,000.00
Division 20 - Portal Widening Turnback	\$750,000.00	\$750,000.00	\$750,000.00	\$500,000.00	\$500,000.00	\$3,250,000.00
Metro Orange Line Improvements	\$50,000.00	\$50,000.00	\$50,000.00	\$25,000.00	\$25,000.00	\$200,000.00
Airport Metro Connector	\$300,000.00	\$300,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$1,050,000.00
Metro Link Union Station	\$150,000.00	\$150,000.00	\$150,000.00	\$50,000.00	\$50,000.00	\$550,000.00
Metro Emergency Security Operations Center (ESOC)	\$150,000.00	\$150,000.00	\$150,000.00	\$100,000.00	\$100,000.00	\$650,000.00
East San Fernando Valley Transit Corridor	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$1,500,000.00
West Santa Ana Branch Transit Corridor	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$1,500,000.00
Metro Soundwall Program (Package 11)	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$125,000.00
Rosecrans / Marquardt Grade Separation	\$100,000.00	\$100,000.00	\$50,000.00	\$0.00	\$0.00	\$250,000.00
LAUS Forecourt	\$0.00	\$100,000.00	\$50,000.00	\$0.00	\$0.00	\$150,000.00
I-5 North Capacity Enhancements	\$100,000.00	\$100,000.00	\$50,000.00	\$0.00	\$0.00	\$250,000.00
Sepulveda Pass Geotechnical Investigation	\$7,000,000.00	\$5,000,000.00	\$3,000,000.00	\$1,500,000.00	\$1,500,000.00	\$18,000,000.00
Overall ROM	\$14,780,000.00	\$12,880,000.00	\$9,255,000.00	\$6,630,000.00	\$4,455,000.00	\$48,000,000.00

Notes:

Project costs assumed to include any escalation

DEOD SUMMARY

**ENVIRONMENTAL ENGINEERING SERVICES
CONTRACT NO. EN66937**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established an overall 28% Small Business Enterprise/Disabled Veterans Business Enterprise (SBE/DVBE) goal, inclusive of a 25% SBE goal and 3% DVBE goal for this Task Order Contract. Kleinfelder Inc., exceeded the goal by making a 26% SBE and a 4% DVBE commitment.

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

Small Business Goal	25% SBE 3% DVBE	Small Business Commitment	26% SBE 4% DVBE
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Prime: Kleinfelder Inc.

	Subcontractors	SBE	DVBE
1.	Advanced Technology Laboratories	X	
2.	Aero Environmental Services	X	
3.	AP Engineering & Testing, Inc.	X	
4.	Asset Laboratories	X	
5.	Aurora Industrial Hygiene, Inc.	X	X
6.	AVA Environmental Inc.	X	
7.	Bancroft Construction Services		X
8.	Calvada Surveying		X
9.	Colbert Environmental Group	X	
10.	CSDA Design Group	X	
11.	D'Leon Consulting Engineers	X	
12.	E-Nor Innovations, Inc.	X	X
13.	Entech Northwest, Inc.	X	
14.	Global ASR Consulting, Inc.	X	
15.	ICI Engineers, Inc.	X	
16.	J & H Drilling Co., Inc.	X	
17.	Martini Drilling Corporation	X	
18.	Morgner Construction Management	X	
19.	MugenKioku Corporation	X	
20.	Paleo Solutions, Inc.	X	
21.	Polytechnique Environmental, Inc.	X	

22.	Safe Probe, Inc.	X	
Prime: Kleinfelder Inc. (cont.)			
	Subcontractors	SBE	DVBE
23.	SunWest Engineering Constructors, Inc.	X	
24.	ToxRisk Consulting, LLC	X	
25.	V & A Inc.	X	
26.	Wagner Engineering & Survey, Inc.	X	
TOTAL COMMITMENT		26%	4%

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0410, File Type: Contract

Agenda Number: 36.

CONSTRUCTION COMMITTEE JUNE 17, 2021

SUBJECT: ENVIRONMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED CONSTRUCTION SERVICES

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE:

- A. An increase to the total authorized funding for Contract No. PS20655 with TRC Solutions Inc. for Environmental Waste Handling and Environmentally Related Construction Services in the Not-to-Exceed amount of \$19,759,809, increasing the total authorized funding from \$74,800,000 to \$94,559,809, extending the contract term an additional six months; and
- B. The Chief Executive Officer (CEO) to execute all individual Task Orders and changes within the new Board approved contract funding amount.

ISSUE

Nearly every capital project and all transit projects undertaken by Metro require evaluation and removal of hazardous substances, contamination, or a need for regulatory compliance under federal, state and local law. Metro must comply with all environmental laws to avoid fines, and civil or criminal liability.

The scope of work identified in this contract generally falls into two categories: support for Metro's capital program and Metro's underground storage tank program. Expertise and services within the contract scope also include those of drillers, laboratory scientists, tank design engineers, and operators for heavy earth-moving and material handling equipment and trucks. Equipment used within the contract scope also include laboratory equipment and use of heavy earth-moving equipment and trucks. These are all needed to ensure continual compliance in all aspects of our construction and tank operations. Our agency does not have these types of specialized resources.

The passing of Measure M and continuation of Measure R projects in recent years has further increased the number of projects that have been developed. More recently, additional projects such as the Rosecrans-Marquardt Grade Separation, and compliance needs such as the Metro Fuel Storage Tank Program have further increased the need for specialized environmental waste handling

and environmentally related construction services. Most recently, under a State Water Resources Control Board Consent Decree order, we have also accelerated the installation of above ground tanks to house our hazardous chemicals as we reduce the number of underground storage tanks still in use.

The increased and overlapping capital programs in the last five years has increased the level and volume of capital project requests for support. In addition, there has also been an increased volume of Operations related tank work due to the Consent Decree. The use of Contract No. PS20655 to support these required efforts has resulted in the authorized contract funding being fully encumbered. All work under this contract is authorized by Task Orders and the aggregate value of the Task Orders establishes the Total Contract Amount and that must always be within the Board authorized funding amount for the contract.

Staff is completing a second parallel contract procurement. The contract will provide additional vendor participation and environmental waste handling and environmentally related construction services capacity but specific to capital projects. The procurement is still underway and is expected to come before the Board in July 2021.

Contract No. PS20655 is only about four years old and has approximately \$3M left in contract value. That amount is insufficient to address the additional programmed activities within the next year. While the procurement for the new parallel contract is anticipated to be completed in July 2021, there would not be enough contract value capacity in this current contract to address the programmed activities in time for the Notice to Proceed for the new parallel contract.

Staff requests the Board for an increase in current contract funding of \$19,759,809. This is necessary to continue the support for the major capital projects and comply with the State Water Resources Control Board 2019 Consent Decree. This is also critical to execute current schedule and cost critical tasks and those that are already in the project pipeline and maintain momentum of support to the capital projects, pending award of the parallel contract currently in procurement.

DISCUSSION

The capital related work being supported under this Contract is required in order to meet the accelerated capital program that has grown from \$14B to approximately \$21B+ in five years. Contract No. PS20655 has been an important asset to all the major capital projects that it has been used to support; saving time, reducing project delays, producing cost-efficiencies that reduce impacts to project budget while maintaining regulatory compliance for every capital project.

Over the past four years, the Contract No. PS20655 consultant contract has been a key contributor to support numerous large capital Projects. These include:

- Portal Widening Turnback (PWT);
- Purple Line Section 1;
- Purple Line Section 2;
- Purple Line Section 3;
- Crenshaw LRT;

- Metro Fuel Storage Tank Program; and
- Emergency Service Operations Center (ESOC).

While there have been due diligence efforts to anticipate unforeseen environmental conditions at the project sites, procuring for project specific environmental services contracts to address unforeseen circumstances determined during project development or design could significantly delay schedule. Specifically, such delay would have likely resulted in increased liability for contractor claims for delay to schedule completion milestones or risk fines due to violation upon the order by a regulatory agency.

Metro staff does not have the internal resources to do all environmental waste handling and environmental compliance support work in house. To complement and supplement limited resources, Metro has contracted for such vendors with specialized environmental equipment and technical capabilities to include laboratory, field services, and evaluation and remediation tools. Metro, in effect, would incur more cost to do the work internally than by employing these types of consultants and specialized vendors.

In addition, as part of the 2019 Consent Decree with the State Water Resources Control Board, staff is also accelerating the upgrades of underground storage tank infrastructure. Where feasible, staff is converting underground storage of hazardous materials to above ground storage.

Based on current information (April 2021), \$72,059,808 will have been spent in support of all current capital projects. Approximately \$20M worth of environmental support services need to be executed within the next year. These include the following:

Project Title	Task Order (TO) Description	Anticipated TO Amount
Metro Fuel Storage Tank Program	UST Removals and AST Installations, Fuel System Repairs and Maintenance, SWQCB Consent Decree Compliance	\$12,200,000
Crenshaw-LAX Demolition/Abatement Union Equity Buildings	Union Equity Building Abatement of Haz Mat and demolition	\$3,300,000
Azusa Depot	Abatement of Haz Mat and demolition	\$2,000,000
North Hollywood Demolition/Abatement	Abatement of Haz Mat and demolition of Metro owned properties	\$1,500,000
Rosecrans-Marquardt Grade Separation	Abatement of Haz Mat and demolition of Metro owned properties	\$3,000,000

Additional environmental services are currently being programmed in support of all capital projects and agency-wide environmental compliance. Those services will be performed in the future parallel contract.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an adverse impact on safety standards for Metro. It will however increase safety as environmental related projects and programs are implemented to increase the health and safety of our staff and enhance customer experience of our system.

FINANCIAL IMPACT

Contract No. PS20655 is an Indefinite Delivery/Indefinite Quantity (IDIQ) contract. All Task Orders are individually negotiated, and level of effort fully defined prior to the authorization of any project specific funds. The Chief Program Management Officer, Chief Sustainability Officer, and Project Managers are responsible for providing appropriate budgets and following Task Order process protocols for the execution of each Task Order. Execution of work under those Task Orders within those Contract Work Order (CWO) issued for each project can continue beyond the contract end date.

Obligations and authorizations made within the authorized total contract funding amount will be against specific capital project or operations budgets which make up the Board-approved Metro budget for the particular fiscal year. Specific funding for this contract will parallel the project approved by Board under separate actions. The Project Managers of each of the business units and projects overseeing these projects will be responsible for providing appropriate budgets.

Impact to Budget

The source of funds for this contract is included in Cost Center 8420 Environmental Compliance and Services Department's budget under Project Numbers 300012 - Site Remediation, 202213 Fuel Storage Tanks, and 100055 Administrative-Measure R, in Account 50316 Professional and Technical Services. The Site Remediation and Fuel Storage Tanks are in support of Metro Operations thus uses operations-eligible funds.

The project funds to be used to support capital project environmental services work are within the LOP of the respective capital projects.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This environmental waste handling and environmentally related construction services contract supports Strategic Goal 2 by optimizing the delivery and performance of Metro's transportation system by incorporating environmental compliance through environmental services activities to reduce impacts to the environment and increase system efficiency.

ALTERNATIVES CONSIDERED

The Metro Board of Directors could decide not to increase the funding for this contract and solicit and award individual contracts for each environmental task as the need arises. Staff does not recommend this alternative owing to high costs, construction delays and, for multiple contracts and administrative inefficiencies that are current occurring. The risk for non-compliance with the 2019 Water Board

Consent Decree will also be higher for any delays in executing the Consent Decree requirements.

As another alternative, Metro could perform all the environmental construction and waste handling services in-house. However, to do so, Metro would need to hire additional staff with expertise in many different subjects, such as drillers, laboratory science, UST design engineers, and operators for heavy earth-moving and material handling equipment, as well as purchase earthmoving and material handling equipment, and laboratory equipment. Staff does not recommend this alternative owing to high acquisition costs to procure personnel and equipment as well as potential for implementation and training delays.

NEXT STEPS

Upon Board approval, staff will proceed with issuing Task Orders and Contract Work Orders on Contract No. PS20655.

In addition, because of the magnitude of the anticipated volume of additional environmental services work in the next 10 years, staff is in the process of going out to the market in FY22 for the replacement of Contract No. PS20655 and to ensure diversity in contracts, competitive pricing, and availability of environmental services resources.

ATTACHMENTS

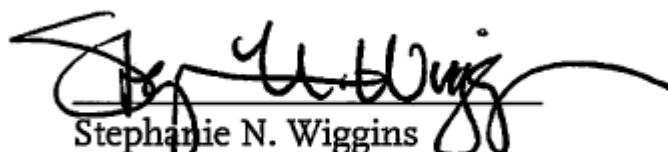
Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Cris B. Liban, Chief Sustainability Officer, (213) 922-2471

Reviewed by: Bryan Pennington, Chief Program Management Officer (Interim), (213) 922-7449

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



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

ENVIRONMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED
CONSTRUCTION SERVICES / PS20655

1.	Contract Number: PS20655		
2.	Contractor: TRC Solutions, Inc.		
3.	Mod. Work Description: Increase not-to-exceed funding amount by \$19,759,809 from \$74,800,000 to \$94,559,809 and execute individual Task Orders and Contract Modifications.		
4.	Contract Work Description: Environmental Waste Handling and Environmentally Related Construction Services		
5.	The following data is current as of: June 3, 2021		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	7/20/17	Contract Award Amount: NTE \$42,274,495
	Notice to Proceed (NTP):	8/30/17	Total Approved and Pending Task Orders and Modifications: \$72,098,482
	Original Complete Date:	7/27/20	Proposed Task Orders and Modifications (including this action): \$22,461,327
	Current Est. Complete Date:	7/27/21	Current Contract Value (with this action): \$94,559,809
7.	Contract Administrator: Daniel A Robb		Telephone Number: (213) 922-7074
8.	Project Manager: Emmanuel Liban		Telephone Number: (213) 922-7471

A. Procurement Background

On July 20, 2017, the Board of Directors approved award of Contract No. P20655 to TRC Solutions, Inc. in the amount not-to-exceed \$42,274,495 to provide services to handle hazardous materials, environmental waste handling, and certain environmentally related construction services for Metro's major transit capital projects, other capital projects, or facilities improvements.

The Environmental Waste Handling and Environmentally Related Construction Services Contract provides support and assistance with skilled and qualified individuals to perform the various tasks through individual Task Orders (TOs) issued for specified work on a project.

Sixty Eight (68) Task Orders have been issued to TRC Solutions, Inc., to date, including twenty-two (22) Task Order modifications.

This Board action is to approve an increase to the total authorized funding for Contract No. PS20655, to continue providing Environmental Waste Handling and Environmentally Related Construction Services. This action will allow staff to execute pending Task Orders and new Task Orders and Modifications as project needs dictate. Contract Modifications and Task Orders will be processed in accordance with Metro's Acquisition Policy. Contract No. PS20655 is a cost plus fixed fee (CPFF) Contract.

B. Cost/Price Analysis

All direct labor rates, indirect cost rates and the negotiated fixed fee factor for this cost reimbursable plus fixed fee are in accordance with the contract. A fair and reasonable price for all future Task Orders will be determined based upon fact finding, technical evaluation, cost analysis, and negotiations, before issuing work to the Consultant. Task Orders will be processed in accordance with Procurement Policies and Procedures, within the total authorized funding for this contract.

DEOD SUMMARY

**ENVIROMENTAL WASTE HANDLING AND ENVIRONMENTALLY RELATED
CONSTRUCTION
CONTRACT NO PS20655**

A. Small Business Participation

TRC Solutions, Inc. made a 32% Small Business Enterprise (SBE), 3% Disabled Veteran Business Enterprise (DVBE) and 30% Disadvantaged Business Enterprise (DBE) commitment for this contract funded by multiple sources. This on-call contract has federal, state, and Measure M funding. Overall SBE/DVBE and DBE participation is determined based on the funding source and the aggregate of all Task Orders (TOs) awarded.

To date, fifty-six (56) TOs and their Modifications have been awarded. Based on payments reported, the contract is 81.80% complete and the cumulative SBE participation of all TOs awarded is 61.56%, exceeding the commitment by 29.56%. The cumulative DVBE participation of all TOs awarded is 2.62%, representing a shortfall of 0.38%, and the DBE participation of all TOs awarded is 59.14%, exceeding the commitment by 29.14% (percentages rounded).

TRC Solutions, Inc. explained that some of the listed certified firms included in their initial proposal and subsequent certified firms added were based on the general RFP Statement of Work; however, their particular skills and specialties have not matched specific TO service requests issued thus far by Metro to receive a TO award. TRC brought DVBE Surf to Snow onto the team to specifically meet Metro’s scope requirements and will continue to proactively engage their DVBE partners (and SBE/DBEs yet to be utilized) on TOs as the work requests are issued from Metro Project Managers.

Notwithstanding, Metro Project Managers and Contract Administrators will work in conjunction with DEOD to ensure that TRC Solutions, Inc. remains on schedule to meet or exceed its DBE, SBE, and DVBE commitments. Metro staff will request that TRC Solutions, Inc. submit an updated mitigation plan if TRC Solutions, Inc. is not on track to meet its small business commitments. Additionally, key stakeholders associated with the contract have been provided access to Metro’s online monitoring system to ensure that all parties are actively tracking Small Business progress

SMALL BUSINESS COMMITMENT	32% SBE 3% DVBE 30% DBE	SMALL BUSINESS PARTICIPATION	61.56% SBE 2.62% DVBE 59.14% DBE
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	SBE Contractors	Ethnicity	Current Participation
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1.	Acoustics Group	Asian-Pacific American	0.00%
2.	A-Tech Consulting, Inc.	Caucasian Female	0.01%
3.	Calvada Surveying	Hispanic American	0.00%
4.	GCAP Services, Inc.	Hispanic American	0.50%
5.	HTS Environmental Services	Caucasian	0.28%
6.	Martini Drilling Corp.	Hispanic American	0.01%
7.	Sun West Engineering Constructors	Caucasian Female	10.19%
8.	R E M Engineering Co., Inc.	Black American	0.00%
9.	Sanberg Group	Caucasian Female	0.00%
10.	The Sierra Group (Barrantes Enterprises, Inc.)	Hispanic American Female	0.00%
11.	B&D Construction Co., Inc.*	Caucasian	31.76%
12.	Ava Environmental Inc.*	Hispanic American	0.00%
13.	Jesus H. Zepeda*	Hispanic American	0.00%
14.	Global Probe, Inc.*	Hispanic American	0.00%
15.	Integrated Demolition and Remediation*	Subcontinent Asian American	17.18%
16.	KRT Management, Inc.*	Caucasian Female	0.00%
17.	OFRS, Inc.*	Caucasian	0.34%
18.	Pacific Railway Enterprises, Inc.*	Caucasian Female	0.10%
19.	Performance Analytical Laboratories, Inc.*	Caucasian Female	0.08%
20.	Spectrum Environmental Services, Inc.*	Caucasian	0.18%
21.	Surf to Snow Environmental Resource Management, Inc.*	Caucasian	0.27%
22.	Tri Span, Inc.*	Hispanic American	0.66%
TOTAL		32%	61.56%
*SBE Firms added to the contract			

	DVBE Contractors	% Committed	Current Participation
1.	Calvada Surveying	Hispanic American	0.34%
2.	R E M Engineering, Inc.	Black American	0.003%
3.	Sandberg Group	Caucasian Female	0.00%
4.	Moore Twining Associates, Inc.*	Unknown	0.004%
5.	Surf to Snow Environmental Resource Management, Inc.	Caucasian	2.27%
TOTAL		3%	2.62%
*DVBE Firms added to the contract			

	DBE Contractors	Ethnicity	Current Participation
1.	A-Tech Consulting, Inc.	Caucasian Female	0.84%
2.	GCAP Services, Inc.	Hispanic American	1.10%
3.	Global Probe, Inc.	Hispanic American	0.00%
4.	Martini Drilling Corp.	Hispanic American	1.40%
5.	SunWest Engineering Constructors	Caucasian Female	0.00%
6.	The Sanberg Group	Caucasian Female	0.00%
7.	The Sierra Group (Barrantes Enterprises, Inc.)	Hispanic American Female	0.32%
8.	Acoustics Group*	Asian Pacific American	0.00%
9.	Calvada Surveying, Inc.*	Hispanic American	0.00%
10.	AVA Environmental, Inc.*	Hispanic American	0.00%
11.	Jesus H. Zepeda*	Hispanic American	0.00%
12.	Integrated Demolition and Remediation, Inc.*	Subcontinent Asian American	49.23%
13.	KRT Management, Inc.*	Caucasian Female	3.01%
14.	Pacific Railway Enterprises, Inc.*	Caucasian Female	0.00%
15.	Performance Analytical Laboratories, Inc.*	Caucasian Female	0.30%
16.	R E M Engineering, Inc.*	Black American	0.00%
17.	Tri-Span, Inc.*	Hispanic American	2.94%
TOTAL			59.14%
*DBE Firms added to contract after award			

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Contracting Outreach and Mentoring Plan

TRC Solutions, Inc. submitted a Contracting Outreach and Mentoring Plan (COMP) and committed to mentor four (4) firms as required to be responsive.

C. Living Wage and Service Contract Worker Retention Policy Applicability

A review of the current service contract indicates that the Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) was not applicable at the time of award. Therefore, the LW/SCWRP is not applicable to this modification.

D. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

E. Project Labor Agreement/Construction Careers Policy

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

**Board Report**

File #: 2021-0270, **File Type:** Resolution**Agenda Number:** 40.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 17, 2021****SUBJECT: TRANSPORTATION NETWORK COMPANIES ACCESS FOR ALL PROGRAM FUND
ADMINISTRATOR FOR LOS ANGELES COUNTY****ACTION: APPROVE RECOMMENDATIONS****RECOMMENDATION**

CONSIDER:

- A. ADOPTING a resolution (Attachment A) authorizing Metro to serve as the Los Angeles County Local Access Fund Administrator (LAFA) of revenue generated by the Access for All Program of the California Public Utilities Commission (CPUC) to support on-demand wheelchair accessible vehicle (WAV) service; and
- B. AUTHORIZING the Chief Executive Officer or their designee to submit an application to pursue a designated status as the LAFA for Los Angeles County of revenue generated from the fee that Senate Bill 1376 requires for each trip originating in our region that Transportation Network Companies (TNCs) provide.

ISSUE

In September 2018, Senate Bill (SB) 1376 was signed into California law. It requires the CPUC, as part of its regulation of TNCs such as Uber and Lyft, to establish a program to improve the accessibility of persons with disabilities to on-demand transportation services requested through online-enabled applications or platforms. On April 2, 2021 the CPUC released the application for agencies interested in becoming a LAFA, including TNC Access for All Program Overview and Requirements that it revised on April 30, 2021. The CPUC required LAFA applications to be submitted by May 3, 2021. It also required applicants to submit by July 9, 2021 a Board resolution authorizing the agency to serve as the county's LAFA. Metro may not receive funding until after September 30, 2021 if it does not submit the Board resolution by the CPUC deadline.

Approval of the staff recommendation will allow Metro to complete the CPUC's application process to become the LAFA for Los Angeles County. It will also allow Metro to be the LAFA for Los Angeles County for each CPUC annual funding cycle (through 2027) unless it decides to not continue this role in the future.

BACKGROUND

The primary focus of the TNC Access for All Act and Access for All Program is on users who need a WAV capable of transporting their non-folding motorized wheelchairs, scooters or other mobility devices. Per the CPUC proceedings approved to date (“Track 1” through “Track 3”), TNCs now pay a fee of \$0.10 (twice the minimum required by SB 1376) to the CPUC for each trip originating in each county statewide that their providers complete. Also, the CPUC created a TNC Access for All Fund to deposit and distribute the revenue that the fee generates (net of offsets claimed by TNCs and approved by the CPUC, as well as CPUC administration and other costs) to LAFAs (or Statewide Access Fund Administrators in counties without a LAFA) to pay for their administrative costs and the services of access providers they select annually on a competitive basis to operate on-demand WAV service in their counties. The CPUC also approved allowing LAFAs to use up to 15 percent of the amount it allocates to each county each year to cover their administrative expenses (including staffing and contracted services, among other costs). The CPUC will decide on Track 4 issues later this year.

Staff have been involved in statewide workshops that the CPUC organized for stakeholders to provide their feedback on the implementation of SB 1376 and Access for All Program, as summarized in the January 15, 2021 Board Box. Among the recommendations that staff provided during these workshops, which the CPUC adopted, is the delegation of its responsibility for the administration of the Access for All Program in each county of the state to Metropolitan Planning Organizations, County Transportation Commissions, or Regional Transportation Planning Agencies (as applicable) due to their better understanding of WAV service needs in their regions and how these services relate to existing regional plans.

DISCUSSION

Summary of Requirements for Local Access Fund Administrators

The LAFA may develop an Access for All Program that best suits its region’s needs provided it complies with the CPUC’s Access for All Program requirements. Among these requirements, the LAFA cannot use more than 15 percent of the total funds that the CPUC allocates each year to the county to cover its administrative costs. It must also use the funds for countywide WAV services. The LAFA must develop and maintain a webpage dedicated to its county’s Access for All Program, as well as make a good faith effort to reach out to members and representatives of persons with disabilities within the community during the planning process for their Access for All Program. The LAFA must also establish a process for procuring WAV access providers through an annual competitive solicitation that screens applications based on the CPUC’s eligibility requirements. For each Funding Year, the CPUC requires the LAFA to award contracts to access providers by July 1 of the following year (e.g., July 1, 2022 for the 2021 Funding Year). Selected access providers must then liquidate the funds within 12 months. Funds that the LAFA does not award or that access providers do not spend within 12 months are available for the next funding cycle.

Additionally, the LAFA must submit quarterly reports on the administration of its Access for All Program, including discussion of its administrative costs and involvement with members and representatives of persons with disabilities, with the first of such reports due to the CPUC on

November 15, 2021. The LAFAs must monitor the performance of the access providers it selects and provide quarterly reports to the CPUC. To fulfill this requirement, the LAFAs would collect data from access providers and review performance metrics quarterly. The LAFAs must also determine whether there is any pattern of non-compliance with the standards established by the CPUC and describe any other challenges it encounters, with the first of such reports due to the CPUC on November 15, 2022. The LAFAs determine whether access providers are eligible to receive future funding based on their performance.

Metro Outreach

Staff have delivered presentations about the Access for All Fund to the Accessibility Advisory Committee (AAC), the Bus Operations Subcommittee (BOS), the Local Transit Systems Subcommittee (LTSS), and City of Los Angeles Commission on Disability. Staff have also consulted with Access Services, as well as with representatives from other major regional public agencies in California and those representing persons with disabilities. Staff will take into consideration the input of stakeholders in Los Angeles County, including representatives of persons with disabilities and of agencies in Metro's committees and subcommittees, in the development of the Access for All Program for Los Angeles County. Staff will also take into consideration existing plans, processes, procedures and priorities approved by the Board of Directors, including those relevant to Metro's: i) designated recipient status of funds from the Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program; and ii) Coordinated Public Transit - Human Services Transportation Plan for Los Angeles County.

Available Funding

SB 1376 provides an opportunity to expand access to WAV demand-responsive transportation to persons with disabilities from the net revenue generated from the TNC fee per trip originating in each county in California. Staff estimate that TNC provided about 400 million passenger trips per year in California before the coronavirus (COVID-19) pandemic. As reported by the CPUC as of April 8, 2021 based on TNC trips completed during the last two quarters of 2019 and the first two quarters of 2020, the net revenue available statewide for the Access for All Program for the 2021 Funding Year is about \$21.5 million. Los Angeles County's share from the TNC Access for All Fund for this first funding cycle, after the TNC offsets that the CPUC has already granted, is about \$6.6 million. Revenue for future funding cycles is contingent on the demand for TNC services post-pandemic, as well as on TNC offsets and/or exemptions approved by the CPUC for claims for expenses and/or meeting the levels of service specified in the CPUC's rulemaking, respectively. With the inherent funding volatility from one year to another, Metro's Access for All Program must ensure continuity of funding and enhanced on-demand WAV services throughout the term of the provisions of SB 1376 through December 30, 2025 and the 2027 Funding Year.

Interim Actions to Comply with CPUC LAFAs Application Requirements and Deadlines

Due to the short notice of the CPUC's release of the application for agencies interested in becoming a LAFAs and delay in releasing the revised TNC Access for All Program Overview and Requirements, staff were not able to seek Board approval to submit the application by the May 3, 2021 deadline. Instead, staff submitted a letter stating Metro's intent to serve as the LAFAs for Los Angeles County

and provided the certification that the CPUC required from LAFA applicants to comply with its TNC Access for All Program Overview and Requirements. Staff did not submit the notarized affidavit that the CPUC required from LAFA applicants, but stated in the letter of intent that it would do so contingent on the approval by the Metro Board of a resolution (Attachment A) at its regular meeting that is scheduled for June 24, 2021. The CPUC requires the Chair of the Board of Directors to sign the resolution.

Equity Platform

The staff recommendation supports access to opportunities, particularly the third pillar (“Focus and Deliver”) of Metro’s Equity Platform. It supports providing better access to jobs, education, and other opportunities for persons with disabilities who need a WAV capable of transporting their non-folding motorized wheelchairs, scooters or other mobility devices.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no direct impact on the safety of Metro customers or employees.

FINANCIAL IMPACT

All of the recommended actions will be fully funded through the TNC Access for All Fund. CP&D and OMB have agreed working on staffing and other needs during the FY 2022 Mid-Year Budget Adjustment to allow Metro to meet the CPUC’s requirements due to its designation as the LAFA for Los Angeles County. No Metro funds will be required to manage, administer and oversee the program. The amount of funds required to fully support Metro’s LAFA responsibilities will be below the 15% of the total for Los Angeles County available for such use, as allowed by the CPUC.

Impact to Budget

Approving the recommended actions will not impact our bus and rail operating and capital budgets, as TNC Access for All funds are not eligible for these purposes.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports achieving multiple goals outlined in the Vision 2028 Plan. More specifically, it supports Goal 1 to provide high-quality mobility options that enable people to spend less time travelling and Goal 3 to enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board may choose not to approve all or some of the recommended actions. Staff does not recommend this alternative because without Board approval, Metro cannot fulfill the role of Access for All Program LAFA for Los Angeles County. Absent Metro’s designation, the CPUC will assign this responsibility to the Statewide Access Fund Administrator, therefore relinquishing the authority of the Board over the use of Los Angeles County’s share of net revenue from the Access for All Fund.

NEXT STEPS

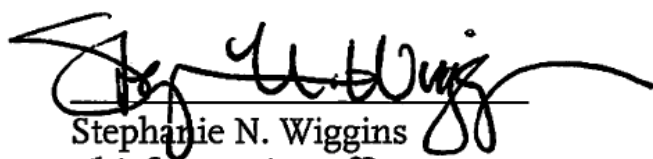
With Board approval of the recommendation, staff will complete the application process to become the Access for All Program LAFA for Los Angeles County. Staff will submit the Board resolution and the notarized affidavit that the CPUC requires from LAFA applicants. Contingent on approval of staffing and other needs through the FY 2022 Mid-Year Budget Adjustment, staff will also establish a task force made up of members of the AAC, LTSS, BOS and others stakeholders to develop the guidelines for Los Angeles County's Access for All Program that will be presented to the Board of Directors for approval during the second half of FY 2022 . Staff will also apprise the Board on the CPUC's decision on the Track 4 proceeding as it relates to Metro's administration of the Access for All Program for Los Angeles County.

ATTACHMENTS

Attachment A - Resolution Authorizing to Serve as the LAFA for Los Angeles County

Prepared by: James Andrew, Transportation Planning Manager, Countywide Planning & Development, (213) 922-2086
Ashad Hamideh, Senior Director, Countywide Planning & Development, (213) 922-5539
Wil Ridder, Executive Officer, Countywide Planning & Development, (213) 922-2887
Laurie Lombardi, Senior Executive Officer, Countywide Planning & Development, (213) 418-3251

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



Stephanie N. Wiggins
Chief Executive Officer



Resolution No. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY AUTHORIZING THE EXECUTION OF THE CERTIFICATION TO SERVE AS THE LOCAL ACCESS FUND ADMINISTRATOR (LAFA) FOR THE ACCESS FOR ALL PROGRAM FOR THE COUNTY OF LOS ANGELES

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is an eligible County Transportation Commission and may receive state funding from the Access For All Program to administer a funding program for local Access Providers for on-demand wheelchair accessible vehicle (WAV) transportation projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional administering agency to abide by various regulations; and

WHEREAS, Senate Bill 1376 (2018) designated the California Public Utilities Commission (Commission) as the administrative agency for the Access For All Program; and

WHEREAS, the Commission has developed the Access for All Program Overview & Requirements for Access Fund Administrators (AFAs), for the purpose of selecting Local AFAs (LAFAs), and administering and distributing Access Funds to eligible local Access Providers of on-demand WAV transportation; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority authorizes William Ridder to execute required documents and any amendments thereto; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority wishes to serve as the LAFA for the County of Los Angeles.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority that as the Access Fund recipient, LACMTA agrees to comply with all conditions and requirements set forth in the Certification document and applicable statutes, regulations, and Program Requirements for the Access for All Program.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that William Ridder be authorized to execute all required documents of the Program and any amendments thereto with the Commission.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority that it hereby authorizes the Los Angeles County Metropolitan Transportation Authority to serve as the LAFA of the Access for All Program for the County of Los Angeles.

PASSED AND ADOPTED by the governing board of the Los Angeles County Metropolitan Transportation Authority on this 24th day of June 2021.

ERIC GARCETTI
Chair, LACMTA Board

Attested by:

Director, LACMTA Board

CERTIFICATION

The undersigned, duly qualified and acting as the Clerk of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, June 24, 2021.

COLLETTE LANGSTON
LACMTA Board Clerk

DATED:
(SEAL)



TRANSPORTATION NETWORK COMPANIES
ACCESS FOR ALL PROGRAM FUND
ADMINISTRATOR FOR LOS ANGELES COUNTY

Executive Management Committee

June 17, 2021



Metro

Recommendation

- **ADOPT a resolution authorizing Metro to serve as the Local Access Fund Administrator (LAFA) for Los Angeles County**
 - Of revenue generated by the Access for All Program of the California Public Utilities Commission (CPUC).
 - From the fee that Senate Bill (SB) 1376 requires Transportation Network Companies (TNCs) to pay, as determined by the CPUC, for each trip originating in LA County.
 - To support on-demand wheelchair accessible vehicle (WAV) service in LA County.
- **AUTHORIZE the CEO or their designee to submit an application to pursue a designated status as the LAFA for Los Angeles County**

Issue

- **Senate Bill 1376 signed into California law in September 2018**
 - Requires the CPUC to establish a program to improve the accessibility of persons with disabilities to on-demand transportation services requested through online-enabled applications or platforms.
 - Applies to TNC service (e.g., Uber, Lyft, etc.) that the CPUC regulates.
- **The CPUC released the application for becoming a LAFA on April 2, 2021**
 - Requires submitting a Board resolution authorizing the agency to serve as the county's LAFA by July 9, 2021.
- **Board approval needed to complete the CPUC's application process**
 - Allows Metro to be the LAFA for Los Angeles County for each CPUC annual funding cycle (through 2027), or until it decides to not continue this role.

Background

- **Focus is on users who need a WAV capable of transporting their non-folding motorized wheelchairs, scooters or other mobility devices.**
- **Three CPUC “track” proceedings approved to date (fourth track pending).**
- **TNCs now pay a fee of \$0.10 (twice the minimum required by SB 1376) to the CPUC for each trip originating in each county statewide.**
- **LAFAs can use up to 15 percent of the amount the CPUC allocates to each county each year to cover their administrative expenses.**
- **TNCs can submit offset and/or exemption requests to the CPUC for approval.**
 - Reduce the amount available to LAFAs for “access providers” & administration.

Funding Availability for Los Angeles County

- **Approx. \$6.6 million for Los Angeles County for the 2021 Funding Year**
 - About 31 percent of the \$21.5 M available for all counties statewide.
 - Net of revenue collected July 2019 - June 2020 and CPUC approved TNC offsets.
- **Metro can use up to 15 percent of the amount the CPUC allocates to Los Angeles County each year to cover their administrative expenses.**
- **TNC offsets and/or exemptions may reduce the amount available to Metro for “access providers” & administration in future CPUC Funding Years.**
- **Revenue for future funding cycles contingent on:**
 - TNC demand post COVID-19 coronavirus pandemic.
 - TNC offsets and/or exemptions approved by the CPUC for claims for expenses. and/or for meeting the levels of service specified in the CPUC’s rulemaking.

Next Steps

- **With Board approval of the recommendation, staff will complete the application process to become the LAFA for Los Angeles County**
 - Otherwise, will be assigned by the CPUC to Statewide Access Fund Administrator.
- **Contingent on approval of staffing and other needs for Metro to fulfill its LAFA responsibilities through the FY 2022 Mid-Year Budget Adjustment:**
 - Continue outreach & establish a task force to develop program guidelines.
 - Apprise the Board on the outcome of the CPUC's Track 4 and other proceedings.
 - Seek Board approval for Los Angeles County's Access for All Program Guidelines.
 - Procure "access providers" to implement WAV service.

**Board Report**

File #: 2021-0193, **File Type:** Contract**Agenda Number:** 44.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 17, 2021****SUBJECT: CHARGING INFRASTRUCTURE LIFE OF PROJECT BUDGET ADOPTION****ACTION: APPROVE RECOMMENDATIONS****RECOMMENDATION**

- A. APPROVE Life of Project (LOP) budget of \$50.0M commencing FY22 for Phase 1 for the Charging Infrastructure Program alongside the J Line (Silver) supporting the Zero Emission Bus Program;
- B. APPROVE amending the FY22 Budget for \$34.0M for charging infrastructure; and
- C. CONSIDER finding that authorization of the use of alternative delivery methods pursuant to Public Utilities Code Section 130242 will achieve integration of design, project works, and other components in an efficient manner at Metro bus facilities.

(REQUIRES 2/3 VOTE OF THE BOARD)**ISSUE**

In April 2016, Metro's Board of Directors passed a motion to convert Metro's bus operations from CNG to Zero Emissions by 2030. Subsequently, in December 2018 the California Air Resources Board (CARB) issued the Innovative Clean Transit (ICT) regulation which requires all California public transit agencies to transition from conventional fueled buses to zero emission buses by 2040. Given the adoption of the Board motion and CARB regulation, it is critical that Metro adopt procurement and installation plans that commit funding and personnel to deliver ZEB services by 2030.

The 2030 ZEB conversion goal is desired to expedite the clean air goals for Los Angeles County. This reduces the carbon impacts along the services routes where Battery Electric Buses (BEB) can be provided. BEBs operate at noticeably lower decibel level than comparable CNG buses which results in reduced noise levels particularly benefitting residential areas. Ultimately the conversion to ZEBs provides reduced noise levels and improves air quality where Metro provides its BEB services.

In March 2021, staff presented the ZEB Rollout Plan (item 2020-0636), which demonstrated a phased implementation plan for the Battery Electric Buses to meet a 2030 ZEB conversion goal.

With this goal, bus deliveries and expenditures are compressed resulting in expenditure demands exceeding available constrained funding sources. Additionally, accelerated bus deliveries may exceed fleet needs starting 2027 and beyond. To mitigate the potential implications of the Rollout plan, early adoption of the recommendations are essential to reduce potential delay risks due to limited budget allocations, constrained funding, limited personnel to manage the work, and long construction lead times.

BACKGROUND

Metro currently operates a fleet of approximately 2,400 CNG buses of various lengths from ten (10) divisions. To transition to 100% Zero Emissions Bus operations Metro will have to address several challenges.

Charging Infrastructure and Utility Upgrades

Overnight charging at Metro Divisions and en-route charging installations are needed to successfully deploy Battery Electric Bus services by 2030. Each of Metro's divisions will need to be upgraded to provide the anticipated power levels. To optimize available power and minimize the scale of the required upgrades, staff and its consultants are modeling numerous charging strategies to reduce peak demand and maintain acceptable service levels. It is anticipated that this approach will result in reduced risk to the construction schedule and savings in Life Cycle Costs.

Also, Metro's bus divisions are currently under the jurisdiction of two utilities; each have their own protocols for rate structures, application for upgrades, and construction activities. These nuances will make syncing activities between divisions under different jurisdictions challenging. During the pandemic, Metro Transit services was qualified as Emergency services for which Metro will continue to pursue preferential rates and top tier support services as part of the system resiliency requirements.

Performance Limitations

Despite all the advances in the last five years since April 2016 when the Board adopted the motion to convert to ZEB operations, the range of BEB's is still not close to that of CNG buses. The performance limitations may be addressed with a range of strategies, including adding en-route chargers at strategic locations, adjusting the time and distance of the operational assignments (service blocks), and increasing fleet size. Each strategy comes with its own set of risks and costs.

Coordination with Construction and NextGen

BEB deliveries must be synchronized with the charging infrastructure construction schedules to ensure that BEBs are delivered as each construction phase is completed. Further, BEB deliveries should be synchronized with service requirements. Failure to properly coordinate may result in a surplus of buses being delivered. This in turn will result in perfectly good buses being parked or underused while the warranty clock expires.

Currently, there are sufficient buses to support anticipated service needs for the coming years. The biggest risk is having a surplus of buses in the later years as the rate of BEB deliveries required to meet the 2030 goal exceeds the rate at which buses are retired. The risk of surpluses may be addressed with a range of strategies, including early retirement, or selling of CNG buses or converting them to BEB's. Each strategy comes with its own set of risks and costs.

Funding

As detailed in Figure-1, below, the Rough Order of Magnitude (ROM) cost to transition to 100% ZEB Operations is approximately \$3.5B. Over a 10-year period, this is an average of \$350.0M per year. In recent years Metro’s bus capital expenditures have averaged approximately \$190.0M per year. Therefore, Metro will need to identify funding sources to close the approximately \$160.0M annual gap. This is a significant challenge and staff must formally start the funding identification processes. Even as more monies become available, there is growing competition for new and existing funds.

Figure-1

Division	Bus Qty	Infrastructure		En-Route	Buses	Total ²
		Min ¹	Max ²			
1	171	\$70.9M	\$100.1M	\$14.2M	\$150.8M	\$265.1M
2	169	\$67.3M	\$95.1M	\$16.8M	\$149.0M	\$261.0M
3	151	\$62.6M	\$88.4M	\$13.0M	\$133.2M	\$234.6M
5	167	\$66.5M	\$94.0M	\$8.4M	\$147.3M	\$249.6M
7	240	\$101.4M	\$143.3M	\$11.1M	\$211.6M	\$366.1M
8	358	\$134.0M	\$189.3M	\$16.7M	\$315.7M	\$521.7M
9	176	\$65.9M	\$93.1M	\$17.8M	\$155.2M	\$266.1M
10	175	\$65.5M	\$92.5M	\$4.5M	\$154.3M	\$251.4M
13	316	\$123.4M	\$174.3M	\$7.1M	\$278.7M	\$460.1M
15	245	\$93.7M	\$132.3M	\$17.6M	\$216.0M	\$366.0M
18	185	\$70.7M	\$99.9M	\$27.4M	\$163.1M	\$290.4M
Totals	2,353	\$921.9M	\$1.30B	\$154.7M	\$2.07B	\$3.53B

- 1. Baseline BEB Infrastructure Only
- 2. Baseline Infrastructure + On-Site Storage + Solar

DISCUSSION

Approval of the recommendations ensures that the 2030 resolution for the ZEB Program remains a priority for the agency.

Recommendation A: Approve \$50.0M LOP Ph 1 J Line (Silver) Charging Infrastructure

With current BEB deliveries under contract to be completed by 2022, a focus on completing the Phase 1 Charging Infrastructure is the next step to provide more capacity for BEB service. Figure 2 describes the phases of the ZEB Master Plan.

The \$50.0M LOP budget recommendation for charging infrastructure will be used to fund the Metro facility conversion plan to install depot chargers, at Division 9 in El Monte and add en-route chargers along the J Line (Silver). Approval to

establish the infrastructure LOP will enable staff to develop funding for the J Line (Silver) ZEBs for FY23.

Recommendation B: Approve Amending FY22 Budget

Approval of Recommendation B allows for the addition of \$34.0M in FY22 budget for this program. At this time, the proposed FY22 Budget is constrained which limits the completion of J Line (Silver) Charging infrastructure installations in phase 1 locations. Additional FY22 funds are needed to progress infrastructure efforts and fully equip J Line (Silver) with Zero Emission Bus operations.

Figure 2 - ZEB Master Plan Phases



Phase 1: \$444.2M Phase 2: \$246.9M (DIV. 10, 15) Phase 3: \$765.8M

Preliminary ZEB Program Grand Total: \$1,456.9M

Recommendation C: Authorization for Alternative Delivery Methods

Metro may use this procurement authority to explore alternative delivery approaches for the ZEB program. To date, Metro has received two Unsolicited Proposals from private sector companies that are interested in a delivery model that would combine design, construction, vehicle delivery, charger management, energy management, and financing services. Metro staff have determined that such a model would provide value to the broader ZEB program and ensure Metro can provide the best possible transit service. Staff are now thoroughly evaluating all elements of the delivery model and developing a procurement that would guarantee infrastructure performance, minimize future operational needs, be flexible and scalable, provide cost certainty, and deliver other benefits to the ZEB program.

It is in the public's and Metro's best interest to utilize the best value competitive negotiation method rather than a sealed bid process to consider factors other than price in the award of contracts for vehicles as allowed under Public Utilities Code 130242. The best value competitive negotiation process allows consideration of factors other than price that could not be adequately quantified or considered in low bid procurement.

By establishing explicit factors that identify Metro's definition of Best Value, the solicitation can use important evaluation criteria to augment price considerations such as past performance related to schedule adherence, quality, reliability, maintainability and vehicle performance.

Equity Assessment

As presented on March 21, 2021, Executive Management Committee Meeting, the adoption of ZEB program includes a strategy to prioritize Disadvantage Communities (DACs). Specifically, 73 percent of Metro's divisions are located in communities that are classified as "disadvantaged" (CalEnviroScreen). The conversion of existing CNG operations to BEB operations will directly benefit the communities in the vicinity of these divisions by way of reduction in noise and local emissions. These divisions also serve multiple routes that traverse multiple DACs across Los Angeles County. Since ZEB's cannot operate unless infrastructure is in place to charge buses, Metro's transition largely focuses on division electrification and not individual routes. Once divisions are electrified, buses will be strategically deployed to routes and service blocks with a priority of DAC. In addition to prioritizing DACs, Metro staff has completed the Rapid Equity Assessment tool and preliminary information suggests that a significant ratio of the ZEB program will benefit DACs and Equity Focused Communities (EFCs) by a reduction in noise, local emissions and result in a better quality of life.

Failure to implement this action will not only result in a non-compliance with a State requirement but will continue to impact DACs and EFCs, which are most frequently exposed to harmful emissions, and pollutants that result in negative health outcomes. Metro will continue to work with the Office of Equity and Race to mitigate any concerns or negative consequences that are identified with the implementation of this decision. Metro will continue to use the Rapid Equity Assessment tool if a change is required to address equitable outcomes during all program phases.

Conclusion

Ultimately, Metro is leading the nation in the largest and most aggressive BEB fleet conversion. The technology for battery capacity and charging infrastructure are embryonic with anticipated cost volatility as technology evolves. Approval of these recommendations allows Metro to continue with ZEB implementation while maintaining responsible fiscal flexibility when service demands, and financial conditions improve.

DETERMINATION OF SAFETY IMPACT

Board approval of these recommendations will permit the expedient transition to Zero Emission Bus operation. This will directly contribute to improving the air quality in the Los Angeles basin.

FINANCIAL IMPACT

Approval of recommendation A (\$50.0M LOP) and B (\$34.0 FY22 budget amendment) will identify

available funding to enact Phase 1 activities. The funds associated with the FY22 budget amendment will enable staff to continue procurement activities, design and construction activities. Financial planning for future fund applications will be more clearly defined and adopted as part of the planned 2021 Short-Range Transportation Plan (SRTP). Staff will program future State and Federal funding into the SRTP, and when made available, pursue grant applications like Low Carbon Transit Operations Program (LCTOP) and Transit and Intercity Rail Capital Program (TIRCP) to accumulate funding resources to support the Board's 2030 motion for the ZEB Program.

The Phase I Infrastructure projects will require over \$444.0M in the next five (5) years to complete. Additionally, staff has reviewed the 2030 ZEB program goal compared to average annual bus acquisition budgets. Historically bus acquisitions alone average \$190.0M per year; however, this program requires a \$350M average per year to enact the \$3.5B plan commencing from FY20. The ZEB Program carries a premium price tag for BEB's to replace CNG buses. It is an operational necessity that charging infrastructure be installed in advance of bus deliveries to charge BEB's during service. The ZEB Program funding needs are out of balance by \$160M per year on average for the next five (5) years.

Multi-Year Impact

Approval of funding for the recommended project LOPs will result in the incorporation of the cost of this program into the SRTP financial forecast. Staff will identify available funding for the cost of the charging infrastructure, en-route charging, and BEBs. As the cost, schedule, and implementation plan are updated, the funding plan will be revised.

Future State or Federal Funding

Metro's Government Relations team is working with members of the House, Senate and the Biden/Harris Administration to ensure that ample funds are provided for these initiatives. Specifically and consistent with our Board-approved 2021 Federal Legislative Program, Metro is actively working to support the American Jobs Plan that was unveiled earlier this year in Pittsburgh, Pennsylvania by President Biden. The American Jobs Plan seeks to provide over \$160B for vehicle electrification. The plan, as outlined by the Biden/Harris Administration to congressional stakeholders, would include \$15B for vehicle electrification, \$100B for consumer rebates for the purchase of electric vehicles, \$25B for zero emission transit vehicles and \$20B for school bus electrification.

At the same time, Metro is working with the Los Angeles County Congressional Delegation to ensure that the multi-year surface transportation authorization bill that Congress is seeking to adopt this year to replace the FAST Act - includes billions of dollars for charging infrastructure and electric bus procurements. Government Relations staff are encouraged that both the House Committee on Transportation and Infrastructure and the Senate Banking Committee (which has jurisdiction over the transit title) have indicated a strong interest in providing robust funding for zero emission transit vehicles. While the final version of these bills have yet to be unveiled, staff will remain engaged - consistent with Board policy - to ensure that the final surface transportation authorization bill signed into law by President Biden includes funds to back our charging infrastructure and electric bus procurements.

Impact to Budget

Upon approval, the recommendations will be funded with a combination of Federal, State and Local

funds including Green Funds. Staff will continue to pursue additional grants and funding opportunities such as FAST Act, annual federal 5307 discretionary funding. If there is a Federal funding award shortfall after receiving funding sources like American Jobs Plan, alternative grant funding options will be employed to close the gap. Other funding such as utility rebates and the like will be applied as they materialize.

Since this is a multi-year effort, the Cost Center Manager, Project Manager and Chief of Operations will be responsible for future fiscal year budgeting.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This item supports the following Strategic Goals: 1) Provide high-quality mobility options that enable people to spend less time traveling, 2) Provide responsive, accountable, and trustworthy governance within the Metro organization, 3) Enhance communities and lives through mobility and access to opportunity, and 4) Transform LA County through regional collaboration and national leadership.

ALTERNATIVES CONSIDERED

Staff considered several alternatives, including:

- Request approval to complete the conversion of those divisions supporting the Orange and Silver Lines, Divisions 8, 9, and 18, with an associated preliminary LOP of \$994M for the phase 1 infrastructure and 500 battery electric buses. To date, the work at those divisions has been limited to only what is needed to convert those BRT's to zero emission operations. Approval of this recommendation would allow for the conversion that had been started at those divisions to be fully completed. Once the conversion is completed, Operations would gain valuable experience operating zero emission service from three divisions.
- Request approval to complete the conversion of those divisions, including battery electric buses, supporting the J Line (Silver), Divisions 9 and 18, with an associated LOP of approximately \$556M.
- Request approval to complete the conversion of Division 9, including battery electric buses, with an associated LOP of approximately \$266M.

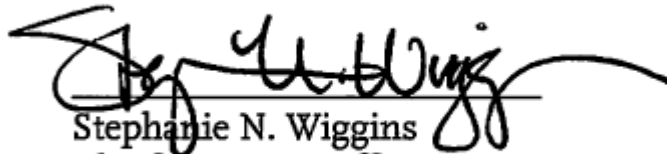
These alternatives were not considered at this time as funding constraints to the overall agency budget and financial plan makes alternatives unfeasible in the near term. Staff will utilize a small portion of the proposed \$50M recommendation to investigate other means to bridge the funding gap to meet the 2030 goal.

NEXT STEPS

Upon approval of the recommendations, staff will commence specification updates and advanced conceptual design efforts to produce solicitation documents. Staff will work within the authorized Life of Project budgets to enact the recommendations. The Board shall be updated with any significant cost or schedule impacts to the projects as they progress. Contract award authorization remains with the Board and it shall be presented for contract award approval(s) as individual contractors / vendors are selected.

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Chief Executive Officer

ZEB Program

Charging Infrastructure & Electric Bus Procurements

Introduction

Mission:

Transition to Zero Emission Bus Operations by 2030 in accordance with July 2017 Metro Board Motion 2017-0524

Background:

Three Phase Approach has been developed

- Phase 1 – Electrify BRT's
- Phase 2 – Electrify Divisions without space impacts
- Phase 3 – Electrify All Remaining Divisions

Considerations:

- Implementation requires approval of multi-year programmatic strategy & funding
- Current LRTP & SRTP include CNG replacement, however Battery Electric Bus procurement Charging infrastructure are excluded

Recommendations

- A. Approve Life of Project (LOP) budget of \$50M commencing FY22 for Phase 1 for the Charging Infrastructure Program for the Silver Line
- B. Approve FY22 Budget amendment for charging Infrastructure
- C. Consider that authorization of the use of alternative delivery methods, pursuant to PUC Code Section 130242, will achieve integration of design, project works, and other components in an efficient manner at Metro bus facilities

Approval of the above recommendations ensures the ZEB Program:

- 2030 Resolution remains a priority
- Focus on completing the Phase 1 Charging Infrastructure
- Allows for the addition of \$34M in FY22 funding for this program
- Metro may use this procurement to explore alternative delivery approaches

Phase 1: BRT Conversion Status

Orange (G) Line:

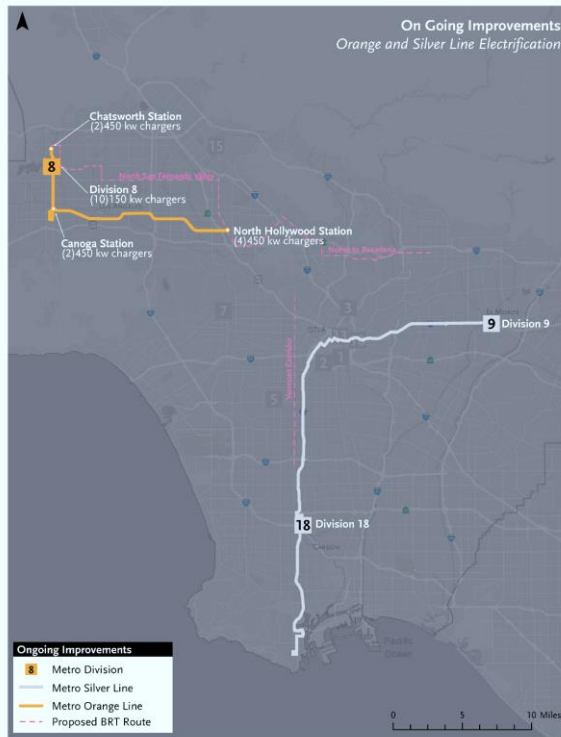
- Complete

Silver (J) Line:

- Contract executed for sixty (60) battery electric buses
- Board approved change order to BTD for Division 9 depot chargers
- Board approved SCE contract to upgrade utilities
- Still Required:
 - Complete design from 30%
 - Construction contract for Division 9 Depot charger installations
 - Construction contracts for en-route chargers and Installations at El Monte and Harbor Gateway Transit Centers

Transition Phasing

Phase 1



Orange & Silver Lines
Divisions: 8,9,18

Phase 2



Independent Divisions
Divisions: 8, 9, 10, 15, 18

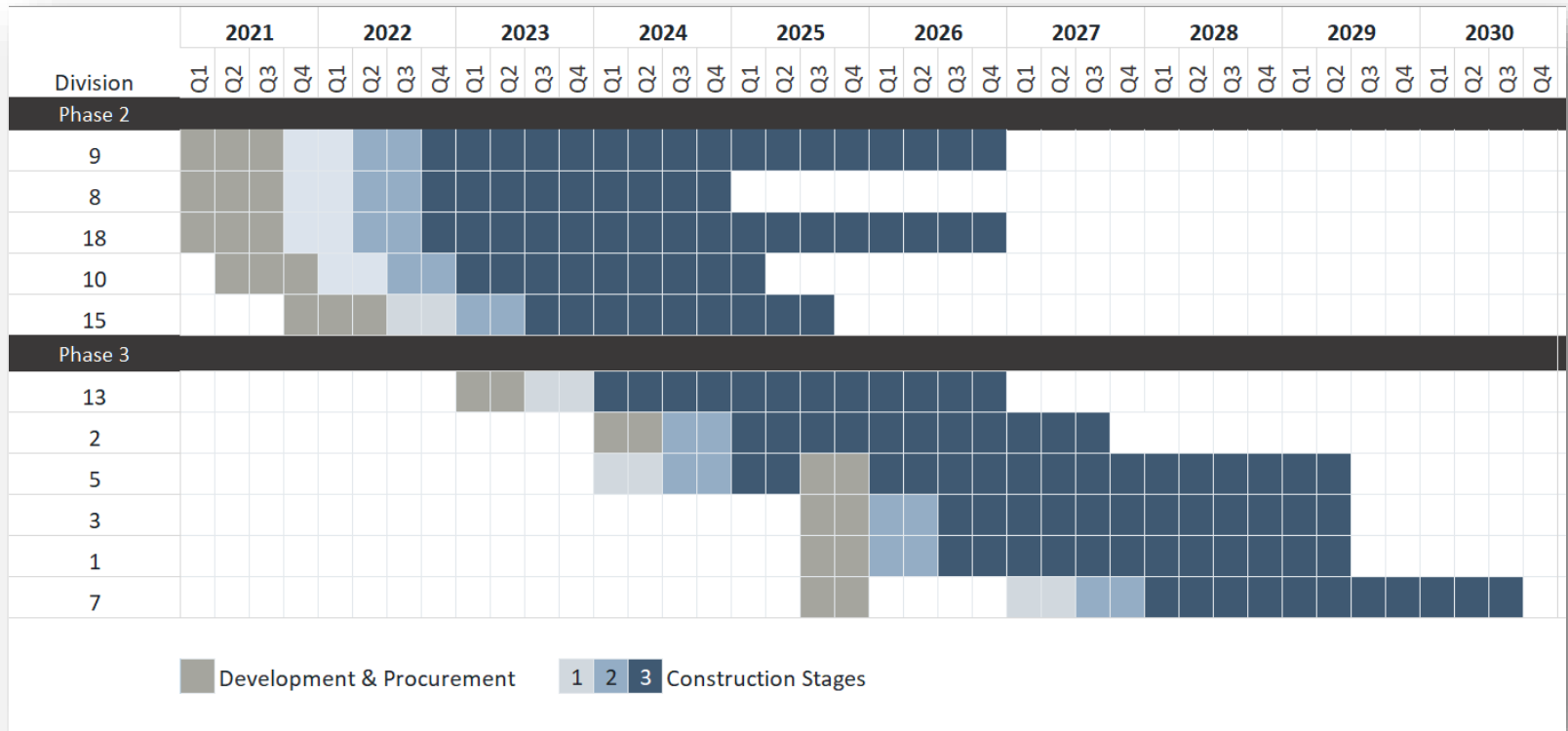
Phase 3



Dependent Divisions
Divisions: 1, 2, 3, 5, 7, 13

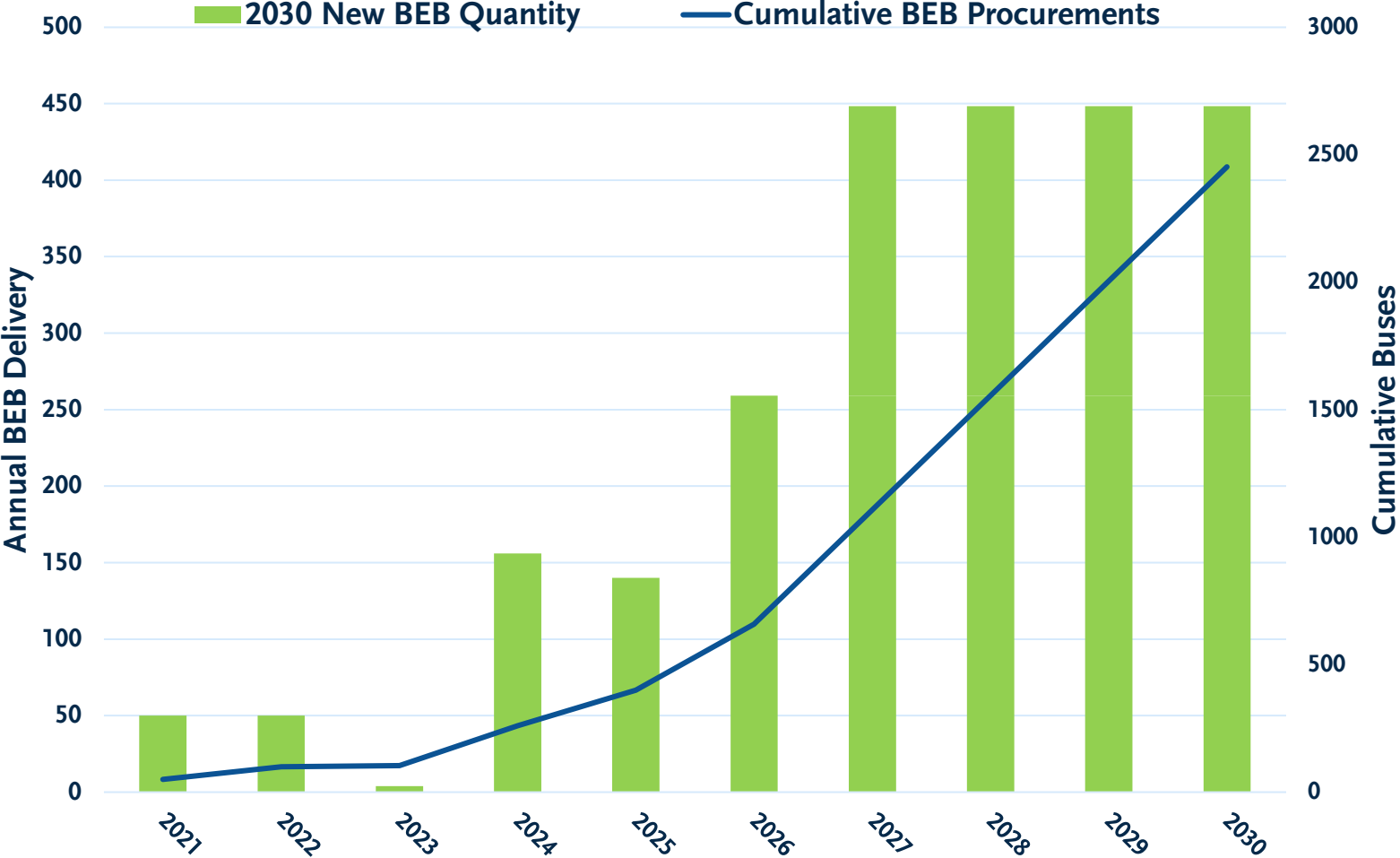
Infrastructure Phasing Schedule 2030

Division Modification and En-route Charger Installation Schedule



Bus deliveries are timed with completion of construction stages and en-route charging installations.

Bus Delivery Schedule 2030

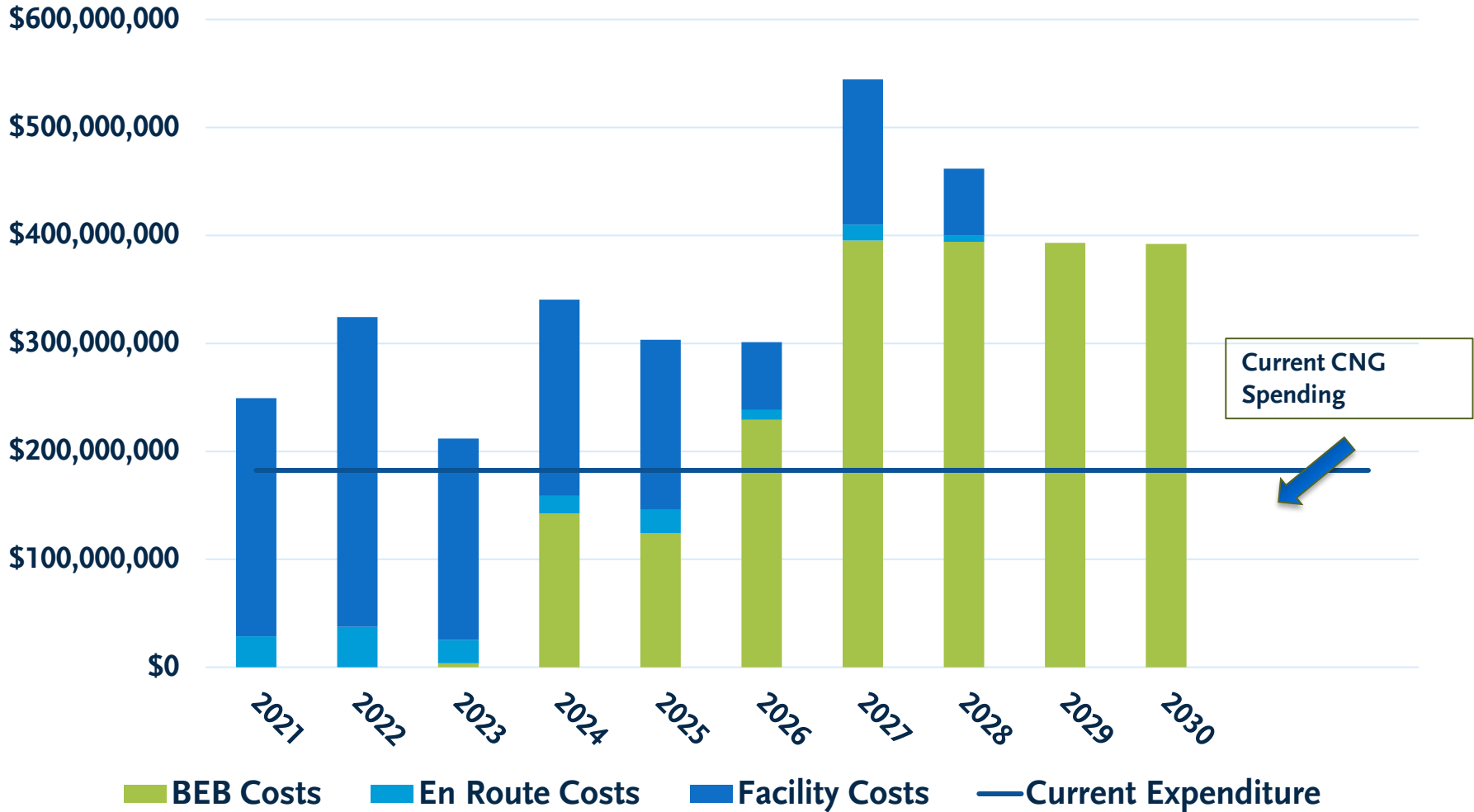


Costs by Division

Division	Bus Qty	Infrastructure		En-Route	Buses	Total ²
		Min ¹	Max ²			
1	171	\$70.9M	\$100.1M	\$14.2M	\$150.8M	\$265.1M
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Totals	2,353	\$921.9M	\$1.30B	\$154.7M	\$2.07B	\$3.53B

1. Baseline BEB Infrastructure Only
2. Baseline Infrastructure + On-Site Storage + Solar

Annual Cashflow vs. Current Spending



Phase 1: Orange Line

OEM	Length	Base Order (Option)	Battery Capacity (kW-hr)	Budget	Charging Strategy	
					Depot	En-Route
New Flyer	60'	40 (65)	320	\$80,003,282	J1772 CCS1 (150 kW)	SAE 3105-1 (450 -600 kW)
BYD	60'	5	610	\$8,109,500		



Metro

Phase 1: Silver Line

- Staff has identified an optimum charging strategy
- May 2021 Metro Board approved contract with SCE to upgrade service at D9 & El Monte Transit Center
- May 2021 Metro Board approved change order with BYD for depot chargers
- Testing five of sixty (60) base order 40' BYD pilot buses for Silver only; production to start upon proof of design
- June 2021- Request Board approval for \$50M LOP to complete electrification of Silver Line:
 - Complete construction design
 - Install depot chargers
 - Procure and install en-route chargers



Next Steps

- June 2021 - Request for Board approval of LOP for \$50M to complete electrification of the Silver Line
 - Commence specification updates and advanced conceptual design efforts to produce solicitation documents for the charging infrastructure program for the Silver Line
- June 2021 - Report outlines the approach to convert Metro's CNG bus operations to zero emission by 2030
 - Continue to pursue competitive grants, identify additional funding sources, and incorporate the 2030 Zero Emissions Bus program in the SRTP and LRTP



Board Report

File #: 2021-0216, File Type: Plan

Agenda Number: 46.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 17, 2021

SUBJECT: COORDINATED PUBLIC TRANSIT - HUMAN SERVICES TRANSPORTATION PLAN FOR LOS ANGELES COUNTY

ACTION: ADOPT COORDINATED PLAN FOR LOS ANGELES COUNTY

RECOMMENDATION

CONSIDER adopting the locally developed 2021-2024 Coordinated Public Transit - Human Services Plan for Los Angeles County to comply with the requirements of the federal Moving Ahead for Progress in the 21st Century Act (MAP-21) as reauthorized by the Fixing America's Surface Transportation Act (FAST Act) of 2015.

ISSUE

Metro is the Designated Recipient of Federal Transit Administration (FTA) Section 5310 funds in urbanized areas of Los Angeles County (about \$9 million per year) and is responsible for the planning, programming, distribution, and management of these funds. To fulfill the Designated Recipient obligations required by the FTA, including awarding Section 5310 funds to eligible projects, the locally developed 2021-2024 Coordinated Public Transit-Human Services Transportation Plan for Los Angeles County ("Coordinated Plan") must be adopted. It will update and replace the 2016-2019 Coordinated Plan that was approved by the Board in 2015.

DISCUSSION

The Coordinated Plan addresses the specific mobility needs of seniors and persons with disabilities in Los Angeles County. These individuals represent an increasing share of the County population, and for many the traditional fixed-route public transit service is not effective or appropriate. Human services transportation providers throughout the County fill this gap by operating paratransit vehicles and delivering other transportation services. The Coordinated Plan evaluates the existing transportation services provided by human service agencies and includes projects and programs for future implementation that would improve mobility for the target population in the County.

Significant funding for human services transportation in the County comes from the FTA Section 5310 Program. Metro is the Designated Recipient of Section 5310 funds for the three urbanized areas of Los Angeles County and receives about \$9 million per year. The goal of the Section 5310 Program is to improve mobility for seniors and individuals with disabilities by removing barriers to transportation

services and expanding transportation mobility options. This program requires that projects receiving Section 5310 funding derive from a Coordinated Plan which must be developed with the involvement of seniors and persons with disabilities.

The locally developed 2021-2024 Coordinated Plan will update and replace the 2016-2019 Coordinated Plan that was approved by the Board in 2015. The Coordinated Plan does the following:

- Assesses transportation services provided for target population groups.
- Considers and evaluates current and future target population transportation needs.
- Develops goals and strategies to address gaps in existing transportation services.
- Prioritizes projects and programs that will improve mobility for target population groups.
- Allows Metro to fulfill its responsibilities as the Designated Recipient for Section 5310 funds.

Outreach

To engage stakeholders and assess mobility needs and service gaps in the County, an outreach process was developed to target participation geographically and by population group. As part of this process, multiple outreach efforts to interact with stakeholders and gather information on transportation needs and preferences were conducted, including:

- Three virtual focus group meetings.
- Distribution of 7,000 surveys and project concept forms to individuals associated with human service agencies.
- Updates to Metro's stakeholder database.
- Dedicated helpline and Metro email address.
- Updates to the Metro Coordinated Plan website.
- Bilingual eblast notifications of the focus group meetings.
- Follow-up phone calls and email reminders of the focus group meetings and surveys.
- Presentation to target population advocacy groups and human service agencies.

For the release of the draft Coordinated Plan which was available for public review and comment from March 19, 2021 through April 19, 2021, additional outreach efforts were performed. These included eblasts, distribution of printed copies, digital and social media, mailings, toolkits to over 150 organizations, 5,000+ bilingual announcements on Metro buses, and a virtual community meeting to present an overview of the Coordinated Plan and receive comments from the public. In addition to the community meeting, two stakeholder briefings were held to provide an opportunity for interested organizations to engage with Metro in a more focused setting. Metro also made additional presentations, provided materials, and attended meetings with advisory committees.

Goals and Strategies

Building on the 2016-2019 Coordinated Plan, regional and local plans, and input received throughout the outreach effort, the following goals and strategies have been identified to address the mobility needs and service gaps of Los Angeles County's target populations:

- Goal 1: Fund Mobility Options - Sustain, fund, and continue to expand public, private and other transportation services in LA County.
- Goal 2: Address Mobility Gaps - Improve coordination between public transportation and human services transportation to address mobility gaps.
- Goal 3: Provide Support Services - Provide support services to enable access for target populations.
- Goal 4: Promote and Improve Information Portals - Promote, improve and expand multi-cultural information portals on mobility options.
- Goal 5: Enhance Accountable Performance Monitoring Systems - Enhance customer feedback and accountable performance monitoring systems to ensure that high quality service is maintained.
- Goal 6: Provide COVID Support Services - Support transportation providers in serving target populations during the COVID-19 pandemic.

Given trends identified in the assessment of transportation services, input received during the public participation process, and these goals and strategies, the highest priority projects and programs have been established. These projects and programs serve to guide private and public transportation operators in planning their own investment approaches and establishes the list of eligible activities under the Section 5310 program. Over the life of the Coordinated Plan and consistent with past practice, Metro anticipates allocating a portion of Section 5310 funds to a competitive solicitation process to fund projects that further the goals of the Section 5310 program. Metro will use the Coordinated Plan as a key resource for evaluating project applications and considering future funding awards.

Equity Platform

Adoption of the Coordinated Plan supports Equity Platforms two (Listen and Learn) and three (Focus and Deliver). The Coordinated Plan was developed through a comprehensive process that included participation by seniors, individuals with disabilities, low-income individuals, veterans, representatives of public private and non-profit transportation and human service providers, and other members of the public. Further, the Coordinated Plan identifies the highest priority projects and programs that will serve to guide private and public transportation operators in planning their own investment approaches and establishes the list of eligible activities under the Section 5310 program.

DETERMINATION OF SAFETY IMPACT

Adoption of the Coordinated Plan will have no impact on safety.

FINANCIAL IMPACT

Adoption of the Coordinated Plan will have no financial impact.

Impact to Budget

Preparation of the Coordinated Plan is an administrative activity funded by federal program administration funds that are only eligible for this purpose. No other Metro funds will be required.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Adoption of the Coordinated Plan supports the following goals of the Metro's Vision 2028 Strategic Plan:

Goal 1: Provide high-quality mobility options that enable people to spend less time travelling by developing goals and strategies to address gaps in existing transportation services.

Goal 3: Enhance communities and lives through mobility and access to opportunity by prioritizing projects and programs that will improve mobility for target population groups.

ALTERNATIVES CONSIDERED

The Board may choose not to adopt the Coordinated Public Transit-Human Services Transportation Plan for Los Angeles County. Staff does not recommend this alternative because Metro will fail to comply with the requirements of MAP-21 and the FAST Act and become ineligible to receive future FTA Section 5310 Grant Program funds.

NEXT STEPS

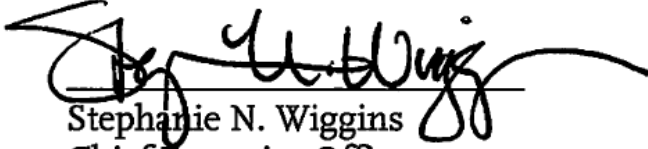
Upon Board adoption, we will submit the Coordinated Plan to the FTA as required.

ATTACHMENTS

Attachment A - Coordinated Public Transit - Human Services Transportation Plan 2021-2024

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We're ensuring better transit for all.

COORDINATED PUBLIC TRANSIT – HUMAN SERVICES TRANSPORTATION PLAN 2021–2024



Metro®



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Executive Summary



Introduction

The Los Angeles County Metropolitan Transportation Authority (Metro) 2021-2024 Coordinated Public Transit-Human Services Transportation Plan (herein referred to as the "Coordinated Plan" or the "Plan") addresses the mobility needs and service gaps in Los Angeles County (LA County) for seniors (over the age of 65), persons with disabilities, low-income individuals, and veterans (herein referred to as "target populations") by providing a framework of strategies and projects to improve service levels through an open stakeholder engagement process.

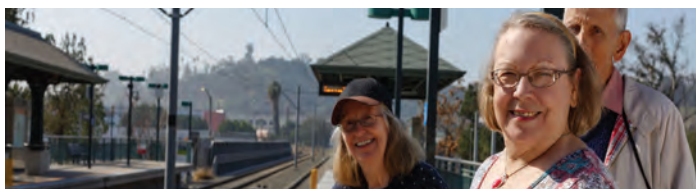
Significant funding for human services transportation – approximately \$9 million per year in LA County – comes from the Federal Transit Administration (FTA) Section 5310 Program. Per the FTA, human services transportation refers to transportation services provided by or on behalf of a human service agency. Human service agencies (herein referred to as "service agency") provide access to services and/or meet the basic, day-to-day mobility needs of transportation-disadvantaged populations, especially individuals with disabilities, seniors, and people with low incomes. This funding is combined with State, Local and private investment funding to deliver transportation services to individuals for whom public transit is insufficient or unavailable. The goal of the Section 5310 program is to improve mobility for seniors and individuals with disabilities by removing barriers to transportation services and expanding transportation mobility options. This program also requires that projects receiving Section 5310 funding derive from a Coordinated Plan, which must be developed with the involvement of seniors and persons with disabilities.

The Plan does the following:

- > Assesses transportation services provided for target population groups.
- > Considers and evaluates current and future target population transportation needs.
- > Develops goals and strategies to address gaps in existing transportation services.
- > Prioritizes projects and programs that will improve mobility for target population groups.
- > Allows Metro to fulfill its responsibilities as the Designated Recipient for Section 5310 funds in LA County.

Existing Conditions

The LA County Planning Region includes three large Urbanized Areas (UZAs) as defined by the U.S. Census as populations of at least 200,000 persons: the Los Angeles/Long Beach/



Anaheim UZA, Lancaster/Palmdale UZA, and Santa Clarita UZA, as well as Rural and Non-Urbanized Areas defined as populations of less than 50,000 persons. Overall, the LA County Planning Region is around 4,058 square miles and home to about 10.2 million persons, the most populous county in the U.S. Within LA County's three UZAs, there is a significant percentage of seniors and persons with disabilities (23.1 percent) as well as low-income individuals (14.2 percent) and veterans (2.6 percent). Not only does the Los Angeles/Long Beach/Anaheim UZA have the largest senior population in the state of California, it also has the second highest number of seniors nationwide, second only to the New York-Newark, NY-NJ-CT UZA. As such, it is important that LA County's unique mobility needs are addressed.

Within LA County, Metro and other transit providers operate over 7,000 buses and 300 miles of rail. Combined, Metro's local services, 16 municipal bus operators and 42 local operators serve around 1.6 million daily bus passengers while Metro rail and Metrolink trains carry over 340,000 daily passengers.

Mobility Needs and Service Gaps

To engage stakeholders and assess mobility needs and service gaps for all of LA County, a comprehensive outreach process targeted participation geographically and by specific populations. The outreach process included interacting with stakeholders and gathering data and information on transportation needs and preferences from service agencies. Outreach efforts included three virtual focus group meetings, distribution of 7,000 surveys and project concept forms to individuals associated with service agencies, outreach to Metro's stakeholder database, presentations to target population stakeholders, a virtual community meeting, and a 30-day public review and comment period of the Plan.

For the release of the Plan, outreach efforts included a variety of traditional and digital notification methods to research target populations throughout LA County. Notification materials were prepared in both English and Spanish and included eblasts, printed copies at 18 public libraries throughout LA County and Metro Headquarters, digital and social media campaigns, postcard mailings, toolkits sent to over 170 stakeholders, 5,000+ bilingual announcements on Metro buses and an open-forum community meeting. Stakeholders submitted comments via a website comment form, email, helpline and mail-in comment cards.

Focus Groups

Three virtual focus group meetings were conducted in November 2020 to collect input and identify mobility needs and service gaps from target population groups and service agencies. More than 400 LA County targeted stakeholders were invited to participate in these focus group meetings. A total of 62 participants attended via an online platform and phones, representing 36 service agencies and other non-profit, and for-profit organizations across LA County. These included advocacy groups, municipalities, county departments, institutions of higher learning, social services providers, non-profits, private firms, health services providers, residential program providers, and target population riders.

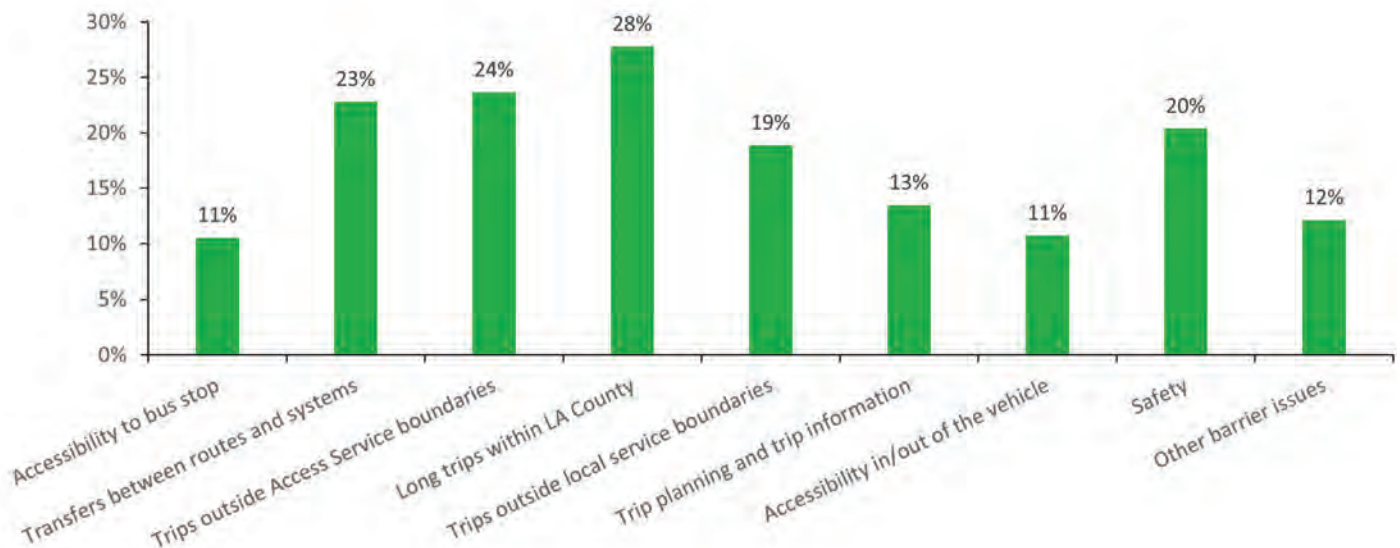
The major mobility needs and themes discussed included: need for expanded services, need for safety measures, access to on-demand transportation services, need for funding after COVID-19, targeted communication, connectivity and reliability, regional mobility management, and information gaps.

Human Service Agency Surveys

Approximately 7,000 surveys were distributed to individuals associated with service agencies throughout LA County. The agency survey identified the anticipated transportation service gaps over the next four years for service agencies region-wide. Agency respondents identified the following key mobility issues:

- > **Difficult trip types** – The most difficult trips were medical trips, local doctor or health clinic visits, and essential shopping. Other difficult trips were non-peak hour trips, as well as same-day/immediate (on-demand) trips.
- > **Barriers for access/mobility** – The most common response was long trips within LA County, trips outside Access Service boundaries, transfers, and safety areas (see Figure 1).
- > **Barriers for agencies** – Common themes agencies described included the need for regional inter-agency cooperation, funding, understaffing, last minute service requests, safety and security, as well as the need for more rolling stock and equipment.
- > **COVID-19** – The majority of agencies (around 80 percent) stated that COVID-19 restrictions and protocols had significantly affected delivery of their services. Revising communications and interactions, reduced hours of operation, applying social distancing guidelines, and limiting services to those deemed essential were some of the changes in service described by agencies. Operational and safety barriers were identified as the top two challenges agencies were facing during the COVID-19 restrictions.
- > **Barriers using technology** – Issues with technology were discussed to understand challenges in communicating with seniors, persons with disabilities and others. Attaining information and having reliable Wi-Fi connections were the top challenges cited to using technology today.

Figure 1: Access and Mobility Barriers in Transportation Services



Source: 2021-2024 Agency Survey, Question #16, January 2021.

Community Meeting

A virtual community meeting was held in early April 2021 to present an overview of the draft Plan and provide an additional opportunity to receive comments from the public. The draft Plan was available for public review and comment from March 19 to April 19, 2021. With simultaneous Spanish and American Sign Language (ASL) interpretation, along with live closed captioning, the virtual meeting fostered a well-attended and participatory environment with 44 attendees providing comments on the draft Plan. The presentation was recorded and posted on the Metro Coordinated Plan website, and a thank you eblast with a link to the recording, and information on how to submit comments on the draft Plan was also provided to encourage additional participation. An Americans with Disabilities Act (ADA) accessible version of the draft Plan was made available on the website.

The most common topics discussed by attendees at the community meeting were opportunities for communication and outreach to target population groups, and access to on-demand travel services (e.g., Access Services, dial-a-ride, and microtransit). Other comments were related to funding and the availability for accessible transportation options in more suburban communities.

In addition to the community meeting, two stakeholder briefings were held on March 23 and 25, 2021 to provide opportunities for interested organizations to engage with Metro in a more focused setting. Participants included MoveLA, Access Services, PIH Health, Help Me Help You, SCRS-ILC, L.A. Care, Antelope Valley Senior Center, Griffith Park Adult Community Center, Epilepsy Foundation of Los Angeles, and Cal State LA. Metro also delivered additional presentations, attended meetings, and/or provided materials to Metro's advisory committees, including the Local Transit Systems Subcommittee (LTSS), the Aging and Disability Transportation Network (ADTN), and the Accessibility Advisory Committee (AAC).

Goals

Building on the 2016-2019 Coordinated Plan, regional and local plans, and input received throughout the outreach effort, the following goals and strategies have been identified to address the mobility needs and service gaps of LA County's target populations:

- > **Goal 1: Fund Mobility Options** – Sustain, fund, and continue to expand public, private and other transportation services in LA County.
- > **Goal 2: Address Mobility Gaps** – Improve coordination between public transportation and human services transportation to address mobility gaps.

- > **Goal 3: Provide Support Services** – Provide support services to enable access for target populations.
- > **Goal 4: Promote and Improve Information Portals** – Promote, improve and expand multi-cultural information portals on mobility options.
- > **Goal 5: Enhance Accountable Performance Monitoring Systems** – Enhance customer feedback and accountable performance monitoring systems to ensure that high quality service is maintained.
- > **Goal 6: Provide COVID Support Services** – Support transportation providers in serving target populations during and following the COVID-19 pandemic.

Projects and Programs

Project concept forms, previous Section 5310 awards, and projects and programs in earlier Coordinated Plans were identified as potential strategies and projects to address the gaps between current service and needs and opportunities to achieve efficient in-service delivery. These strategies and projects were compared to the goals to determine the overall project and program needs for the Plan. Based on this information 29 project and program types were identified.

Priorities for Implementation

One of the key outcomes of the Plan is a prioritized list of projects and programs to address the mobility needs and service gaps identified for target populations. The Plan's prioritization process, results and recommendations were based on a comparative evaluation of the projects and program types identified under each goal.

The outreach and public input obtained through focus groups, surveys, and project concept forms created the foundation of understanding the critical needs of target populations over the next four years. Coupled with implementation considerations such as availability of resources, feasibility and timeline, evaluation criteria were developed to identify priorities among the 29 projects and program types. The purpose of providing a comparison priority ranking is to identify Metro's priorities for investment towards human services transportation and to guide LA County private and public transportation operators in planning their own investment approaches. Figure 2 on the following page presents the overall prioritization ranking of the project and program types.

Figure 2: Overall Prioritization Ranking

PRIORITY RANKING	PROJECT AND PROGRAM TYPES
Priority 1	Safety protocols and standards
	Safety equipment, supplies and services
	Vehicle and fleet expansion and replacement
	Programs to serve same-day transportation for critical need trips
	Vehicle modifications and upgrades
	Programs to serve inter-county and multi-city trips
	Capacity and service level improvements
	Dial-a-ride services for First/Last Mile access to stations
	New door-through-door transportation
	Pool multi-city agency resources
	Promote senior-friendly vehicle operator training
Priority 2	Expand door-to-door and door-through-door services
	Information, outreach and communication
	Travel training programs
	Mileage reimbursement programs for difficult-to-serve trips
	Real-time transit information
	Integration of mobility management for target groups into transit centers
	Fund local trip coordinators
	Subsidized vanpool/carshare programs
	Programs to serve same-day transportation for non-critical need trips
	First/Last Mile plans and improvements
	Street improvement projects for access to stops and stations
	Subsidies and voucher-based programs
	Multi-language format guides
Priority 3	Find-a-ride trip planner
	Fare integration among operators
	Social media to promote mobility options
	Performance measurement monitoring and reporting program
	Expand satisfaction surveys

Source: Metro 2021

Note: Projects and programs are listed by total scoring value.



Conclusions

Addressing mobility needs and service gaps of target populations requires sustained public participation opportunities to help identify and develop the projects and programs that require investments. This includes supporting existing transportation services, investing in new or expanded transportation services, adapting to changing demographics, responding to unforeseen circumstances related to the COVID-19 pandemic, and continuing our commitment to bridge connections with communities and individuals who have deep relationships and insights into community-specific needs and opportunities.

As identified through a comprehensive public participation process, the highest priorities for service agencies and target population groups are: safety protocols and standards; safety equipment, supplies and services; followed by programs to serve same-day transportation and serving critical need trips. In addition, more traditional capital investment in vehicle and fleet expansion/replacement; upgrading and modifying vehicles; and better mobility management/pooling multi-agency resources are also high on the priority list.

As the Designated Recipient of Section 5310 funds in urbanized areas within LA County, Metro will allocate Section 5310 funds for projects and programs included in this Plan. Given trends identified in the assessment of transportation services, input received during the public participation process, and the goals and strategies developed for the next four years, the highest priority projects and programs have been established. These prioritized projects and programs will guide private and public transportation operators in planning their own investment approaches, and establishes the list of eligible activities under the Section 5310 program. Overall, the Plan is a roadmap to address the mobility needs and service gaps for seniors, persons with disabilities, as well as low-income individuals and veterans in LA County.



Introduction

The 2021-2024 Coordinated Public Transit-Human Services Transportation Plan was developed by Metro to identify the transportation needs of seniors, individuals with disabilities, as well as low-income individuals and veterans. The Plan provides strategies for meeting those needs, and prioritizes transportation services for funding and implementation. The chapters and key sections of the Plan are as follows:

1 – Introduction

- What is a Coordinated Plan?
- Description of FTA’s Section 5310 program

2 – Existing Conditions

- Discussing demographic trends
- Assessment of transportation services

3 – Mobility Needs and Service Gaps

- Key findings from outreach, focus groups and agency surveys
- COVID-19 implications

4 – Goals and Strategies

- Developing goals of the plan
- Description of goals and strategies

5 – Projects and Programs

- Identifying Section 5310 eligible project and programs

6 – Prioritization and Implementation

- Methodology for prioritization
- Evaluation of project and programs

7 – Conclusions

- Addressing mobility needs and service gaps
- Serving as a guide for LA County priorities



What is a Coordinated Plan?

The Los Angeles County Metropolitan Transportation Authority (Metro) 2021-2024 Coordinated Public Transit-Human Services Transportation Plan (herein referred to as the "Coordinated Plan" or the "Plan") addresses the mobility needs and service gaps in Los Angeles County (LA County) for seniors (over the age of 65), persons with disabilities, low-income individuals, and veterans (herein referred to as "target populations") providing a framework of strategies and projects to improve service levels through an open stakeholder engagement process.

Significant funding for human services transportation – approximately \$9 million per year in LA County – comes from the Federal Transit Administration (FTA) Section 5310 Program. Per the FTA, human service transportation refers to transportation services provided by or on behalf of a human service agency. Human service agencies (herein referred to as "service agency") provide access to services and/or meet the basic, day-to-day mobility needs of transportation-disadvantaged populations, especially individuals with disabilities, seniors, and people with low incomes. This funding is combined with State, Local, and private investment funding to deliver transportation services to individuals for whom public transit is insufficient or unavailable. The goal of the Section 5310 program is to improve mobility for seniors and individuals with disabilities by removing barriers to transportation services and expanding transportation mobility options. This program also requires that projects receiving Section 5310 funding derive from a Coordinated Plan, which must be developed with the involvement of seniors and persons with disabilities.

The Plan does the following:

- > Assesses transportation services provided for target population groups.
- > Considers and evaluates current and future target population transportation needs.
- > Develops goals and strategies to address gaps in existing transportation services.
- > Prioritizes projects and programs that will improve mobility for target population groups.
- > Allows Metro to fulfill its responsibilities as the Designated Recipient for Section 5310 funds in LA County.

Federal Transit Administration Section 5310 Program

In June 2014 the FTA published Circular 9070.1G, which guides the administration of the transit assistance program for seniors and individuals with disabilities under 49 U.S.C. 5310. The goal of the Section 5310 Program is to improve mobility for seniors and individuals with disabilities by removing barriers to transportation services and expanding the transportation mobility options available when public transit is insufficient, inappropriate, or unavailable by a) exceeding the requirements of the Americans with Disabilities Act (ADA) of 1990; b) improving access to fixed route service and decreasing reliance on complementary paratransit; and c) providing alternatives to public transportation.

The Section 5310 Program provides operating and capital assistance for public transportation projects. The program requires that these transportation projects derive from a Coordinated Plan, which must be developed with the involvement of seniors and persons with disabilities.



The Section 5310 Program addresses human services transportation needs in LA County by funding eligible capital expenditures that qualify as "Traditional" Section 5310 projects, as well as "Other" projects that are other capital and operating projects. Traditional projects are described as capital projects that are planned, designed, and carried out to meet the specific needs of seniors and persons with disabilities when public transportation is insufficient, unavailable, or inappropriate. A minimum of 55 percent of all Section 5310 funds for a given apportionment area must be obligated to Traditional projects before any Other projects can be funded. This requirement reinforces the importance of strategies that can be supported by funding Traditional Section 5310 projects.

Traditional projects deemed as eligible under the Section 5310 program include the following:

- > Acquisition of replacement and expansion rolling stock, including vehicle rehabilitation, preventative maintenance, extended warranties, radios, communication equipment and wheelchair lifts, and ramps and securement devices.
- > Purchase and installation of passenger facilities and equipment related to Section 5310-funded vehicles, including benches, shelters, and other passenger amenities.
- > Vehicle related equipment to support the delivery of transportation, including computer hardware and software, intelligent transportation systems, and dispatch systems or fare collection systems.
- > Lease of equipment when leasing is more cost effective than purchasing equipment.
- > Mobility management and coordination programs, including the operation of transportation brokerages and one-stop transportation information centers by telephone or internet, or coordinating individualized travel training and trip planning activities for customers.
- > Acquisition of new transportation services under a contract, lease, or other arrangement. Capital and operating costs associated with new contracted services are eligible Traditional capital expenses.

Other projects are described as other capital and operating projects that are i) planned, designed, and carried out to meet the specific needs of seniors and persons with disabilities when public transportation is insufficient, unavailable or inappropriate; ii) exceed the requirements of the Americans with Disability Act (ADA) of 1990; iii) improve access to fixed-route service and decrease reliance on complementary paratransit service; and/or iv) provide alternatives to public transportation to meet the specific needs of seniors and persons with disabilities. Up to 45 percent of all Section 5310 funds for a given apportionment area can be obligated to other projects.



Other projects deemed as eligible under the Section 5310 program include the following:

- > Expanding the 3/4 mile ADA complementary paratransit service area requirement, expansion of current hours and days of operation, implementing same-day service and assistance beyond the curb, including door-to-door, and door-through-door service.
- > Providing “feeder” services for access to bus, rail and transit centers beyond ADA requirements.
- > Public transportation alternatives for seniors and persons with disabilities, including mileage reimbursement programs, service provided through accessible taxis and ridesharing companies, vanpool programs supported with accessible vehicles, and vouchers for transportation not provided through public fixed-route or complementary ADA service.
- > Accessibility improvements to the fixed-route system, including building an accessible path to a bus or rail stop that is currently inaccessible, curb cuts, sidewalks, accessible pedestrian signals, improved signage or other features.

In compliance with FTA guidance to “establish performance goals to define the level of performance” and to also “establish performance indicators to be used in measuring relevant outputs, service levels, and outcomes,” the Plan sets forth goals and strategies to define and establish performance indicators based on:

- > An analysis of target populations' socio-economic and demographic data.
- > Comprehensive outreach to over 7,000 individuals, including over 3,500 agencies, community groups, service agencies and stakeholders. The service agencies identified currently fund and/or provide human services to target populations in LA County.
- > An agency survey to gather information about their operations, estimated number of rides for seniors and individuals with disabilities, and how COVID-19 protocols have changed their services.
- > A list of potential Section 5310 eligible concept projects and programs received from service agencies between November 2020 and January 2021.
- > Mobility needs and service gaps identified and discussed during three virtual focus groups conducted in November 2020.
- > A review of relevant documents, plans, programs, policies, regulations and data sources that address target populations within LA County.

The performance indicators are used in order to fulfill obligations to the FTA and ensure that the implementation of strategies result in outcomes associated with the program.

Metro is the Designated Recipient of Section 5310 funds apportioned for the areas in LA County that are within the urbanized areas of Los Angeles-Long Beach-Anaheim, Lancaster-Palmdale, and Santa Clarita. As the Designated Recipient, Metro allocates the funds for project and programs included in this Plan. Metro will conduct competitive solicitations for proposals to select projects for funding. Metro will also prepare and submit grant applications to the FTA on behalf of all subrecipients approved by the Metro Board of Directors to receive a Section 5310 funding award, and as applicable, on behalf of agencies selected to receive a funding award from other federal subrecipient programs.

Approximately \$9 million of Section 5310 funds are available per year for LA County, and every few years Metro allocates these funds utilizing a formula and competitive solicitation process. This Plan sets forth the goals, strategies, eligible activities, and project priorities to provide a baseline for Metro's allocation of these Section 5310 funds in LA County.



Other Metro Funding Opportunities

As described in Metro's 2020 Long Range Transportation Plan (LRTP), Metro administers revenues received from the sales tax measures to local jurisdictions and is the recipient for state and federal funding programs that pass through to local jurisdictions. Per the 2020 LRTP, Metro will allocate an anticipated \$38 billion over the next 30 years to the Local Return program with the largest percentage going to support local public transit and dial-a-ride services.

Metro's Section 5310 Program Management Plan describes its policies and procedures for administering and programming transportation funds in LA County. This role includes monitoring and participating in state and federal funding distribution, allocation, and management. State and federal transportation funding is integral to implementing regional, and local transportation programs and projects. Metro's transportation funding webpage provides information and resources on funding management, programming, and opportunities. One resource includes the Metro Funding Sources Guide (Guide) that provides an overview of the funding sources available for transportation in LA County. The Guide is intended to assist the reader in understanding the various funding sources and their eligible uses. This Guide separately presents the three distinct governmental sources of revenue (Local, State, and Federal) by program source, and where appropriate, estimates of the funding available in LA County.

Existing Conditions

This chapter provides an overview of the existing demographic trends and an assessment of transportation services for seniors, persons with disabilities, low-income individuals and veterans.

Building from current U.S. Census information, this chapter describes key characteristics from LA County's large urbanized areas, plus growth trends compared to the previous 2016-2019 Coordinated Plan. The comprehensive transportation services offered to target populations in LA County include fixed-route, paratransit, commuter rail, human services transportation, rideshare/vanpool and private transportation options. An assessment of human services transportation was based on results of an agency survey. By researching LA County's existing services, we can better understand current conditions and how services compare to target populations and their projected growth.

In five years, LA County's senior population increased by **22 percent** and persons with disabilities grew by **94 percent**.



Demographics

Per Metro's 2019 Aging and Disability Transportation Report, one out of eight Angelenos are over 65 years old, and by 2030, this ratio may reach one out of every five. Coupled with the number of persons with disabilities that have almost doubled in the past five years, the percentage of LA County's target population in need of mobility services will outpace the growth in work age adults (age 25-64) by 2040. By 2050, the ratio of seniors to working age adults will reach one senior for every two working adults in LA County. As such, it is important to understand the population growth trends of target populations.

The demographic characteristics of the large Urbanized Areas (UZAs) that comprise the LA County Planning Region includes the Los Angeles/Long Beach/ Anaheim UZA, Lancaster/Palmdale UZA, Santa Clarita UZA, and Rural and Non-Urbanized Areas (see Figure 3). As defined by the U.S. 2010 Census, a large UZA is comprised of at least 200,000 persons; small UZAs have populations between 199,999 and 50,000, and non-urbanized areas have less than 50,000 persons. Information discussed in this section is based on the 2018 American Community Survey (ACS) from the U.S. Census and mobility, equity information provided by Metro in November 2020. The information was analyzed and illustrated at the Census Tract level.

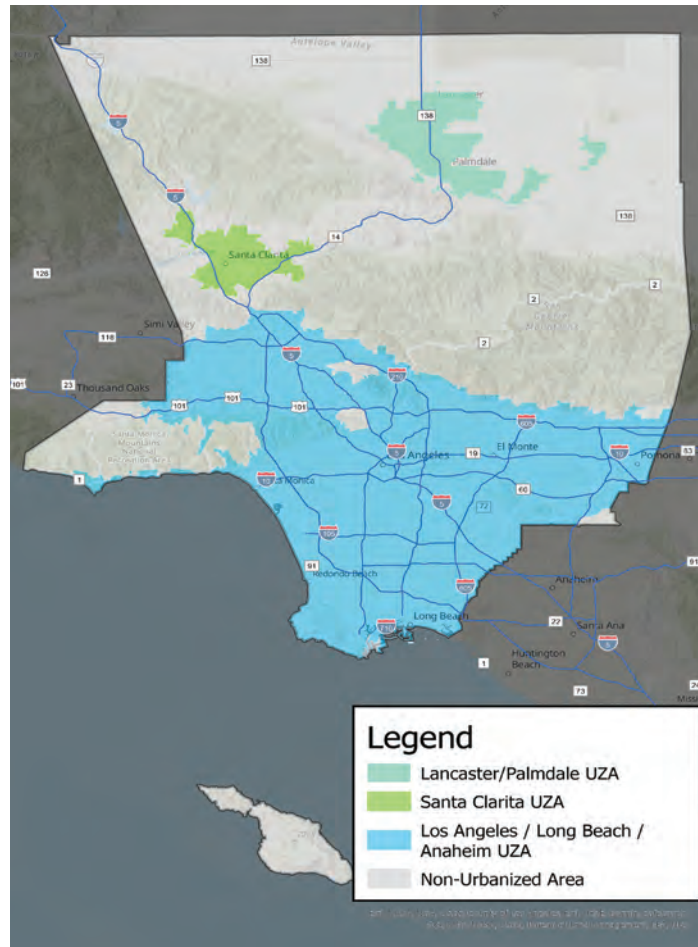
The LA County Region comprises of a land area of about 4,058 square miles and is home to over 10.2 million persons living in 88 incorporated cities as well as the unincorporated areas. As the most populous county in the U.S., the three large UZAs comprised within LA County, is distributed as follows:

- > Approximately 9.58 million persons live within the Los Angeles/Long Beach/Anaheim UZA.
- > Approximately 389,600 persons live within the Lancaster/Palmdale UZA.
- > Approximately 272,100 persons live within the Santa Clarita UZA.

Not only does the Los Angeles/Long Beach/Anaheim UZA have the largest senior population in the state of California, it also has the second highest number of seniors nationwide, second only to the New York-Newark, NY-NJ-CT UZA.

The rest of the population of LA County lives in non-urbanized, rural areas, primarily located in the North LA County Region surrounding the Lancaster/Palmdale and Santa Clarita UZAs.

Figure 3: Urbanized Areas of the LA County Planning Region

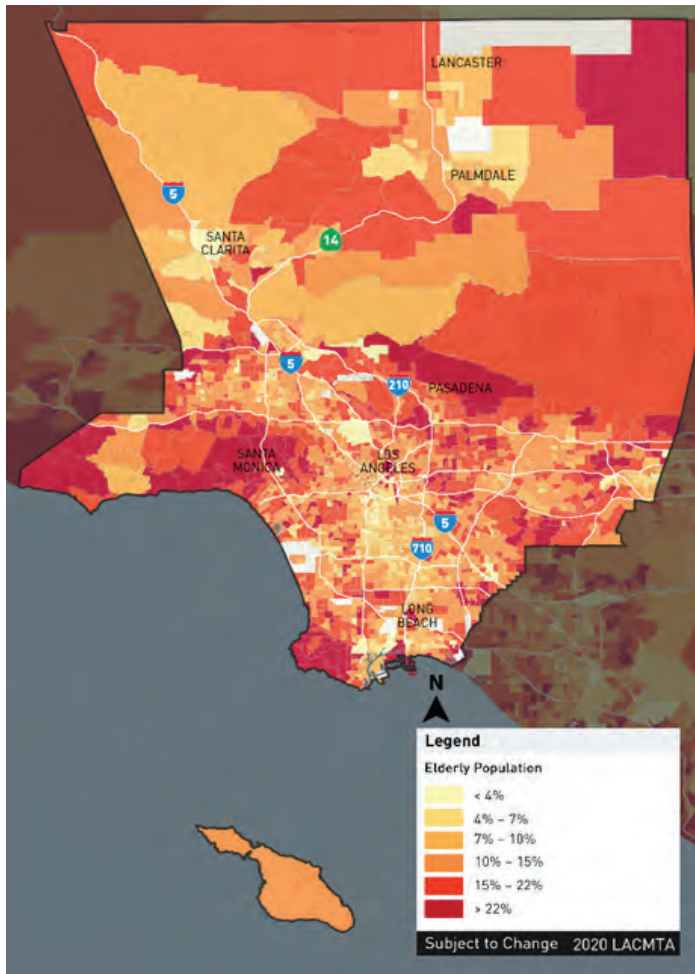


Source: Metro 2020 Decennial Census 2010-2019, Urbanized Areas

The following summarizes the major findings for the UZAs and Rural and Non-Urbanized Areas of LA County:

- > The largest and most populated UZA (9.58 million persons), the Los Angeles/Long Beach/Anaheim UZA includes a significant number of seniors and persons with disabilities (9.8 and 2.5 percent, respectively).
- > Although the UZAs of Santa Clarita and Lancaster/Palmdale have lower overall populations (272,100 and 389,600 persons, respectively), they have higher concentrations of persons with disabilities representing 10.4 percent of the population in the Lancaster/Palmdale UZA and 9.3 percent in the Santa Clarita UZA.
- > The Rural and Non-Urbanized Areas within LA County have around 60,000 residents (around 0.6 percent of LA County's total population). Of this population, around 16.1 percent are seniors and 10.7 percent are persons with disabilities.

Figure 4: LA County Senior Population

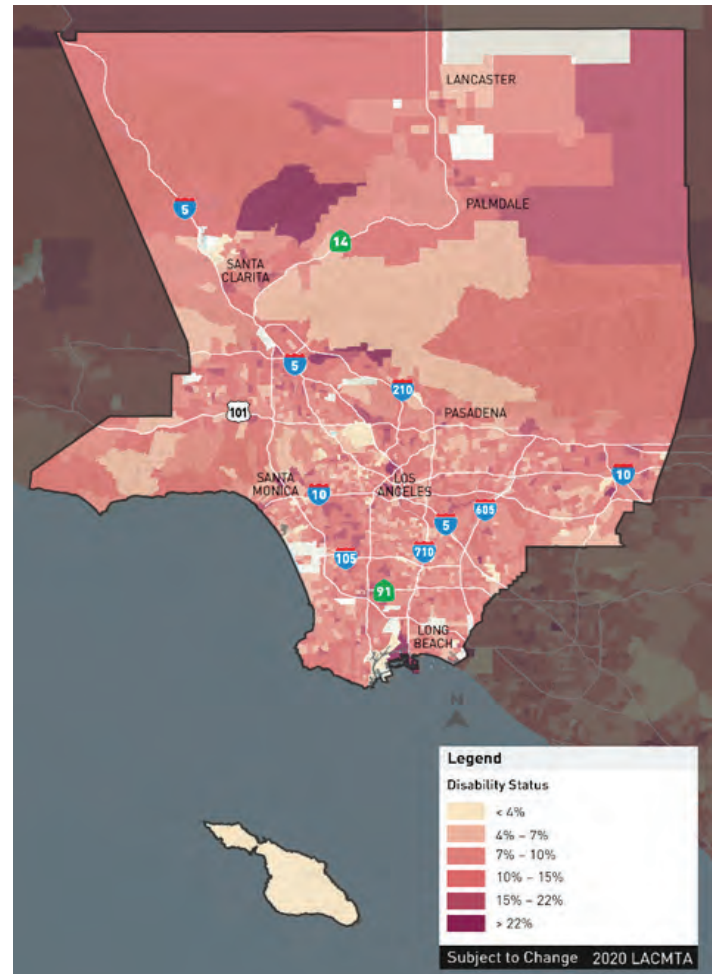


Source: Metro 2020, ACS 2018 Estimates

Compared to population characteristics from five years ago, the overall population of LA County has grown, particularly for target populations. According to the California Department of Aging, the percent of seniors in LA County is projected to increase by over 150 percent over a 50 year period (from 2010-2060). The following information is provided to help understand changes in target populations since the 2016-2019 Coordinated Plan:

- > The total population of LA County **increased by approximately 3.5 percent** (an increase of around 350,000).
- > Of LA County's 10.2 million population, **over 23 percent** are seniors and persons with disabilities (see Figure 4 and Figure 5).
- > The percentage of the population classified as seniors significantly grew from 11.2 percent to 13.3 percent, an (increase of about **248,000**).

Figure 5: LA County Persons with Disabilities Population



Source: Metro 2020, ACS 2018 Estimates

- > The percentage of the population identified as persons with disabilities increased from 5.2 percent to 9.8 percent of LA County's population (increase of about **488,300**).
- > Approximately **14.2 percent** of LA County's population are considered **low-income individuals** with reporting incomes at or below the federal poverty level (about 1.43 million individuals).
- > Approximately **2.6 percent** of LA County's total population are **veterans** (about 331,640 veterans).

Based on the large share of these target population groups, services for seniors and persons with disabilities are a significant need in LA County. This need is particularly acute in the rural areas of LA County.

Transportation services that serve target populations are important with the number of seniors and persons with disabilities growing at a higher percentage (22.3 and 94.1 percent, respectively) compared to LA County's population as a whole (3.5 percent) (see Figure 6). The next section describes the existing transportation services in LA County that serve these growing target population groups.

Figure 6: 2013-2018 Population Trends in LA County

	TOTAL LA COUNTY	SENIORS	PERSONS WITH DISABILITIES
2013 Population	9.89 million	1.11 million	518,800
2018 Population	10.24 million	1.35 million	1.01 million
Total Growth (2013 to 2018)	350,000	248,000	488,300
Rate of Growth	3.5%	22.3%	94.1%

Source: U.S. Census ACS 2013 and 2018 Estimates

Assessment of Transportation Services

Serving LA County's 10.2 million population, Metro and other LA County transit providers operate over 7,000 buses and 300 miles of rail. In combination with Metro's local services, LA County's 16 municipal bus operators (e.g., city operated buses) and 42 local operators (e.g., neighborhood shuttles) collectively serve around 1.6 million daily bus passengers. Metro and Metrolink trains also carry over 340,000 daily passengers.

Transportation service information from the National Transit Database (NTD) includes an asset inventory and condition assessment used by the FTA in their apportionment formulas including that for the Section 5310 program. Figure 7 on the following page presents information from the NTD for Metro in 2019, the most recent data available. As the NTD only requires mandatory reporting from direct recipients or beneficiaries of Section 5307 and Section 5311 funds, additional information was obtained through the agency survey to document trips provided by service agencies.



LA County's public transit network includes regional and subregional rail, fixed-route bus and demand response paratransit providers. These public systems are augmented by the services provided by agency services that help to fill gaps and hard-to-serve needs in the public network.

Figure 7: Overview of LA County Public Transportation Trips and Vehicle Fleets by Mode

LOS ANGELES COUNTY PUBLIC AND SPECIALIZED TRANSPORTATION						
National Transit Database Reporting, Fiscal Year (FY) 2019						
*2021-2024 Coordinated Plan Agency Survey						
MODES	Operator Totals		Mode Level Totals			
	Passenger Trips	Vehicles in Max. Service	Passenger Trips	% of Total	Vehicles in Max. Service	% of Total
RAIL	115,553,701	excluded	115,553,701	23.4%	excluded	n/a
Metrolink (Heavy Rail)	12,824,059					
Metro Rail (Heavy Rail - D and B Lines)	43,074,277					
Metro Rail (Light Rail - A,C,L and E Lines)	59,655,365					
BUS - Core Regional Network	87,364,179	2,418	371,963,707	75.2%	3,401	37%
Metro (Bus)	266,887,614	1,918				
Metro (Bus Rapid Transit)	6,860,145	41				
Commuter Bus	1,563,113	112				
Foothill Transit	12,053,307	347				
BUS - Inter-Community and Community Service	84,599,528	983				
Municipal/City (Bus) 30 cities	84,599,528	983				
Small operators (Bus) - 32 of 48 city programs	n/a	n/a				
PARATRANSIT - Regional Demand Response Services	4,458,330	1,485	5,740,137	1.2%	1,836	20%
Access Services	4,458,330	1,485				
PARATRANSIT - Municipal Demand Response Service	1,281,807	351				
Demand Response	1,281,807	351				
Small Operators DR (Dial-A-Ride)	n/a	n/a				
TOTAL ALL NTD REPORTED PUBLIC TRANSIT			493,257,545	99.7%	5,237	57%
Coordinated Plan Agency Survey - Human Services	1,279,153	3,880	1,279,153	0.3%	3,880	43%
Estimated Contracted Services	1,111,153					
Estimated Directly Operated	156,000					
Estimated # of Volunteered Drivers	12,000					
TOTAL ALL Los Angeles County Transportation Documented			494,536,698	100%	9,117	100%

Source: National Transit Database, 2019 Annual Agency Profile.

Notes: N/A (2019 data not available for small operators). Human Services totals exclude survey reported trips and vehicles from city operated services and school districts to avoid double counting.



Fixed-Route Transit

Metro Bus serves as the primary regional fixed-route bus system for LA County. Metro's 119 current bus routes, consisting of Local lines that stop every few blocks, Express lines that travel on freeways, and Metro Rapid lines with fewer stops only at major intersections, connect residents of LA County to travel destinations throughout the region and facilitates transfers with other available transit services. More than 273 million one-way trips were provided on Metro Buses in FY 2019.

Subregional fixed-route transit is provided by Foothill Transit in the San Gabriel and Pomona Valleys, Santa Clarita Transit in the Santa Clarita Valley and Antelope Valley Transit Authority (AVTA) in the Antelope Valley. The Downtown Area Shuttle (DASH) circulates through many communities in the City of Los Angeles, providing frequent and affordable transit to the city's residents. Some local fixed-route bus routes operated by individual cities provide interjurisdictional transit between cities and communities, while others serve as intracity circulators for city residents. In addition to the regional ADA service provided by Access Services, many of LA County's municipal and local operators provide demand response service to seniors and persons with disabilities within their service areas or within city limits. Local paratransit programs generally require lower passenger fares and eligibility criteria that is easier to meet than ADA paratransit.

Regional ADA Paratransit

Metro provides funding for countywide paratransit service for the elderly and people with disabilities via LA County's Access Services. A flexible service, paratransit is a federally mandated right through ADA for persons with disabilities who have difficulty using fixed-route buses and other forms of public

transit to meet some or all of their trip needs. Paratransit, typically provided via vans or mini-buses, is on-demand and does not follow fixed routes or schedules. Access Services enables persons with verifiable disabilities to travel within $\frac{3}{4}$ miles of the nearest fixed-route bus within the greater Los Angeles basin. Access Services annually provides 4.5 million trips to 150,000 eligible riders using a fleet of more than 1,700 vehicles.

Commuter Rail Services

Commuter rail services for the greater Los Angeles regions are provided by Metrolink, a heavy rail system that shares existing train tracks with freight trains and intercity rail lines. Metrolink provides intercity travel across seven rail lines between Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. Metrolink provided almost 12 million passenger trips in FY 2019.

The Metro Rail and Busway system, operated by Metro, is a fixed guideway network of above ground light rail, subway trains, and buses that connect the communities of LA County. These eight lines stretch from the City of Long Beach to Chatsworth in the San Fernando Valley at its furthest points and delivered almost 103 million trips in FY 2019.

Amtrak is a national rail provider that connects America's cities via 21,000 route miles across 46 states, Washington, D.C. and three Canadian provinces. Amtrak operates more than 300 trains each day that travel at speeds up to 150 mph, covering more than 500 destinations. In FY 2019, Amtrak customers took 32.5 million trips, which is an average of almost 90,000 trips per day.



Human Services Transportation

Human services transportation programs provide essential mobility options for the target populations of the Plan, meeting specialized transportation needs and filling gaps in the public transportation network. These specialized programs are often flexible and vary in service design, including door-through-door transportation, subsidization of vouchers and bus passes, mileage reimbursement and volunteer driver programs, public transit travel training, and transit information and mobility management brokerages. Based on the agency survey respondents (which is a sample of all service agency providers), 1.28 million annual passenger trips and 3,880 vehicles were reported.

Transportation for non-emergency trips to medical appointments, pharmacies and dialysis treatment are also provided by L.A. Care and Health Net, the two Medi-Cal funded transportation providers for LA County. These services are available to approximately 30 percent of the county's population and were providing more than 100,000 trips per month before the COVID-19 pandemic.

Rideshare and Vanpool

Metro Micro is Metro's new on-demand rideshare service, offering trips within several zones in LA County. The new service is for short trips and uses small vehicles (seating up to 10 customers). Micro is part of Metro's family of services and has been designed hand-in-hand with Metro's NextGen Bus Plan. The service is meant to be a fast, safe and convenient option for quick trips around town without having to transfer. The service is currently available in portions of Watts, Willowbrook, Long Beach, Carson, South Gate,

Lynwood, Downey, Inglewood, El Segundo, Westchester, Playa Del Rey, North Hollywood, Burbank, Compton, Baldwin Park, Rosemead, El Monte and South El Monte, with an average wait time of 10 minutes and a promotional \$1.00 fare.

The Metro Vanpool program provides a monthly subsidy of \$500 to eligible vanpools traveling at least 30 miles round-trip each day. Vanpool members can create their own vanpools with coworkers or other persons with common commute patterns. Metro's Vanpool program provided 3.2 million trips on almost 1,300 vanpools in FY 2019.

Private Transportation

Private providers of intercity bus are part of a larger bus infrastructure that transports people across the country. Amtrak extends its rail service to communities not served directly by Amtrak trains by running approximately 150 Thruway bus routes providing guaranteed connections to trains. Some Thruway buses are dedicated as train feeder service and only carry Amtrak train passengers, while other Thruway buses are coordinated with other carriers to provide access to Amtrak. Annually there are approximately 1.5 million Thruway trips. Greyhound intercity bus service supports travel to more than 2,700 destinations on 123 routes across the country, operating more than 1,700 buses. Greyhound operates Express service for regularly scheduled trips between cities and the Connect service that links rural communities with the larger Greyhound network. The MegaBus specializes in low-cost intercity bus service throughout North America. MegaBus coach style vehicles are wheelchair accessible and offer free Wi-Fi and AC power outlets at every seat. Fares can be as low as \$1.00 depending on service demand for a particular trip.

Transportation Network Companies (TNCs) such as Uber and Lyft provide app-based rideshare trip booking for on-demand transportation as a modern alternative to taxis. These demand response ride-hailing models give passengers an innovative way to reserve and pay for trips through a smartphone that estimates the cost of the desired trip and provides real-time vehicle mapping and arrival time estimates. Both companies have worked on efforts in recent years to be more accommodating to customers with disabilities and riders using mobility devices.

Mobility Management and Information Resources

211 LA provides 24/7 multi-lingual access to a centralized information and referral database that is accessible by telephone (dial 2-1-1), internet, e-mail or two-way texting. 211 LA is also a member of the 211RIDE collaborative that offers a multimodal trip planning tool, designed to help clients find transportation options that best meet their needs. Accessible at www.211ride.org, 211RIDE advances and enhances commuting in five Southern California counties.

The online one-click solution simplifies trip planning by providing the best transportation options based on a user’s demographic characteristics or specified needs. It enables a user to choose the most appropriate mode of transit by

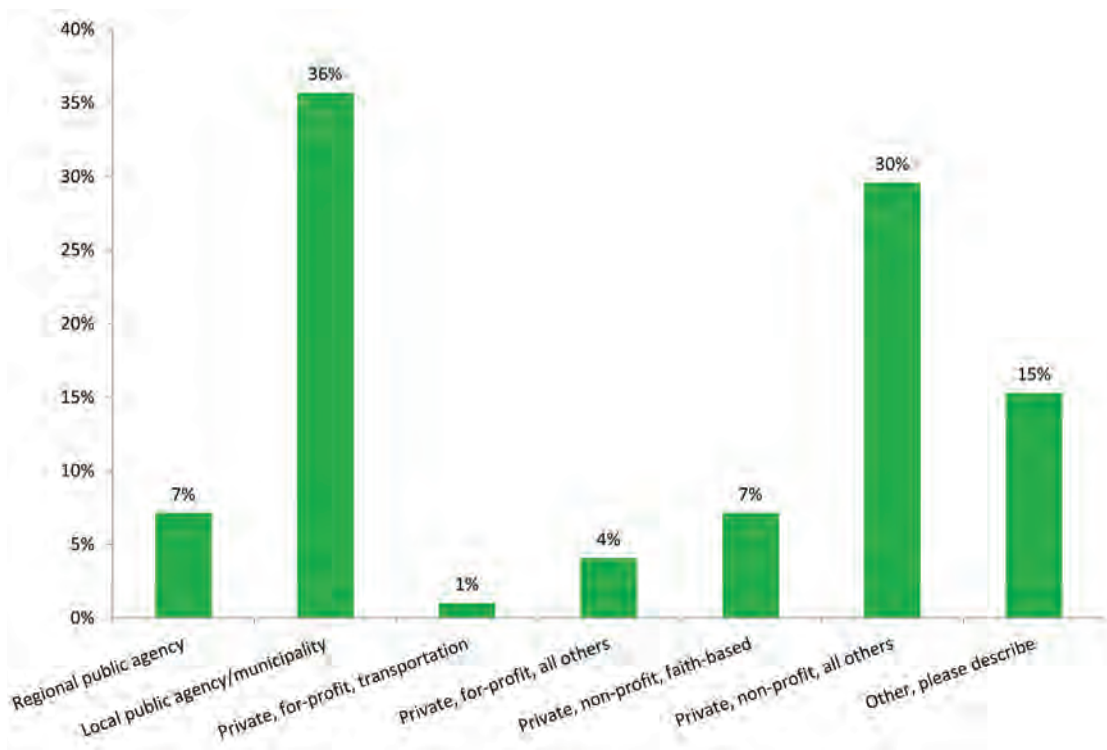
presenting fixed-route transit, demand-response transit, TNCs, and volunteer transportation services that best match their mobility needs.

Assessment of Human Service Agencies

A service agency survey was conducted in November 2020 to understand their operational and service needs over the next four years. The 97 survey responses provided detailed information about service agency operations, clients and how COVID-19 protocols have changed their services. The respondents were a cross section of local and regional agencies, private and for-profit organizations, as well as representatives from the health and education industries. Figure 8 shows the percentage of participation by the various groups.

Approximately 18 percent of respondents reported they were a direct operator, while 30 percent reported they contract out their services to outside entities. A smaller portion indicated they only provide transportation information assistance (about 11 percent) and arrange transportation through volunteer drivers (about 5 percent). The remaining agencies (about 22 percent) responded they do not operate transportation services. Around 14 percent stated that they provide “other” services such as transportation subsidies, transportation job training or use their personal vehicles to transport clients.

Figure 8: Percentage of Service Agencies Represented in Surveys



Source: 2021-2024 Agency/Service Provider Survey, Question #2, January 2021.

Figure 9: Regional, Local, and Private Ridership Range of Demand

DEMAND TYPE	REGIONAL PUBLIC AGENCIES	LOCAL PUBLIC AGENCIES	PRIVATE OPERATORS/ NON-PROFIT ORGANIZATIONS
Annual Passenger Trips	17,000 to 3.54 million	2,600 to 178,800	1,000 to 240,000*

Source: 2021-2024 Agency Survey, Question #7, January 2021. *Note: excludes outliers.

Passenger Trips

Demand for one-way passenger trips varied by the different types of survey respondents. These include regional agencies such as Access Services, LA County Department of Workforce Development, Aging and Community Services, and Pomona Valley Transportation Authority; local agencies including City of Santa Monica, City of Carson and Los Angeles Department of Transportation; and private operators/non-profit organizations such as Presbyterian Intercommunity Hospital Health, AIDS Project Los Angeles Health, and AltaMed Health Services. Figure 9 above shows the range of annual one-way passenger trips. Respondents also provided information on the range of population groups that utilize their services. Most commonly were persons with disabilities, followed by seniors over the age of 65 and low-income individuals. Persons with limited English proficiency and veterans were also common population groups noted. Some respondents also provided services to the general public and students/youth.

Existing Operations and Budgets

Responding service agencies provided an inventory of 2019 operational and budget information. In total, 58 agencies reported 3,880 fleet vehicles in service. Of those fleet vehicles, nearly 96 percent of these were owned by the agencies

themselves, while only four percent were leased or rented. Respondents reported that standard buses were the most common type of vehicles used, followed by van/cutaways and SUVs/minivans. Sedans/cars and shuttle buses had lower percentages reported by respondents, and no large articulated buses were reported. Around 51 percent of vehicles were ramp or lift equipped. Figure 10 below show the percentage of vehicle inventories by vehicle type.

In total, 178 vehicles were reported as needing to be replaced within the next four years. Of these vehicles, the age of the vehicles was generally evenly distributed with a third at around 100,000 miles, a third at around 150,000 miles, and a third at around 200,000 miles.

Agency survey respondents reported that they acquired their assets through a variety of methods, such as direct purchases, contracts and leases, Metro grants (e.g., 5310 grant), and donations. The reported annual operating budget for regional agencies ranged from \$220,900 to \$187 million, with capital budgets in FY 2019 ranging from \$190,000 to \$10 million to purchase new vehicles, equipment, assets, and facilities. Local agencies had annual operating budgets ranging from \$60,000 to \$4 million, with capital budgets in FY 2019 of \$16,000 to \$400,000 allocated to purchase new vehicles, equipment, assets, and facilities.

Figure 10: Vehicle Inventories

DEMAND TYPE	% OF REPORTED VEHICLES
Large Articulated Bus (>80 passengers)	0%
Standard Bus (40-60 passengers)	43%
Shuttle Bus (25 passengers)	3%
Van/Cutaway (up to 15 passengers)	24%
SUV or Mini-Van (up to seven passengers)	21%
Sedan or Car (up to four passengers)	8%
Other	1%
Lift or ramp-equipped vehicles in your fleet	51%

Source: 2021-2024 Agency Survey, Question #21, January 2021.

Private/non-profit organizations had variable operating budgets depending on the size of the organization, with the highest reported at \$10.8 million and the lowest reported at \$6,500 annually. Two private/non-profit organizations reported their capital budgets range from \$300,000 to \$450,000. Most respondents reported that a significant portion of their budgets were directly funded and/operated by a public agency in 2019.

Most agencies (approximately 62 percent) reported their expenses increased from FY 2018 to FY 2019; 36 percent reported no change and only two percent reported a decrease in expenses. In addition, around a third of respondents reported they were likely to expand their programs, 40 percent planned to maintain their current services and around a fourth of respondents were unsure if they were going to expand services once COVID-19 restrictions were lifted.

Most respondents (around 42 percent) said their agencies would participate in the Regional Mobility Management Program for LA County, whereas only four percent said they would not participate. When asked about applying for future Section 5310 grant funding, most of the respondents (45 percent) were unsure, while 42 percent planned to apply and only four percent did not plan to apply.

Based on the assessment of existing transportation services, there is a variety of transportation options for seniors and persons with disabilities in LA County. However, with the anticipated growth patterns of target populations, particularly in the Santa Clarita and Lancaster/Palmdale UZAs, additional services are likely needed to serve these communities. The next chapter further explores the mobility needs and service gaps within LA County.



Mobility Needs and Service Gaps

Assessing mobility needs and service gaps are a key component of the Plan as it highlights the issues and challenges that constrain service agencies from providing the needed service levels to target populations. These needs and service gaps were identified through virtual focus group meetings and agency surveys. In addition, this chapter discusses COVID-19 implications and the resulting barriers transportation services are facing. These areas of need feed into the goals and strategies as well as the prioritization of projects and programs.

“We are still moving people...but we have [mostly] switched where we are now **delivering essential goods** to **vulnerable populations** such as meals and fans during the summer.”



The Plan included a comprehensive and inclusive process with participation from targeted populations including seniors, persons with disabilities, low-income individuals, veterans, other members of the public, and representatives of public, private, non-profit transportation agencies and service agencies.

With LA County’s large geographic area, in order to promote coordination of transportation services and address the mobility needs of target populations, outreach was conducted through a series of activities to ensure representative participation from the large UZAs that comprise the LA County Planning Region.

Outreach

To engage stakeholders and assess mobility needs and service gaps for LA County, an outreach process was developed to target participation geographically and by target population group. As part of this process, multiple outreach efforts to interact with stakeholders and gather information on transportation needs and preferences were conducted, including:

- > Three virtual focus group meetings (see Figure 11).
- > Distribution of 7,000 surveys and project concept forms to individuals associated with human service agencies.
- > Updates to Metro’s stakeholder database.
- > Dedicated helpline and Metro email address.
- > Updates to the Metro website of the Coordinated Plan.
- > Bilingual eblast notifications of the focus group meetings.
- > Follow-up phone calls and email reminders of the focus group meetings and surveys.
- > Presentations to target population advocacy groups and human service agencies.
- > For the release of the Plan, efforts include eblasts, printed copies, digital and social media, mailings, toolkits sent to over 170 organizations, 5,000+ bilingual announcements on Metro buses, and an open-forum community meeting.
- > Solicitation of public comments via a website comment form, email, helpline and mail-in comment cards.

Figure 11: Virtual Focus Group Meeting

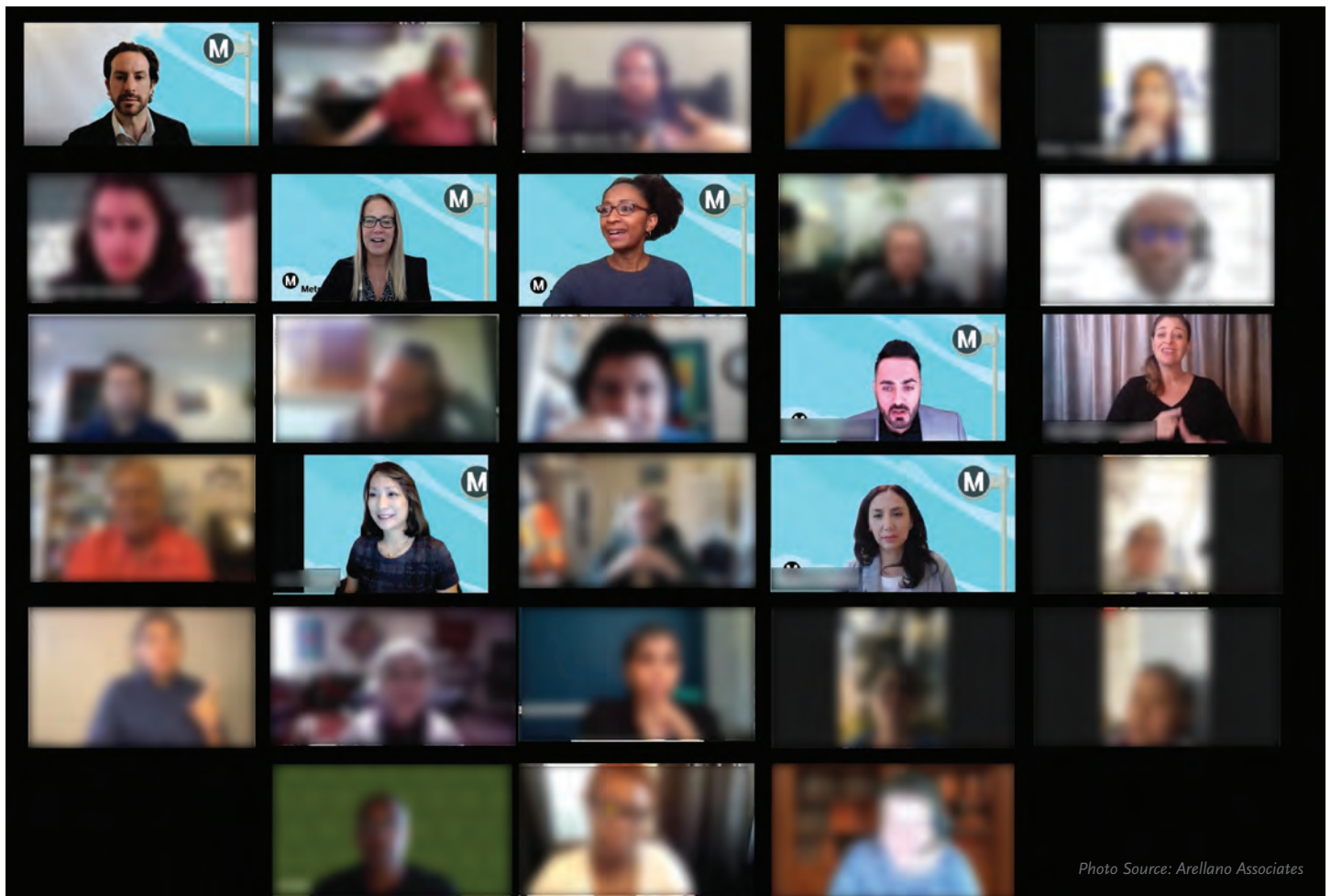


Photo Source: Arellano Associates

Focus Groups

Three virtual focus group meetings collected input and identified mobility needs and service gaps. More than 400 LA County human service agencies, riders, and other members of the public were invited to participate in these focus group meetings. Hosted in November 2020 a total of 62 participants attended via an online platform and phone.

In total, 36 service agencies and other non-profit and for-profit organizations across LA County were represented including advocacy groups, municipalities, county departments, institutions of higher learning, social services providers, non-profits, private firms, health services providers residential program providers, as well as target population riders. The meetings were open to the general public, although Metro identified a specific target audience for two of the three meetings (older adults for the November 17, 2020 session, and persons with disabilities for the November 18, 2020 session).

“It is really hard regionally, working with all the transit agencies to consolidate fares.”

Attendees participated in virtual breakout sessions and were guided by a facilitator in their discussions. These breakout sessions provided valuable information and input regarding the transportation challenges faced by service providers and their clients/riders. Most importantly, the issues of target populations before and during COVID-19 restrictions were discussed, including gaps in access and mobility, their ability to travel to their destinations safely and the availability and use of transportation services. Major mobility needs themes included:

- > **Need for Expanded Services** – Target populations are now at even greater risk due to COVID-19, services for seniors and persons with disabilities need to be expanded and coordinated among providers. A comprehensive network of services is needed to safely serve these vulnerable populations. This includes support in transporting essential goods such as food delivery services, pharmacy and household items which are all crucial for these target populations.

- > **Safety Measures** – Additional and robust protocols and communication of safety measures for all customers (English as a Second Language, disabled, equitable communities) is now needed more than ever. Target populations need to be assured vehicles are utilizing safety precautions and encouraged to follow safety rules on vehicles.

“Making sure that we make things much simpler for the passengers...”

- > **Access to On-demand Transportation Services** – There is a greater need for on-demand and Dial-A-Ride services. There are opportunities for agencies and accessibility-based private companies to partner and comprehensively provide better access to services. If services like smaller “hopper” vans can connect and provide access or private companies like RideCo, Lyft and Uber partnered with local agencies and non-profits, on-demand and First/Last Mile trips can serve critical medical and same-day trips.



“Dial-A-Ride and on-demand ride services are needed for essential goods like medical, groceries, household items, pharmacy, emergency food box deliveries, etc.”

- > **Funding after COVID-19** – Will reliable funding for transportation be available? Concerns were raised about service coverage, ridership decline, and availability of voucher programs. Servicing these target populations will require continuous capital investment in vehicles (low-floor/zero-emission) and services.
- > **Communication** – Personalized interaction among seniors and persons with disabilities is needed. While online and digital communication is valuable, in-person interaction is most effective with a large majority of this target population. Targeted outreach is required for equitable user groups. This includes access to Wi-Fi, communicating safety precautions via new technologies, and explanation of costs, services and schedules.
- > **Connectivity and Reliability** – Gaps and issues include travel time of current services due to transfers and schedule limitations. Trips during COVID-19 are taking longer than normal. Connections and mobility continue to be difficult outside of service areas. There is a need to promote a variety of services with education on how to access transit. There is also a need to provide better options for essential trips.

“Riders want to see the ETA of their ride, if they know their ride is going to be late, they can see it and feel reassured.”

- > **Regional Mobility Management** – There is a need for better networking between transit providers in order to tackle issues of countywide coordination, fragmented service, and connections between cities. Jurisdictional limits and service parameters continue to create barriers and confusion for customers.
- > **Information Gaps** – Agencies/organizations that offer transportation services and accessibility services need to communicate their services to better guide those using the application. The target population users need to clearly understand the full extent of services offered before they attempt to use them. This includes providing step-by-step travel training for transfers, changes in modes, scheduling, payments and fare collections, travel options at destinations and end-to-end travel times.

“Transfer trips are difficult to plan, for example getting to Ventura County, Santa Clarita and the Antelope Valley.”



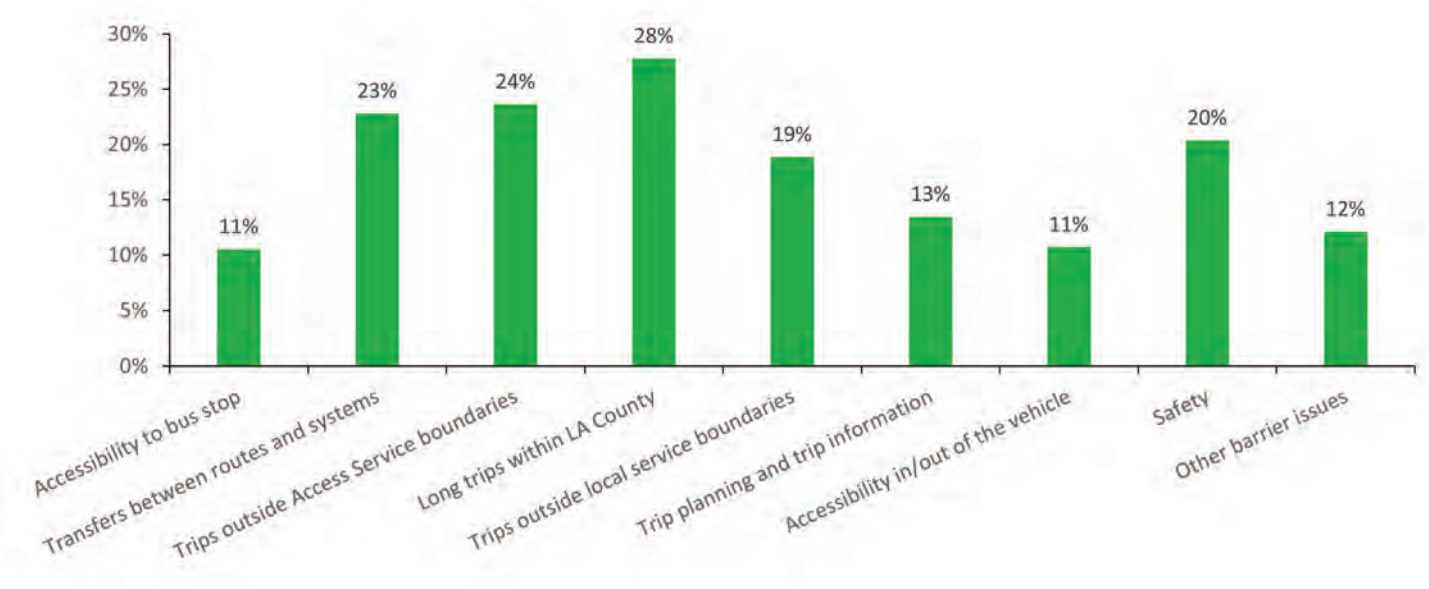
Human Service Agency Surveys

The agency surveys also included a section on transportation needs, mobility, and technology barriers. The key mobility issues expressed by the respondents included:

- > **Difficult trip types** – The most difficult trip types respondents cited were medical trips, local doctor or health clinic visits, and essential shopping (pharmacy, groceries, etc.). Other difficult trip types were non-peak hour trips (e.g., midday, evening, late evening, and weekend), as well as same-day/immediate (on-demand) trips.
- > **Barriers for access/mobility** – When asked about barriers, the most common response was long trips within LA County. Other major access and mobility issues included trips outside Access Service boundaries, and transfers between routes and systems, safety and trips outside local service areas (see Figure 12).

- > **Barriers using technology** – Issues with technology were posed to gain a better understanding of challenges in communicating with seniors, persons with disabilities and others. Attaining information and having reliable Wi-Fi connections were the top challenges cited to using technology today.
- > **Barriers for agencies** – An open-ended question was posed asking about barriers in providing services to target populations. Common themes included: connecting to other social services; financial, health risk challenges, mobility-aids/equipment on vehicles; aging fleet; need for additional rolling stock and operational costs; regional inter-agency cooperation; safety and security; funding; understaffing; long wait times for round-trip service; last-minute service requests; service boundaries; increasing demand on paratransit and rising cost for providing service; and expanding service area and hours.

Figure 12: Access and Mobility Barriers in Transportation Services



Source: 2021-2024 Agency Survey, Question #16, January 2021.

Community Meeting

The draft Plan was available for public review and comment from March 19 to April 19, 2021 and a comprehensive notification effort utilized a variety of traditional and digital methods to reach target populations throughout LA County. To further garner interest and encourage public comment, a virtual community meeting was held on April 7, 2021. Notifications were prepared in both English and Spanish and included:

- > Print Notifications: Full-colored postcards printed and mailed to over 700 stakeholders; bus car cards installed on Metro buses; hard copy distribution available at 18 libraries and Metro Headquarters; and a version adapted to be more accommodating for persons with vision impairment.
- > Electronic Notifications: Eblasts notifications sent announcing the draft Plan and the community meeting; website updates with important dates, comment form, and link to the community meeting; social media and blogs (via The Source and El Pasajero); and project helpline with recorded announcements and ability to leave verbal comments.

The community meeting presented the purpose of the Plan, overview of what the Plan included, and solicited public input through written or verbal comments. With simultaneous Spanish and ASL interpretation along with live closed captioning, the meeting fostered a participatory environment with 44 attendees providing comments on the draft Plan. The presentation was recorded and posted on the Metro Coordinated Plan website.

During the community meeting, comments were accepted verbally and through the chat feature. The major comment categories were opportunities for communication and outreach to target population groups and access to on-demand travel services (e.g., Access Services, dial-a-ride services, and microtransit). Other comments were related to funding and availability for accessible transportation options in more suburban communities. Requests for supplemental outreach such as more flyers, access/copies of the Plan, and additional stakeholder briefings were made particularly for those who were not be able to be reached by digital means of communication.

In addition to the community meeting, two stakeholder briefings were held on March 23 and 25, 2021 to provide opportunities for interested organizations to engage with Metro in a more focused setting. Participants included MoveLA, Access Services, PIH Health, Help Me Help You, SCRS-ILC, L.A. Care, Antelope Valley Senior Center, Griffith Park Adult Community Center, Epilepsy Foundation of Los Angeles, and Cal State LA. Metro also delivered additional presentations, attended meetings, and/or provided materials to Metro's advisory committees, including the Local Transit Systems Subcommittee (LTSS), the Aging and Disability Transportation Network (ADTN), and the Accessibility Advisory Committee (AAC).

Comments made during the community meeting, stakeholder briefings, and other outreach activities were combined with all comments received during the public comment period (March 19 to April 19, 2021). In total, 90 comments were received through written comments, emails, voicemails, stakeholder briefings, and during the community meeting. Figure 13 below provides a summary of all the comments received presented by category, number of comments received, and major themes. General public comments unrelated to the Plan were recorded and forwarded to the appropriate Metro departments. It should be noted that some public comments addressed multiple categories.



Figure 13: Summary of Comments on the Plan

COMMENT CATEGORY	COMMENTS RECEIVED	MAJOR THEMES	DISCUSSED IN PLAN
Access to On-demand Transportation Services	18	<ul style="list-style-type: none"> > Funding for on-demand travel programs should be increased so they can be more reliable. > Important to have service that allows people to make non-critical trips and have choices. > Transportation needs of people with disabilities and seniors who are low-income for work and school need to be met. > Need more TNC programs with wheelchair accessible vehicles. > Upgrading technology of on-demand service with apps can increase convenience. > Add information about Medi-Cal transportation provided by L.A. Care and Health Net. 	<p>On-demand services have the potential to address many unmet transportation needs in areas where existing transportation may be insufficient. The Plan’s Goal 2, Strategy 2.4 supports on-demand transportation services for essential and non-critical trips including partnerships with TNCs. In addition, Goal 4, Strategy 4.1 addresses the need for technology improvements that facilitate on-demand transportation. Medi-Cal has an important role supporting transportation for its members; the program has been added to the types of providers documented in the Plan.</p>
Communication	32	<ul style="list-style-type: none"> > Discuss the outreach activities that were done for the Plan. Were there efforts to reach those without digital access? > In-person communication is important. > Social media is a good venue for announcements and participation. 	<p>The Plan describes the comprehensive outreach efforts in Chapter 3 Mobility Needs and Service Gaps. This includes providing information digitally using social media and other platforms, and through traditional printed announcements. In addition, the Plan and outreach materials were adapted to accommodate persons with vision impairments and those without digital access. Due to the COVID-19 restrictions, in-person communication needs were addressed through phone calls and virtual meetings with stakeholders and community-based organizations (CBOs).</p>
Connectivity and Reliability	5	<ul style="list-style-type: none"> > Need for continued service in areas that are at the periphery of LA County (e.g., Antelope Valley, Pomona Valley, etc.). > Reliability needs to be improved. > Paratransit is needed for those who cannot access fixed route services. 	<p>Improving and providing connections throughout all of LA County is critical to address gaps in services for target populations. Goal 2, Strategy 2.2 supports expansion of programs to encourage regional coordination and specialized services. Strategy 2.3 further supports services in areas within and between all UZAs, as well as Rural and Non-Urbanized Areas. Strategy 2.5 addresses connectivity issues to improve customer experience and reliability with multi-operators. Paratransit should be inclusive for different riders including those who have difficulty using fixed-route buses and other forms of public transit (see Chapter 2, Regional ADA Paratransit).</p>

COMMENT CATEGORY	COMMENTS RECEIVED	MAJOR THEMES	DISCUSSED IN PLAN
Expand Services	13	<ul style="list-style-type: none"> > Paratransit has access limitations, extension of services would address gaps. > Special subscription bus/shuttle service would be beneficial. > Extend services to the northern portions of LA County. > Travel training is important to consider. 	<p>Paratransit services are generally provided to complement existing fixed-route services. However, specialized transportation projects that fill service gaps in the network are supported by this Plan (see Goal 2, Strategy 2.2), including special subscription programs and extension of services to northern portions of LA County. Goal 3, Strategy 3.1 also supports increasing resources for travel training and other rider campaigns.</p>
Funding	6	<ul style="list-style-type: none"> > Consider funding programs that offer low-cost options that emphasize safety and assisting with unexpected trips. > Does the Plan support funding COVID-19 related projects? > As the pandemic ends, will upgrades and expansion of services still be prioritized? > Will funding support electric vehicles? 	<p>Lower-cost options are important to provide, particularly for target groups. This is addressed through Goal 1, Strategy 1.4, which describes broadening cost-effective mobility choices. The Plan supports regional COVID-19 protocols and standards to ensure public safety and encourage future ridership. In particular, Goal 6, Strategies 6.4 and 6.5 support upgrades and modifications to vehicles to increase social distancing and other future operational requirements. The Plan also supports projects and programs concepts that are consistent with FTA Section 5310 funding including upgrades to services and expansion of services (see Goal 1 strategies) that are not necessarily COVID-19 related. This includes acquisition of accessible rolling stock (including electric and other clean fuel vehicles).</p>
Regional Mobility Management	4	<ul style="list-style-type: none"> > Programs such as microtransit and On the Move Riders are beneficial for regional access and should be expanded. > Not all taxi companies serve all areas of LA County. Other travel options should be considered. 	<p>The Plan encourages innovation in delivering support services to target populations. In particular, Goal 1, Strategy 1.4 looks to broaden cost-effective mobility choices and Goal 3, Strategy 3.7 supports innovative transportation options. These include microtransit, vanpool, partnerships with TNC's and more traditional services like taxis and volunteer driver reimbursement programs. Metro's On the Move Riders Program is a travel training and trip planning service that promotes transit for target populations. Programs such as this are encouraged under Goal 3, Strategy 3.1.</p>

COMMENT CATEGORY	COMMENTS RECEIVED	MAJOR THEMES	DISCUSSED IN PLAN
Safety Measures	12	<ul style="list-style-type: none"> > Pedestrian crossings for older adults and individuals with disabilities are important. > Safety of passengers is a priority, including cleanliness of buses and provision of protective bus shelters. > Improvements to address safety/security challenges are needed (emergency button, cameras, security services). 	<p>First/Last Mile access is important to connect target populations to public transportation. Under Goal 2, Strategy 2.6, improvements to sidewalks, crossings, bikeways, and other roadway features will enhance safety and reduce the barriers that target populations currently experience. Addressing cleanliness and promoting healthy and safe travel are described in Goal 5, Strategy 5.5 and Goal 6, Strategy 6.2, particularly during the COVID-19 pandemic. Safety and security for target populations on public transportation is also an important issue. Goal 6, Strategy 6.3 highlights the need for safe travel conditions through information, outreach and communication. In addition, funding for safety equipment, supplies and services was identified as one of the highest priorities to help address LA County’s safety/security challenges.</p>

Source: Public comments received on the Plan (March 19 to April 19, 2021).

COVID-19 Pandemic Implications

This section describes how the COVID-19 pandemic has impacted human service agencies’ operations. Overall, the majority of agency respondents (around 80 percent) stated that COVID-19 restrictions and protocols have significantly affected delivery of their services. These include the following:

- > Communications and interactions are now completely online or telephone in lieu of in-person visits and meetings.
- > Some services are limited to those that are deemed essential.
- > Indefinitely suspending or eliminating passenger shared rides.
- > Social distancing guidelines are being applied in all vehicles (e.g., reduced capacity, safety barriers, face coverings, etc.).
- > Reduced hours of operation.
- > Transportation resources being used to deliver essentials to users (e.g., meals and groceries).

Respondents indicated they could better serve their clients during COVID-19 restrictions by providing the following:

- > Continuous education of riders on updated restrictions.
- > More options for delivery of goods.
- > Reducing costs and making services more accessible.
- > Increased safety protocols such as face coverings, stricter social distancing guidelines, and increased barriers.
- > More vehicles and staff to provide reduced capacity on vehicles.
- > Assisting users with more resources to various transportation information.
- > Improving communication with users on operational and scheduling updates.
- > Increasing accessibility to technology to bridge digital divide with older populations.
- > Increasing transportation services to essential locations (medical, food, etc.).

Figure 14 presents the barriers in transportation services during COVID-19 identified by the service agencies.

Figure 14: Barriers in Transportation Services During COVID-19

OPERATIONAL BARRIERS	SAFETY BARRIERS
<ul style="list-style-type: none"> • Limited budget or lack of funding for providing services • Personnel funding/limited staff • Cost to provide a responsive service during a significant decline in ridership • Limited amount of taxis readily available • Lack of dedicated bus or train routes • Difficulty hiring and maintaining drivers as service hours decreased • Suspension of collection fares • Lack of funding to purchase new vehicles • No funding for public services 	<ul style="list-style-type: none"> • Target populations with heightened risks to COVID-19 exposure • Efficiently disinfecting vehicle after every passenger trip • Perceived lack of safety when using public transportation. • Limited amount of taxis readily available • Fear of patients and their families/caregivers to have seniors travel for care • Volume of travelers on public transit • Vehicles are not equipped with COVID-19 plexiglass shields
ADA ACCESSIBILITY BARRIERS	COMMUNICATION BARRIERS
<ul style="list-style-type: none"> • Insufficient number of vehicles equipped to assist clients with disabilities 	<ul style="list-style-type: none"> • Difficulty communicating with seniors as many are not technology-savvy

Source: 2021-2024 Human Service Agency Survey, Question #43, January 2021.

Goals and Strategies

The goals and strategies for the Plan address the mobility needs and service gaps identified in Chapter 3. Goals from the previous 2016-2019 Coordinated Plan provided a framework for the Section 5310 funding decisions in LA County. These goals were then updated to account for new input gathered during the outreach process, and further expanded to address COVID-19 related transportation needs. Overall, this chapter describes the development and description of the goals and strategies for the Plan.





Developing Goals for the Plan

Goals from previous LA County Coordinated Plans provided the framework for discussion during the outreach process. The following sections describe how and why these earlier goals continue to address the mobility needs and service gaps within LA County.

Goal 1: Fund Mobility Options

Sustain, fund, and continue to expand public, private, and other transportation services in LA County.

LA County has over 2,300 peak hour buses and nearly 98 miles of rail service within Metro’s service area of about 1,433 square miles. Most communities are served by a combination of transit and paratransit provided by LA County’s regional providers such as Metro and Access Services, as well as local transportation services provided by cities and other service agencies. Local transit services vary widely and range from local and sub-regional fixed route networks to local Dial-A-Rides and subsidized taxi programs.

Service agencies shared the following challenges they face in meeting the needs of their communities:

- > There is increasing demand on paratransit and rising cost for providing service. Additional funding is needed to meet this increasing demand of customers. In addition, agencies report aging fleet issues, the need for additional rolling stock, the need for additional staff and operational costs as challenges.

- > Wheelchair capacity of vehicles has not kept up with the increasing number of persons traveling with mobility devices.
- > Safety/security, reduced frequency of public transit, long wait times for round-trip service and last-minute service requests were also reported as challenges.

Metro has in place several short-range and long-range plans that will address many of the issues faced by the target populations. Fully funding these plans is critically important to the future mobility needs of the target populations. Below is a list of some of the LA County plans that support target populations:

- > Metro 2020 Long Range Transportation Plan
- > Metro 2014 Short Range Transportation Plan
- > Metro 2014 First/Last Mile Strategic Plan
- > Metro Vision 2028 Strategic Plan
- > Metro Customer Experience Plan 2020
- > Metro NextGen Bus Plan 2020-2021
- > Southern California Association of Governments (SCAG) 2020-2045 Regional Transportation Plan (RTP)/Sustainable Communities Strategies (SCS) (Connect SoCal)

Goal 2: Address Mobility Service Gaps

Improve coordination between public transportation and human service transportation to address mobility and service gaps.

LA County has a significant and complex layering of mobility options at the local, subregional, and regional levels. As human service transportation is typically provided based on jurisdictional boundaries, services for target population can have gaps in access and mobility. Trips within and between regional and local destinations can be difficult for many members of the target populations. Mobility concerns identified through the outreach process included:

- > Higher demand for same-day response services, particularly to address medical needs. This was reported as a difficult trip by almost 70 percent of agency survey respondents.
- > Demand does not adhere to city boundaries, with travelers often wishing to cross jurisdictional lines, which creates challenges particularly for demand response services. Trips outside service area boundaries were reported as a barrier (often or sometimes) by approximately 64 percent of all respondents. Trips outside Access Service boundaries were reported as a barrier (often or sometimes) by more than 50 percent of agency survey respondents.
- > First-mile and last-mile access to transit is a challenge for seniors and persons with disabilities.
- > Local medical trips and essential shopping (groceries, pharmacy, etc.) were reported as a difficult trip (often or sometimes) to make by about 67 percent of agency survey respondents. Medical trips were also increasingly regional, requiring long-distance travel, often outside of local jurisdictions, such as from the South Bay to the University of California, Los Angeles (UCLA).
- > There was a desire for early morning, midday, late night, and weekend service as the 24/7 economy drives the demand for longer service hours, particularly for entry level workers to reach service and shift jobs.
- > Long trips within LA County were reported as a barrier (often or sometimes) by approximately 59 percent of all agency survey respondents.
- > Transfers were reported as a barrier (often or sometimes) by 58 percent of respondents, as they were considered difficult to plan. For example, there were challenges getting from Central LA County to Ventura County, Santa Clarita, and the Antelope Valley area. Connections between the San Gabriel Valley and downtown LA were considered difficult, especially in areas without a rail connection.

In an effort to address the transfer barrier, Access Services expanded its transfer trip service in July 2020. The expansion is aimed at improving travel between Antelope Valley, Santa Clarita, and the rest of LA County. Transfer opportunities were expanded from three to eight times a day, added on weekdays, weekend, holidays, services and fares were permanently reduced.





Goal 3: Provide Support Services

Provide support services to enable access for target populations.

The stakeholder outreach and review of relevant documents revealed the need to provide additional support services to target populations:

- > Human service agencies that offer transportation services and accessibility services need to clearly outline and define their services to better meet the needs of those using the service. Not all services provide the same level of transportation amenities or access. The target population users need to understand the full extent of services before they attempt to use them.
- > There is a unique opportunity for human service agencies and accessibility-based companies to partner and comprehensively provide better transportation. If large scale transportation network companies (TNCs) partnered with local agencies, they can better understand the needs of those trying to utilize these types of services.
- > Services for seniors and persons with disabilities need to be expanded outside of transportation. Purchasing household items, laundry services, and food delivery services are all crucial for these target populations, many of which are now at even greater risk due to COVID-19.
- > Face-to-face interaction among seniors and persons with disabilities is best. While online and digital communication is valuable, continuous in-person interaction is most effective. Seniors benefit the most from continuous in-person interaction. The in-person relationship helps reinforce information and ensures it is clearly understood.
- > Agencies reported challenges connecting their customers to other social services and expressed a need for regional inter-agency cooperation.

Goal 4: Promote and Improve Information Portals

Promote, improve and expand multi-cultural information portals on mobility options.

Closely related to the issue of mobility is the ability of seniors, persons with disabilities and other target populations to understand and navigate new transportation options. Questions such as: what types of travel options are available; do I need to transfer; how long will the trip take; how much will it cost; and is it safe are frequently asked.

Based on the agency surveys, the following were highlighted as informational barriers:

- > The need to promote a variety of services, and education on accessing transit to address information gaps. Some seniors do not have access to cellular phones or help, making it difficult and stressful to obtain this information. There is a request for services that result in less stress, time and offer better options.
- > Keep websites up to date so customers can rapidly obtain accurate and current information as services change.
- > Customers desire real-time arrival information and ease of transit fare transactions for regional travel.
- > There is a desire for regional mobility management and networking between transit providers. The belief is that issues of coordination and fragmented service lead to customer confusion.
- > Agencies reported challenges connecting their customers to other social services and expressed a need for regional inter-agency cooperation.



Goal 5: Enhance Accountable Performance Monitoring Systems

Enhance customer feedback and accountable performance monitoring systems to ensure that high quality service is maintained.

Metro has taken important steps on customer feedback and accountable performance monitoring systems for bus and rail systems. Programs such as Metro customer satisfaction surveys and the Mystery Rider Program which reports on wheelchair accessibility issues have provided feedback and, in the case of wheelchair accessibility, accountable performance monitoring systems. More specifically, the following programs are currently in place:

- > Metro's Customer Satisfaction Surveys provide yearly input from bus and rail passengers.
- > The Metro Wheelchair Accessibility Quarterly Reports use "Mystery Riders" to report on specific items related to Metro policies regarding the transportation of persons in wheelchairs.
- > Metro's Customer Experience Plan includes a list of areas for improvement for security, cleanliness and at bus stops. Pilot programs include having elevator attendants to deter crime, urination, defecation, and drug use, and make elevators safe and pleasant for seniors, people with disabilities, travelers with luggage and others.
- > Metro's NextGen Plan has extensive and continuous public engagement and outreach to ensure the Metro bus system is addressing the needs of current and future target population riders.

It will be important to build on these accountability efforts in order to enhance user satisfaction. For example, Access Services is conducting a series of comprehensive operational reviews (COR) of its Operations, Customer Service and Eligibility Determination programs with the goal to improve customer experience. Although the majority of the recommendations were implemented, such as extending hours of service and expanding or modifying oversight staff, continual monitoring of the programs will ensure services are responsive, maintained and adjusted to meet the needs of riders.

Goal 6: Provide COVID-19 Support Services

Support transportation providers in serving target populations during and following the COVID-19 pandemic.



Due to the COVID-19 pandemic, agency providers have adjusted their service offerings and requirements to meet ridership levels and customer needs. For example, providers have increased Same Day Service, required face coverings and implemented Meal Delivery Programs. In addition, service agencies highlighted the following needs regarding COVID-19:

- > Personal Protective Equipment (PPE) and safety measures are needed to assure customers of safe travel conditions. Safety protocols such as cleanings of vehicles, social distancing, passenger limits, air circulation, larger vehicles, and mask requirements need to be implemented and clearly communicated.
- > Due to the COVID-19 pandemic and the resulting Safer-at-Home and Stay-at-Home orders, there has been a reduction in the number of riders and a demand for other essential services. Per a focus group respondent, "We are still moving people, but we have [mostly] switched to where we are now delivering essential goods to vulnerable populations such as meals and fans during the summer. The greatest concern is still serving the vulnerable populations even if they are not traveling." Funding options are needed to maintain and expand service offerings.
- > If service demands remain the same with COVID-19, there will be a need for more vehicles to allow for social distancing.
- > Access Services started providing same day service due to less demand for riders overall during COVID-19.
- > Funding is needed to provide PPE to drivers and customers and for additional staff support based on new COVID-19 requirements.

Goals and Strategies for the Plan

Building from earlier Coordinated Plans, consistency with regional and local plans, and input received throughout the outreach effort, the following goals and strategies have been identified to address the mobility needs and service gaps of LA County's target populations. The following are the Plan's goals and brief descriptions of the regional and local strategies. See Figure 15 for the detailed strategies related to each goal.

- > **Goal 1: Fund Mobility Options** – Sustain, fund, and continue to expand public, private and other transportation services in LA County.
 - **Regional Strategies:** Consistencies with regional and municipal plans and funding projects, programs and activities that have cost-sharing opportunities and broaden traditional mobility choices.
 - **Local Strategies:** First/Last Mile policies and standards, capacity and service level improvements, as well as upgrading, replacing and expanding vehicle fleets.
- > **Goal 2 : Address Mobility Gaps** – Improve coordination between public transportation and human service transportation to address mobility and service gaps.
 - **Regional Strategies:** Improvements in regional coordination, inter-agency agreements and holistic transit connections throughout LA County.
 - **Local Strategies:** Address the travel needs of target populations including: expansion of on-demand services, coordination of multi-operator and cross jurisdictional trips, increasing the span of services, and First/Last Mile improvements to enhance safety and reduce barriers.
- > **Goal 3: Provide Support Services** – Provide additional support services to enable access for target populations.
 - **Regional Strategies:** Increasing resources and providing guidance to increase mobility through travel training, rider campaigns and equity base fares.
 - **Local Strategies:** Developing and broadening assistance to target populations. This includes addressing interactive, immediate and short-term transportation needs.
- > **Goal 4: Promote and Improve Information Portals** – Promote, improve and expand multi-cultural information portals on mobility options.
 - **Regional Strategies:** Encourage collaborative information sharing and increasing the effectiveness and use of social media to promote mobility options for target populations.
 - **Local Strategies:** Providing current, clear, and comprehensive travel information to target populations, acknowledging the diversity and equity needs within LA County. This includes collaboratively promoting mobility management functions at the local and regional levels.
- > **Goal 5: Enhance Accountable Performance Monitoring Systems** – Enhance customer feedback and accountable performance monitoring systems to ensure that high quality service is maintained.
 - **Regional Strategies:** Set the framework for the provision of high-quality services through the use of surveys, monitoring and quarterly reporting.
 - **Local Strategies:** Encourage the implementation of performance standards, goals, and policies as a means to establish service levels, plus processes to obtain and act upon feedback from riders.
- > **Goal 6: Provide COVID-19 Support Services** – Support transportation providers in serving target populations during and following the COVID-19 pandemic.
 - **Regional Strategies:** Ensuring safety standards and protocols for vehicles and personnel that serve target populations.
 - **Local Strategies:** Address the need to provide a safe environment for the target populations while traveling using equipment, supplies and protocols. In addition, communication of these standards and approaches is needed.

Figure 15: Goals and Strategies

Goal 1: Fund Mobility Options

Sustain, fund and continue to expand public, private, and other transportation services in LA County.

REGIONAL STRATEGIES	LOCAL STRATEGIES
1.1 Strategy: Fund regional and municipal operators to address recommendations included in SCAG’s 2020-2045 RTP/SCS (Connect SoCal) and Metro’s 2014 SRTP and 2020 LRTP.	1.5 Strategy: Develop First/Last Mile access improvements in support of Metro’s 2018 Transit Oriented Communities (TOC) Policies and 2014 First/Last Mile Strategic Plan & Planning Guidelines.
1.2 Strategy: Fund projects and activities that address high-priority strategies identified in the 2021-2024 Coordinated Plan to enhance mobility of seniors, persons with disabilities, veterans, low-income and other target populations.	1.6 Strategy: Fund local municipality-based service improvements to address capacity and service level issues for target populations.
1.3 Strategy: Fund projects, programs and activities that are eligible for cost-sharing arrangements among transportation resources such as Coordinating Council on Access and Mobility (CCAM) and other federal funding sources.	1.7 Strategy: Upgrade human service agency fleets to become more accessible by persons with disabilities and encourage private sector taxi and Transportation Network Companies (TNCs) to operate more accessible vehicles.
1.4 Strategy: Broaden cost-effective mobility choices such as Access Services, micro transit/vanpool, Dial-A-Ride, Medi-Cal transportation, County New Freedom Transportation Program and other travel assistance services that support goals included in SCAG’s and Metro’s regional plans.	1.8 Strategy: Institute vehicle replacement and expansion for public transportation and human service agencies to serve the target populations.

Goal 2: Address Mobility Gaps

Improve coordination between public transportation and human service transportation to address mobility gaps.

REGIONAL STRATEGIES	LOCAL STRATEGIES
2.1 Strategy: Improve county-to-county senior and paratransit trips through best practice solutions and formalized inter-agency agreements.	2.4 Strategy: Provide on-demand transportation services for critical and non-critical target population travel needs such as medical, essential shopping and off-peak hour trips.
2.2 Strategy: Expand and support programs to encourage regional coordination of specialized transportation services such as a Regional Mobility Management program with strategies to connect seniors and paratransit riders with local and regional transportation options.	2.5 Strategy: Address connectivity issues to improve the customer experience with trips involving multi-operators.
2.3 Strategy: Improve transit connections throughout all of LA County including areas within and between the Los Angeles/ Long Beach/Anaheim UZA, Lancaster/Palmdale UZA, Santa Clarita UZA, and Rural and Non-Urbanized Areas.	2.6 Strategy: Improve First/Last Mile access within local communities, including improvements to sidewalks, crossings, bikeways, and other roadway features to enhance safety and reduce barriers for target populations.
	2.7 Strategy: Provide incentives for collaborative partnerships to better address immediate, cross jurisdictional and other hard-to-meet travel needs.
	2.8 Strategy: Increase the span of service on weekdays and weekends, recognizing off-peak service needs such as early morning, midday, late night and weekend.
	2.9 Strategy: Improve transfers from one mode or type of service to another service including connections to other counties and the Rural/Non-Urbanized areas within LA County.

Goal 3: Provide Support Services

Provide support services to enable access for target populations.

REGIONAL STRATEGIES	LOCAL STRATEGIES
3.1 Strategy: Increase resources for travel training and related rider campaigns to promote transit and human service transportation for target populations.	3.4 Strategy: Develop and support volunteer driver and mileage reimbursement programs for difficult-to-serve trips for seniors and persons with disabilities.
3.2 Strategy: Address the need to connect target populations to other social support services through interagency communication, cooperation, and agreements.	3.5 Strategy: Broaden assistance programs to encourage face-to-face interaction for additional assistance needs including door-to-door and door-through-door transportation.
3.3 Strategy: Support and broaden means-based fare discounts to low-income populations to enable their accessibility and use of public transportation access.	3.6 Strategy: Develop transit stops/station improvements, path-of-access, and other local pedestrian and bicycle improvements for target populations.
	3.7 Strategy: Support innovative transportation options (e.g., microtransit/vanpool, TNCs, taxis, volunteer driver and mileage reimbursement programs) that could be more cost-efficient/cost-effective for target populations.
	3.8 Strategy: Expand support services to meet the immediate transportation needs of target populations including transporting critical items such as medical supplies, household items, laundry services and food delivery services.
	3.9 Strategy: Ensure communication with target populations embraces a broad array of methods including in-person opportunities, when possible.

Goal 4: Promote and Improve Information Portals

Promote, improve and expand multi-cultural information portals on mobility options.

REGIONAL STRATEGIES	LOCAL STRATEGIES
4.1 Strategy: Support for technology improvements and enhancements to trip planning to incorporate all types of transportation options including public, human service agencies, and private sources and provide current and clear travel directions for target populations and other users. This includes easily accessible multimodal “find-a-ride” functions and maintaining it with up-to-date information.	4.4 Strategy: Support local and coordinated regional transportation services by providing real-time information.
4.2 Strategy: Increase the effectiveness and use of social media to promote mobility options to the target populations.	4.5 Strategy: Provide clear and comprehensive information at bus stops and rail stations including route/schedule information and stop/station identification, particularly for low-frequency routes.
4.3 Strategy: Provide comprehensive travel information for target populations from a single resource to lessen customer confusion.	4.6 Strategy: Ensure that information is available in multiple languages and formats acknowledging the diversity and equity needs of LA County.
	4.7 Strategy: Promote mobility management functions to assist and enable target populations to connect to transit and other transportation options. Collaboratively promote mobility management functions at the local and regional level.

Goal 5: Enhance Accountable Performance Monitoring Systems

Enhance customer feedback and accountable performance monitoring systems to ensure that high quality service is maintained.

REGIONAL STRATEGIES	LOCAL STRATEGIES
<p>5.1 Strategy: Expand Metro Customer Satisfaction Surveys to include questions on other transit and paratransit support services.</p>	<p>5.4 Strategy: Adopt standard compliant policies that can be applicable to municipal and other human service providers.</p>
<p>5.2 Strategy: Ensure continued attention to the quality of the ride for target population users through quarterly reporting and ongoing plans such as Metro’s Customer Experience Plan and NextGen Bus Plan.</p>	<p>5.5 Strategy: Develop performance standards that can be consistent among various service modes. Develop target performance goals for on-time performance, transfers, safety, and cleanliness.</p>
<p>5.3 Strategy: Establish performance monitoring and reporting for transportation pilots and projects that address the needs of the target populations.</p>	

Goal 6: Provide COVID-19 Support Services

Support transportation providers in serving target populations during and following the COVID-19 pandemic.

REGIONAL STRATEGIES	LOCAL STRATEGIES
<p>6.1 Strategy: Adopt regional COVID-19 safety protocols and standards for personnel and vehicles serving target populations that can be applicable to municipal and other human service providers.</p>	<p>6.2 Strategy: Provide funding for personal protection equipment (PPE), cleaning and disinfecting supplies, additional staff and other services, to address target population needs during and after the COVID-19 pandemic.</p>
	<p>6.3 Strategy: Assure target populations of safe travel conditions through information, outreach and communication.</p>
	<p>6.4 Strategy: Upgrade and modify vehicles with safety measures to increase social distancing and provide devices to limit exposure.</p>
	<p>6.5 Strategy: Support the operation of additional or larger vehicles to increase social distancing during travel for target populations.</p>

Source: Metro 2021.

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Projects and Programs

Project and program concepts are identified and associated with each of the goals and strategies. This chapter includes a description of each of the project and program types, discusses their eligibility for Section 5310 funding, and provides examples. The list of potential projects and programs derive from project concept forms that were distributed to the service agencies. To supplement the breadth of types of projects and programs for the Plan, previously-awarded Section 5310 projects were also included as part of the concept list.



Projects and Programs

As part of the outreach process, project concept forms were distributed to approximately 7,000 service agencies to understand the potential project and program needs for the Plan. Collected from November 9, 2020 to January 8, 2021, a total of 40 project concept forms were completed and submitted. Previous Section 5310 awarded projects and programs were also included as part of the concept list to supplement the types of projects and programs that may be applied for in the next grant offering.

These “Traditional” capital and “Other” capital and operating projects and programs represent a comprehensive list of activities that would enhance mobility for seniors and persons with disabilities in LA County and that are eligible for future

Metro Section 5310 funding. Note that other target populations groups such as low-income individuals and veterans may benefit from these projects; however, Section 5310 funds are directed to specifically serving seniors and persons with disabilities. This list also reflects information gathered through the outreach process and efforts during the past Coordinated Plans, and feedback collected through the review of this Plan may expand the project and program types.

Categorized by goal, Figure 16 presents a list of project and programs type concepts. The project type, project description, Section 5310 eligibility (Traditional or Other) and examples, provide potential funding applicants context and guidance for future Section 5310 applications.

Figure 16: Projects and Program Concepts

Goal 1: Fund Mobility Options

PROJECT TYPE	PROJECT DESCRIPTION	SECTION 5310 ELIGIBLE (TRADITIONAL OR OTHER)	EXAMPLE
Vehicle and fleet expansion and replacement	Acquisition of expansion accessible rolling stock (e.g., buses, vans, minivans) for additional service areas; acquisition of replacement accessible vehicles for existing service areas	Traditional	Purchase of expansion accessible vehicles to provide service to new geographic areas; purchase of replacement accessible vehicles for reliable and continued transportation
Capacity and service level improvements	Acquisition of expansion accessible rolling stock for increased service levels; procurement of internal systems, equipment, or passenger facilities to allow enhanced capacity, frequency and/or service levels	Traditional	Purchase of expansion accessible vans and new dispatching system to increase hours of operation
Dial-a-ride services for First/Last Mile access to stations	Procurement of internal systems; operating assistance; staffing resources	Other	Funds for new or continued operating assistance
New door-through door transportation	Procurement of internal systems; operating assistance; staffing resources	Other	Funds for new or continued operating assistance
Subsidized vanpool/ carshare programs	Procurement of internal systems; operating assistance; staffing resources	Other	Promote and subsidize vanpool initiative

Goal 2: Address Mobility Service Gaps

PROJECT TYPE	PROJECT DESCRIPTION	SECTION 5310 ELIGIBLE (TRADITIONAL OR OTHER)	EXAMPLE
Programs to serve inter-county and multi-city trips	Provision of new mobility services between multiple jurisdictions within LA County; provision of connections to locations outside LA County	Other	Coordination of service hours and operational parameters among cities throughout San Gabriel Valley
Programs to serve same-day transportation for critical and non-critical need trips	Provision of new on-demand services for daily travel needs; staffing resources; internal systems	Other	Providing multi-jurisdictional shuttle to access regional facilities.
Pool multi-city agency resources	Establish resource pooling and allocation process; staffing resources, internal systems	Other	Funds for new or continued operating assistance
Fare integration among operators	Study of consistent fare structure and payment methods; internal systems; staffing resources	Other	Study to assess viability of using Transit Access Pass (TAP) card for dial-a-ride payments
First/Last Mile plans and improvements	Construction for First/ Last Mile projects to improve access to transit facilities	Other	Widening sidewalks around obstacles near light rail platform



Goal 3: Provide Support Services

PROJECT TYPE	PROJECT DESCRIPTION	SECTION 5310 ELIGIBLE (TRADITIONAL OR OTHER)	EXAMPLE
Travel training programs	Establish programs to educate target populations on travel options, fares, and reimbursement processes; internal systems; staffing resources	Traditional (mobility management)	One-on-one travel counseling to residents at retirement communities
Mileage reimbursement programs for difficult-to-serve trips	Establish programs to provide direct payment for miles traveled by personal vehicles for trips that cannot be served by available transportation options; internal systems; staffing resources; funds for distribution	Other	Establishing travel bank for reimbursement of personal vehicle trips
Expand door-to-door and door-through-door services	Implementation of new door-to-door or door-through-door activities; training programs; staffing resources	Other	Providing training to vehicle operators to safely transport riders to and within buildings
Street improvement projects for access to stops and stations.	Construction for roadway projects to improve access to transit facilities	Other	Paving sidewalks and adding ADA ramps at transit bus and rail stops near key destinations
Subsidies and voucher-based programs	Establish program to provide help funding travel options by target populations; internal systems; staffing resources; funds for distribution	Other	Implementing voucher systems for seniors to utilize shared-ride services





Goal 4: Promote and Improve Information Portals

PROJECT TYPE	PROJECT DESCRIPTION	SECTION 5310 ELIGIBLE (TRADITIONAL OR OTHER)	EXAMPLE
Find-a-ride trip planner	Implementation of software to facilitate identification of nearby mobility options; internal systems; staffing resources	Traditional (mobility management)	Developing an app to identify nearest transit options from a designated location
Social media to promote mobility options	Developing information to share through social media (e.g., Facebook, NextDoor) regarding mobility services and operators	Other	Posting service hours, fares and service areas on operator's Facebook page
Real-time transit information	Implementation of provision of real-time transit arrival and departure information (at transit stop or through web portal); internal systems; equipment; staffing resources	Other	Installing variable message signs at community center to display next bus information
Multi-language format guides	Developing and publishing mobility service information in English and non-English languages	Other	Publishing and distributing travel guides in Spanish
Integration of mobility management for target groups into transit centers	Establish mobility management facilities (e.g., information kiosks) and related staffing	Traditional (mobility management)	Establishing an information kiosk at LA Union Station to provide information on transit fares and applicable senior discounts

Goal 5: Enhance Performance Monitoring Systems

PROJECT TYPE	PROJECT DESCRIPTION	SECTION 5310 ELIGIBLE (TRADITIONAL OR OTHER)	EXAMPLE
Expand satisfaction surveys	Developing, administering and/or assessing surveys regarding the satisfaction of current system users; internal systems; staffing resources	Other	Email survey to users of transit system to obtain feedback on timeliness of service
Fund local trip coordinators	Funding of staffing resources for trip coordinators to assist in local trip-making	Traditional (mobility management)	Hourly costs for trip coordinator at local medical center
Promote senior-friendly vehicle operator training	Implementing and/or publicizing of training for operators to improve relations and safety for senior travelers	Other	Enrolling vehicle operators in certified senior-related training program
Performance measurement monitoring and reporting program	Administering and/or reporting of systemwide performance indicators; internal systems; staffing resources	Other	Collecting data on ridership levels of transit vehicles to determine potential overcrowded conditions





Goal 6: Provide COVID-19 Support Services

PROJECT TYPE	PROJECT DESCRIPTION	SECTION 5310 ELIGIBLE (TRADITIONAL OR OTHER)	EXAMPLE
Safety protocols and standards	Establish protocols and standards for vehicles, facilities and/or staff interactions	Other	Preparation of written safety procedures regarding interactions between staff and drivers
Safety equipment, supplies and services	Purchasing of cleaning and/or disinfectant equipment and supplies, including masks and other PPE supplies; installation of sneeze guards and safety shields; staffing resources; contracting with outside cleaning and disinfecting services	Other	Contract with daily cleaning and disinfecting crew for each vehicle in service
Information, outreach, and communication	Programs to inform target populations about safety measures and processes	Other	Publishing of website content regarding cleaning and disinfecting protocols
Vehicle modifications and upgrades	Modifying vehicles with measures to increase safety and distancing for drivers and passengers, including the installation of safety barriers and modifications to vehicle interior layout to create distance between passengers and drivers	Traditional	Overhaul vehicle interior layout to protect drivers and customers

Source: 2020 Focus Groups; 2021-2024 Human Service Agency Survey and Project Concept Forms; 2021 Community Meeting and Stakeholder Briefings, and FTA Section 5310 Award Recommendations (FY2019).

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Prioritization and Implementation

This chapter presents the methodology and results of the project and program concepts prioritization process. The criteria used in this process included: (1) ranking of importance by service agencies, (2) ability to address mobility needs and service gaps, and (3) feasibility and ability to implement. The prioritized list of projects and programs incorporated the outreach and public input, as well as implementation considerations such as resources, benefits and costs. The purpose of this ranking is to identify Metro's priorities for investments and to help guide private and public transportation operators in planning their own investment approaches.





Prioritization and Implementation

One of the key outcomes of the Plan is to provide a prioritized list of projects and programs to address the mobility needs and service gaps identified for target populations. The Plan's prioritization process, results, and recommendations are based on a comparative evaluation of the projects and program types identified under each goal. The outreach and public input obtained through focus groups, surveys, and project concept forms created the foundation of understanding the critical needs of target populations over the next four years. Coupled with implementation considerations such as availability of resources, feasibility and timeline, evaluation criteria identified priorities among the 29 projects and program types. The purpose of providing a comparison priority ranking is to identify Metro's priorities for investment toward human service transportation and to guide LA County private and public transportation operators in planning their own investment approaches.

In the evaluation process, some projects typically perform well in some criteria, but less satisfactory in others. The overall summary of a project's and program's performance provides an understanding of the advantages and tradeoffs, which allows Metro to incorporate this consideration in the evaluation of Section 5310 funding applications.

Methodology

Evaluation criteria were developed to assess how well each project/program concept satisfies the overall goals and strategies established for the Plan.

Based on the six goals and the resultant strategies, the following were used to assess the overall priority of each project and program type:

- > Priorities identified by service agencies
- > Addresses target population mobility needs and service gaps
- > Ease of implementation and feasibility

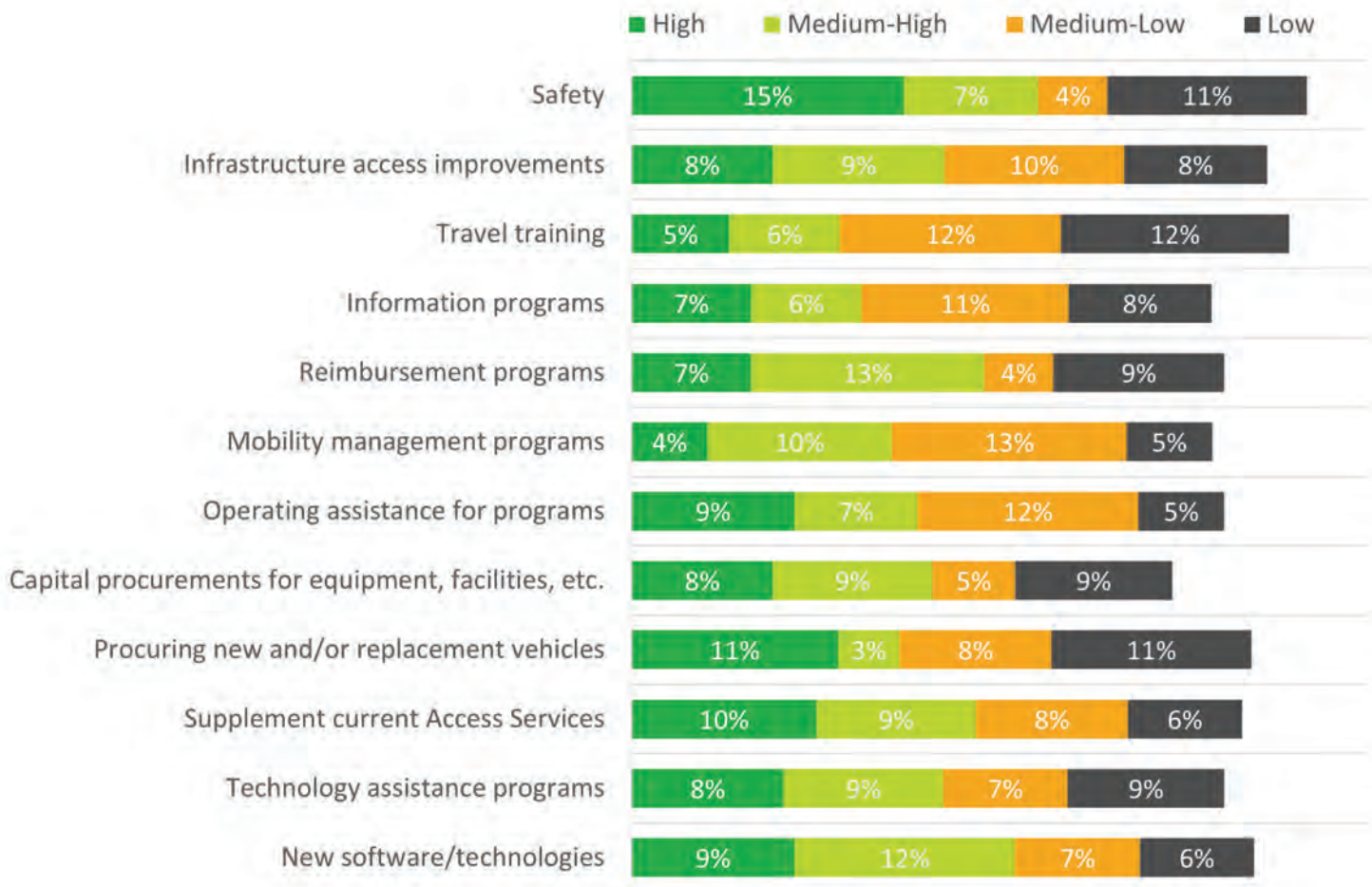
Evaluating Agency Priorities

Evaluating priorities identified by service agencies is important because they reflect the transportation service and operational needs. As part of the agency surveys, the agencies identified and ranked the strategies, activities, and programs that were most important within the next four years (2021-2024). Based on the responses, priorities were ranked as either “high,” “medium-high,” “medium-low,” or “low.” Figure 17 presents the priorities identified by the service agencies.

Note that “other” was also given as an open response option. Open-ended responses provided included: educating the public on the cost-effectiveness of transportation systems; the need for seamless, integrated systems for seniors in LA County; and reliable transportation options to augment current services.

Based on the evaluation of service agency responses, safety, procuring new and/or replacement vehicles, and supplementing current Access Services had the highest priorities. Reimbursement programs and new software/technologies were most often ranked as medium-high priorities. Travel training was most often ranked as a lowest priority compared to the other types of projects and programs.

Figure 17: Priorities by Service Agencies



Source: 2021-2024 Coordinated Plan Update Agency Survey, Question #19

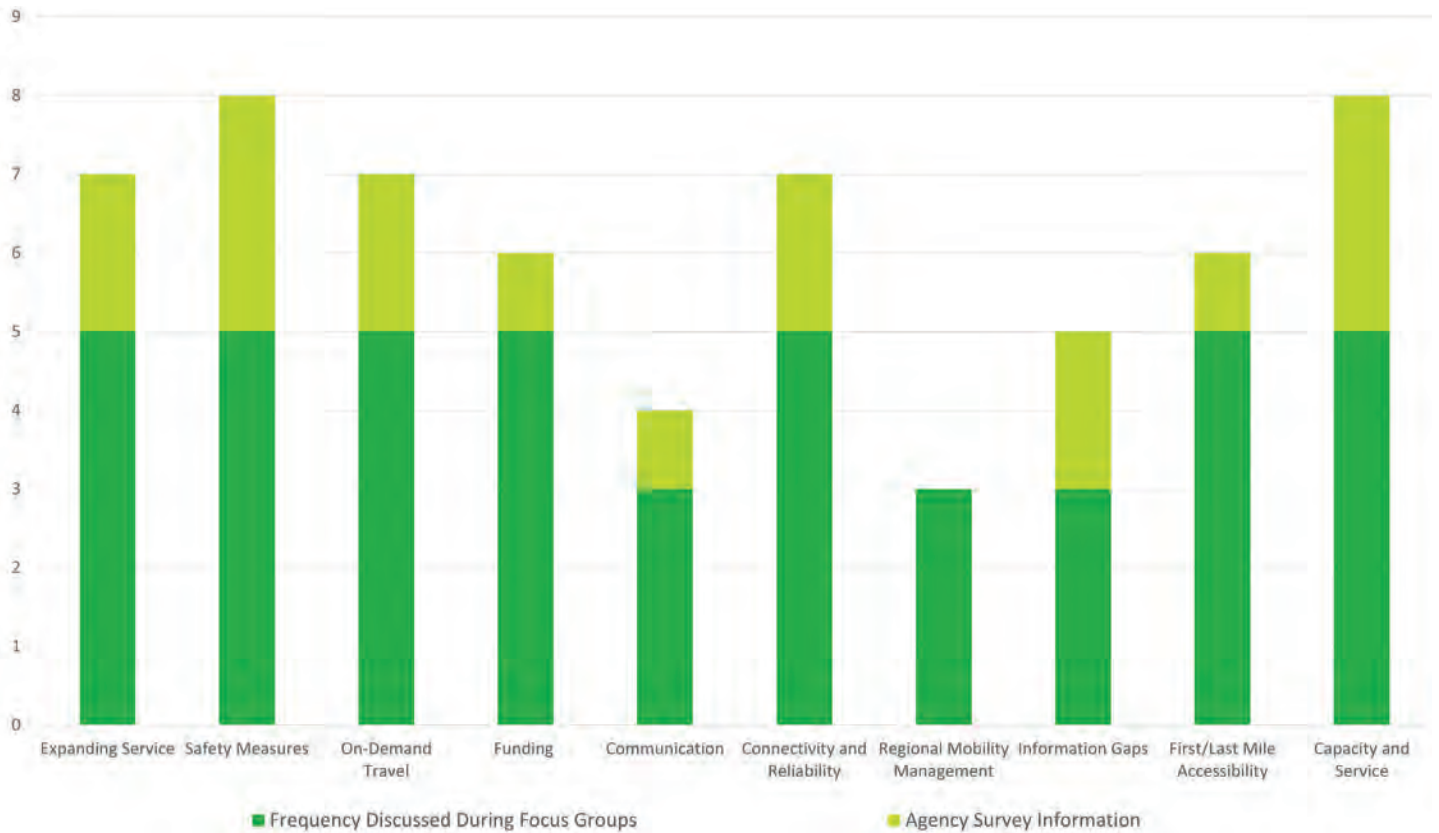
Evaluating Mobility Needs and Service Gaps

The focus group outreach, agency surveys and the demographic analysis for LA County’s UZAs identified major mobility needs and service gaps for target populations. Overall, more than 23 percent of LA County’s population are seniors and persons with disabilities, and this percentage is expected to continue to increase since these target groups have grown by 22 percent and 94 percent, respectively, over the past four years. As such, existing transportation services for target populations will be strained unless new funding opportunities are identified, and available resources are deployed more efficiently and equitably. The needs and service gaps of the target populations reflect the travel constraints, risks and challenges these population groups will encounter.

The major themes identified from the focus groups guided the ranking of the project and program types. Based on how often the topics were discussed during focus groups, the mobility needs were scored on a 1 (least discussed) to 5 (most discussed) scale. In addition, bonus points were added if the topics were mentioned as either issues or barriers in the agency survey questions. Figure 18 presents the key mobility needs and service gap priorities identified during the outreach process and their representative scores and priority rankings.

As shown in the figure, the major discussion topics cited throughout the outreach process were the need for safety measures as well as capacity and service, followed by expanding services, on-demand travel and connectivity and reliability.

Figure 18: Priorities Identified by Outreach



Source: 2020 Focus Groups; 2021-2024 Coordinated Plan Update Agency Survey and Project Concepts Forms



Feasibility and Implementation

The ease of implementation is also a reflection of the feasibility of the various project and program types. This criterion considers several aspects of implementation including magnitude of capital/operational cost, availability of funding resources, and cost-effectiveness. Although through the Section 5310 application process specific projects will have varying degrees of funding commitments and schedules, this evaluation considers the magnitude of costs, funding commitments and overall ease of implementation for project and program types.

Information gathered through project concept forms included estimated magnitude of capital and operational costs, identification of funding sources that could be leveraged, and cost-effectiveness (level of benefits commensurate of costs) of potential projects.

To reflect the magnitude of costs, capital and operating costs were sorted based on the relatively higher versus lower cost of projects and programs. The “high” versus “low” rating was based on information provided in the project concept forms and previous Section 5310 project allocations. For example, vehicle and fleet expansion and replacement projects had estimated capital costs ranging from \$93,000 to \$40 million, and the relative operational costs would also be high for new fleet vehicles. As such, these projects would have a high-cost finding. In comparison, information, outreach, and communication programs would have relatively lower capital and operational costs, and therefore received a low-cost finding.

In terms of benefits, the project concept forms identified projects that may provide a higher level of annual passenger trips, vehicle trips, or would directly support seniors, persons with disabilities, or other target populations. As such, projects were scored based on high, medium or lower level of benefits. After identifying the level of benefits, this was compared to the relative magnitude of costs (both capital and operational), and a benefit to cost ratio was developed for each project and program type. In addition, bonus points were added if the project or program had identified potential funding commitments on the project concept forms.

Prioritization of Project and Programs Types

Based on the prioritization methodology, the identified project and program types were evaluated and ranked. From this approach, the overall prioritization rank was determined by accounting for the performance of each concept with respect to: priorities identified by service agencies; addressing the mobility needs and service gaps of the target populations; and feasibility and ease of implementation.

Note that the resulting ranking was based on the relative value of each project or program (i.e., concepts that were determined to better address the three criteria were assigned a higher ranking). Figure 19 presents the overall prioritization ranking of the project and program types.

Figure 19 : Overall Prioritization Ranking

PRIORITY RANKING	PROJECT AND PROGRAM TYPES	
Priority 1	Safety protocols and standards	
	Safety equipment, supplies and services	
	Vehicle and fleet expansion and replacement	
	Programs to serve same-day transportation for critical need trips	
	Vehicle modifications and upgrades	
	Programs to serve inter-county and multi-city trips	
	Capacity and service level improvements	
	Dial-a-ride services for First/Last Mile access to stations	
	New door-through-door transportation	
	Pool multi-city agency resources	
Promote senior-friendly vehicle operator training		
Priority 2	Expand door-to-door and door-through-door services	
	Information, outreach and communication	
	Travel training programs	
	Mileage reimbursement programs for difficult-to-serve trips	
	Real-time transit information	
	Integration of mobility management for target groups into transit centers	
	Fund local trip coordinators	
	Subsidized vanpool/carshare programs	
	Programs to serve same-day transportation for non-critical need trips	
	First/Last Mile plans and improvements	
Priority 3	Street improvement projects for access to stops and stations	
	Subsidies and voucher-based programs	
	Multi-language format guides	
	Find-a-ride trip planner	
	Fare integration among operators	
	Social media to promote mobility options	
	Performance measurement monitoring and reporting program	
	Expand satisfaction surveys	

Source: Metro 2021. Note: Projects and programs are listed by total scoring value.

Conclusions





Addressing mobility needs and service gaps of target populations requires sustained public participation opportunities to help identify and develop the projects and programs that require investments. This includes supporting existing transportation services, investing in new or expanded transportation services, adapting to changing demographics, responding to unforeseen circumstances related to the COVID-19 pandemic, and continuing our commitment to bridge connections with communities and individuals who have deep relationships and insights into community-specific needs and opportunities.

As the Designated Recipient of urbanized areas within LA County, Metro will allocate Section 5310 funds for projects and programs included in this Plan. Developed through a comprehensive process that included participation by seniors, individuals with disabilities, low-income individuals, veterans, representatives of public, private, and nonprofit transportation and human service providers, and other members of the public, it allows Metro to fulfill its responsibilities as the Designated Recipient of FTA Section 5310 funds. Metro can also certify that Traditional and Other projects and programs selected for funding under the Section 5310 program (or other federal, state, and local funding programs with similar requirements) are included in this locally developed Plan and are therefore eligible for a grant award by the FTA (or by other funding agencies, as applicable).

The highest priorities for service agencies and target population groups are safety protocols and standards and safety equipment, supplies and services; followed by programs to serve same-day transportation and serving critical need trips. More traditional capital investment in vehicle and fleet expansion/replacement, upgrading and modifying vehicles, and better mobility management/pooling multi-agency resources are also high on the priority list.

Given trends identified in the assessment of transportation services, input received during the public participation process, and the goals and strategies developed for the next four years, the highest priority projects and programs have been established. These prioritized projects and programs serve to guide private and public transportation operators in planning their own investment approaches and establishes the list of eligible activities under the Section 5310 program. Overall, the Plan is a roadmap to address the mobility needs and service gaps for seniors, persons with disabilities, as well as low-income individuals and veterans for LA County.

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Glossary of Acronyms and Abbreviations

ACC	Accessibility Advisory Committee
ACS	American Community Survey
ADA	Americans with Disabilities Act
ADTN	Aging and Disability Transportation Network
ASL	American Sign Language
AVTA	Antelope Valley Transit Authority
CBO	Community Based Organizations
CCAM	Coordinating Council on Access and Mobility
COR	Comprehensive Operational Reviews
Coordinated Plan	Metro 2021-2024 Coordinated Public Transit-Human Services Transportation Plan
DASH	City of Los Angeles Downtown Area Shuttle
FTA	Federal Transit Administration
FY	Fiscal Year
Guide	Metro Funding Sources Guide
IRS	Internal Revenue Services
LA County	Los Angeles County
L RTP	Long Range Transportation Plan
LTSS	Local Transit Systems Subcommittee
Metro	Los Angeles County Metropolitan Transportation Authority
NTD	National Transit Database
Plan	Metro 2021-2024 Coordinated Public Transit-Human Services Transportation Plan
PPE	Personal Protective Equipment
RTP	Regional Transportation Plan
SCAG	Southern California Association of Governments
SCS	Sustainable Communities Strategy
TAC	Technical Advisory Committee
TNCs	Transportation Network Companies
TOC	Transit Oriented Communities
UCLA	University of California, Los Angeles
UZA	Urbanized Areas



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Los Angeles County
Metropolitan Transportation Authority



Board Report

File #: 2021-0289, File Type: Contract

Agenda Number: 11.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 16, 2021

SUBJECT: REAL ESTATE ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT BENCH

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. APPROVE the establishment of 11 contract agreements for professional services under the Real Estate Acquisition, Relocation, and Property Management Bench, with the contractors recommended in Attachment "A-1" for a five-year base period (\$85,000,000) with five, one-year options (\$1,000,000 each), with a funding amount not to exceed cumulative total of \$90,000,000, subject to resolution of protest(s) if any.
- B. AWARD task orders within the approved not-to-exceed cumulative total value of \$85,000,000.

ISSUE

The Los Angeles County Metropolitan Transportation Authority (LACMTA) Real Estate staff requires a bench contract for acquisition, relocation and property management services with eight (8) separate scopes: Project Management, Appraisal and Appraisal Review Services - Residential and Commercial, Acquisition/Negotiation Services (Owners and Tenants), Residential and Business Relocation Services, Quality Control, Title Review/Abstract Services, Escrow Coordination, Property Management and related services.

LACMTA has an on-going need for acquisition, relocation, and property management services in support of new transit and transportation projects, enhanced bus and rail operations, and a host of other administrative and transportation improvements.

Major transportation projects include:

1. Westside Purple Line Subway Extension Section III
2. Link Union Station
3. Eastside Transit Corridor Phase 2
4. Sepulveda Transit Corridor
5. West Santa Ana Branch Transit Corridor

6. Orange Line Bus Rapid Transit Improvement
7. East San Fernando Valley Transit Corridor

and other miscellaneous projects including bus, rail, and highway projects (projects).

These projects will be designed and constructed over the next eight years and will require the acquisition, relocation, and property management of various personal and real property interests.

Depending on the scope of services, the project manager will decide which discipline will be utilized. A task order will be awarded to a contractor in a specific discipline at the completion of a competitive procurement process.

The Real Estate Acquisition, Relocation, and Property Management Bench will allow task orders to be awarded more efficiently since the initial qualification reviews have been completed. The use of a bench streamlines the procurement process and allows staff timely access to professional resources to meet project schedules.

BACKGROUND

LACMTA's existing Real Estate Acquisition and Relocation Bench was issued October 1, 2011 and expires on September 30, 2021. A Request for Information and Qualification (RFIQ) was issued to interested firms in October 2020 to provide services in eight (8) separate scopes:

1. Project Management
2. Appraisal and Appraisal Review Services - Residential and Commercial
3. Acquisition/Negotiation Services (Owners and Tenants)
4. Residential and Business Relocation Services
5. Quality Control
6. Title Review/Abstract Services
7. Escrow Coordination
8. Property Management and related services

LACMTA received thirteen (13) responses to the RFIQ.

DISCUSSION

Findings

The current Real Estate Acquisition, Relocation, and Property Management Bench has been utilized over the past 10 years and has proven to be a very successful method in reducing staff resources expended on the procurement of service contracts and allowing for projects to be completed in a more efficient manner.

Considerations

Staff is recommending the total funding value of \$90,000,000 for this new Real Estate Acquisition, Relocation, and Property Management Bench. The funding value is based on projected project needs

and an increased demand for acquisition, relocation and property management services over the next seven years.

However, there may be unforeseen requirements for other project changes or schedule acceleration which may exceed existing assumptions and exhaust the approved total contract value before the end of the contract period. Under these circumstances, if needed, staff will return to the Board requesting for additional contract funding.

Equity Platform

This bench contract supports Pillar II, Listen and Learn as well as Pillar III, Focus and Deliver. Metro Real Estate is working diligently in acquiring properties expanding Metro's infrastructure to better serve the unserved communities in need of public transportation. This bench establishes 11 firms, including small and disadvantaged firms, to meet the demands of Metro's long-range planning projects. Metro Real Estate is committed to continuing their support of Metro projects through a robust acquisition/ relocation program that is equitable in all aspects.

DETERMINATION OF SAFETY IMPACT

This item does not have an impact on LACMTA safety standards.

FINANCIAL IMPACT

Adoption of the Real Estate Acquisition, Relocation, and Property Management Bench will have no impact on the existing FY21 budget. Funding for FY22 has been budgeted in projects requiring acquisition and relocation services across numerous cost centers. Each task order awarded to a contractor will be funded with the source of funds identified for that project. Since this is a multiyear contract, the project manager will be responsible for budgeting costs in future years, including any options exercised.

Impact to Budget

The funding for the task orders is dependent upon the specific project. Generally, all projects accessing the Real Estate Acquisition, Relocation, and Property Management Bench will be partially funded from Measures R and M. Additional funding for LACMTA projects comes from various state and federal sources including the Federal Transit Administration.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Real Estate Acquisition, Relocation, and Property Management Bench will allow task orders to be awarded more efficiently since the initial qualification reviews would already have been completed. It is critical to expedite the procurement process to meet tight project schedules and complete long-range planning projects.

Recommendation supports strategic plan goals:

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

2. Deliver outstanding trip experiences for all users of the transportation system;
3. Enhance communities and lives through mobility and access to opportunity;
4. Transform LA County through regional collaboration and national leadership; and
5. Provide responsive, accountable, and trustworthy governance within the LACMTA organization.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendations. This is not recommended as the alternatives would be to:

- a. award task orders as separate procurements which will dramatically increase the procurement times for the individual task orders, and/or
- b. increase the size of the Real Estate staff to perform the work in-house. LACMTA has historically had difficulty recruiting acquisition/relocation staff with the necessary experience and expertise to perform the various specialized types of acquisition/relocation assignments envisioned in the coming years.

Both alternatives will hamper the Real Estate division's ability to respond quickly to project needs resulting in significant delays and cost increases. The current project schedules anticipate most of the acquisition/relocation work to take place over the next 3 to 5 years.

NEXT STEPS

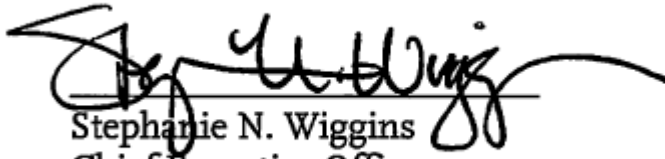
Upon Board approval, staff will establish and execute the bench contracts. As needed, staff will solicit responses to individual task orders from specific disciplines. SBE, DVBE and/or DBE goal requirements will be set for each individual task order.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment A-1 - Recommended Firms
Attachment B - DEOD Summary

Prepared by: Chris Carrillo, Senior Manager, Countywide Planning & Development, (213) 922-5281
John Potts, Executive Officer, Countywide Planning & Development, (213) 418-3397

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Stephanie N. Wiggins
Chief Executive Officer

RECOMMENDED FIRMS**REAL ESTATE ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT
BENCH**

Contractors
1. 16 th & G Agency Corp dba The ROW Company
2. Bender Rosenthal, Inc.
3. Del Richardson & Associates, Inc.
4. Epic Land Solutions, Inc.
5. Interwest Consulting Group, Inc.
6. McKenna Lanier Group, Inc.
7. Monument ROW, Inc.
8. Paragon Partners, Ltd.
9. Regency Right of Way Consulting, LLC
10. Tierra West Advisors, Inc.
11. Yvonne Green Davis, P.C.

PROCUREMENT SUMMARY

**REAL ESTATE ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT
BENCH
PS71380000 through PS71380010**

1.	Contract Number: PS71380000 through PS71380010	
2.	Recommended Vendor: Various (see Attachment A-1)	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order <input checked="" type="checkbox"/> RFIQ	
4.	Procurement Dates:	
	A. Issued: October 9, 2020	
	B. Advertised/Publicized: October 9, 2020	
	C. Pre-Proposal Conference: October 22, 2020	
	D. Proposals Due: November 24, 2020	
	E. Pre-Qualification Completed: In-process	
	F. Conflict of Interest Form Submitted to Ethics: December 16, 2020	
	G. Protest Period End Date: June 22, 2021	
5.	Solicitations Picked-up/Downloaded: 68	Proposals Received: 13
6.	Contract Administrator: Mark Marukian	Telephone Number: 213-418-3313
7.	Project Manager: Christopher Carrillo	Telephone Number: 213-922-5281

A. Procurement Background

This Board Action is to approve Contract Nos. PS71380000 through PS71380010 issued to provide Real Estate Acquisition, Relocation, and Property Management services. Board approval of contract awards are subject to resolution of any properly submitted protest.

Contracts will be issued to qualified contractors for professional services required in support of: Project Management, Appraisal and Appraisal Review Services (Residential and Commercial), Acquisition/Negotiation Services (Owners and Tenants), Residential and Business Relocation Services, Quality Control, Title Review/Abstract Services, Escrow Coordination, Property Management and Related Services.

This Request for Information and Qualifications (RFIQ) was issued in accordance with Metro's Acquisition Policy. The RFIQ was issued with Disadvantaged Business Enterprise (DBE) or Small Business Enterprise (SBE) / Disabled Veteran Business Enterprise (DVBE) participation goals to be determined on a per task order basis. Task orders will be issued on a firm fixed price basis.

Work will be authorized through the issuance of separate task orders. Each future task order will contain a specific statement of work for a scope of services.

Individual task order requests under the Bench Contracts will be issued to all Contractors and will be competed and awarded based on the specific statement of work.

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

- Amendment No. 1, issued on October 14, 2020, identified virtual pre-proposals conference access information.
- Amendment No. 2, issued on October 29, 2020, updated Submittal Requirements.
- Amendment No. 3, issued on November 6, 2020, updated DEOD DBE Forms.

A virtual pre-proposal conference was held on October 22, 2020 and was attended by 52 participants. During the solicitation phase, 50 questions were asked, and responses were released prior to the proposal due date.

A total of 68 firms downloaded the RFIQ and were included in the planholders list. A total of 13 proposals were received on November 24, 2020.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of Metro's Real Estate Department staff was established. The PET convened and conducted a comprehensive technical evaluation of the proposals received.

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

- Firms (Prime and Subcontractors) Experience and Qualifications 50 percent
- Key Team Experience and Professional Qualifications 25 percent
- Project Understanding and Approach 25 percent

The evaluation criteria are appropriate and consistent with criteria developed for other, similar real estate acquisition, relocation, and property management bench procurements. Several factors were considered when developing these weights, giving the greatest importance to the experience and capabilities of the firms on the contractors' team.

The technical evaluation of the 13 proposals received was completed during the period of January 2021 through March 2021. Of the 13 responsive proposals received, 11 were within the competitive range. Two of the firms did not demonstrate a strong background in their experience and qualifications to perform the services and did not demonstrate a clear understanding of the project requirements. After initial internal reviews and discussion, the PET determined interviews were not necessary.

The 11 firms within the competitive range are listed below in alphabetical order:

1. 16th & G Agency Corp., dba The ROW Company
2. Bender Rosenthal, Inc.
3. Del Richardson & Associates, Inc.
4. Epic Land Solutions, Inc.
5. Interwest Consulting Group, Inc.
6. McKenna Lanier Group, Inc.
7. Monument ROW, Inc.
8. Paragon Partners, Ltd.
9. Regency Right of Way Consulting LLC
10. Tierra West Advisors, Inc.
11. Yvonne Green Davis, P.C.

Qualifications Summary of Recommended Firms

16th & G Agency Corp., dba The ROW Company

16th & G Agency Corp., dba The ROW Company (ROWCO), with offices in Pasadena, CA and Redlands, CA, provides comprehensive project services and sets industry standards for planning, managing, and delivering right of way projects.

In their proposal, ROWCO described having over 25 years of right of way experience providing services of relocation assistance and planning, property management, and property acquisition working with agencies such as Caltrans, San Bernardino County Transportation Authority, and Riverside County Transportation Commission.

Bender Rosenthal, Inc.

Bender Rosenthal, Inc. (BRI) was founded in 1997 and is a California corporation that specializes in right of way project management and planning, real estate appraisal, real property acquisition, residential and business relocation, property management and land services.

In their proposal, BRI described having provided right of way services to over 125 public sector clients in the transportation, flood, and water industries within the last five years. BRI has provided right of way services for nearby communities for agencies including the County of Orange, San Bernardino County Transportation Authority, City of Riverside, Riverside County Transportation Commission, North County Transit District, City of Irvine, City of Moreno Valley, City of Highland and numerous Southern California utilities.

Del Richardson & Associates, Inc.

Established in 1998, Del Richardson & Associates, Inc. (DRA) is a California corporation with experience in managing transportation projects and delivering

complex acquisition and relocation services in compliance with state and federal laws, and local ordinances.

In their proposal, DRA described prior work with other agencies such as Los Angeles World Airports, Orange County Flood Control District while also providing services for Metro on projects such as Westside Subway Extension Section I and II projects, Rosecrans Marquardt Grade Separation Project, and the Exposition Corridor Transit Project Phase 2.

Epic Land Solutions, Inc.

Founded in 2000, Epic Land Solutions, Inc. is a full-service right of way and real property firm with over 20 years of experience performing right of way and property management services on behalf of local public agencies for significant public works projects shaping transportation solutions in Southern California. Epic Land Solutions has managed a wide range of properties throughout the west coast focusing on acquisition and eminent domain work.

Epic Land Solutions, Inc. described having served a wide range of public agency clients, including municipalities, counties, water districts, school districts, public utilities, airports, housing authorities, and transportation agencies while also providing services to five counties in Southern California (Los Angeles, Orange, Riverside, San Bernardino, and San Diego).

Interwest Consulting Group, Inc

Interwest Consulting Group, Inc. (Interwest), founded in 2002, serves in a multitude of capacities within public works and real estate departments throughout California and provides comprehensive right of way acquisition and relocation services to counties, cities, and various agencies within California.

In their proposal, Interwest described having completed approximately 8,000 acquisition and relocation assignments for more than 300 projects for various cities through Southern California, as well as providing services for the Los Angeles Housing and Community Investment Department and for Metro on projects such as the Crenshaw/LAX Light Rail Project and the Exposition Transit Corridor Project.

McKenna Lanier Group, Inc

Incorporated in 2013, McKenna Lanier Group, Inc. (McKenna Lanier) is a professional management consulting firm located in Temecula, California. McKenna Lanier has extensive experience providing planning, entitlement, environmental, housing, grant writing/management, and development consulting to its clients.

In their proposal, McKenna Lanier described their experience in managing government program, projects, and private developments in California through

various on-call project management services for housing, land acquisition and negotiation, redevelopment, and planning activities for cities, counties, local communities, and State and Federal agencies.

Monument ROW, Inc

Monument ROW, Inc. (Monument) is headquartered in Irvine, California with offices in Sacramento. Monument provides comprehensive right of way services, including program and project management, appraisal and appraisal review, acquisition, relocation, environmental assessment, title investigation, escrow coordination, utility coordination, right of way engineering, property management, cost estimating and cost studies, eminent domain support, certification, and close out.

In their proposal, Monument described a portfolio of projects for a variety of capital improvement projects for local cities, counties, transportation agencies, and municipalities with an emphasis on projects involving local, state, and federal funding. These include major programs for Orange County Transportation Authority, Riverside County Transportation Commission, and San Bernardino County Transportation Authority, among others.

Paragon Partners, Ltd.

Established in 1993, Paragon Partners, Ltd. (Paragon) is a real estate services firm headquartered in Cypress, California, with offices throughout California, Nevada, and Texas providing comprehensive right of way, land rights, and project management consulting services to private and public sector clients across a diverse range of business landscapes.

In their proposal, Paragon demonstrated over 27 years of technical right of way expertise providing services for various agencies and cities including San Gabriel Valley Council of Governments, Orange County Transportation Authority and California High Speed Rail Authority. Paragon has also provided services for Metro on projects such as the Crenshaw/LAX Transit Corridor, Airport Metro Connector, Blue Line Track Improvement, and Willowbrook/Rosa Parks Station Improvement.

Regency Right of Way Consulting LLC

Established in 2013, Regency Right of Way Consulting LLC (Regency) is located in Elk Grove, California delivering right of way services consisting of project management, acquisition, negotiations, relocation, and property management for the rail and transit industry.

In their proposal, Regency described their experience with transportation projects for various agencies with federal, state and local funding sources. Regency demonstrated it has worked on projects for San Bernardino County Transportation Authority, Metrolink/Southern California Regional Rail Authority, and Metro.

Tierra West Advisors, Inc

Tierra West Advisors, Inc. (Tierra West), based in the City of Los Angeles has provided real estate and financial analysis, right of way strategies, community engagement, project management and sustainable development services to a variety of public agencies and private developers for over 35 years.

In their proposal, Tierra West demonstrated their experience with right of way programs throughout the Los Angeles region, working on projects for various cities such as Commerce, Downey, Garden Grove, Montebello, and the City of Los Angeles among others, while also providing services for agencies such as Metro, CalTrans, Los Angeles World Airports and the Los Angeles Department of Transportation.

Yvonne Green Davis, P.C.

Formed in 1996, Yvonne Green Davis, P.C. (YGD), with offices in Birmingham, Alabama; Atlanta, Georgia; Dallas, Texas and Long Beach, California provides program management, real estate acquisition, relocation and project management services nationally.

In their proposal, YGD described their experience having provided program management and/or project management services for over 35 U.S. DOT federally funded real estate acquisition and relocation projects over the last 24 years. YGD has provided services for agencies such as Birmingham Airport Authority, United State General Services Administration, and United States Army Corps of Engineers among others.

C. Cost/Price Analysis

The RFIQ contained neither price nor a specific statement of work (SOW). Each future RFP task order will contain a detailed specific SOW which will be competed among the firms. Bench contractors will have an opportunity to propose a price according to the requirements in the task order SOW and pricing will be determined fair and reasonable based on an independent cost estimate (ICE), a cost/price analysis, fact finding, and negotiations as applicable.

D. Background on Recommended Contractor

All 11 firms listed above, under Qualifications Summary of Recommended Firms, are recommended for award. These firms have been evaluated and are determined to be responsive and responsible to perform work on Metro assignments on an as-needed, task order basis.

DEOD SUMMARY

**REAL ESTATE ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT
BENCH / CONTRACT NUMBER PS71380000 through PS71380010**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) will determine a Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE), and the Disabled Veteran Business Enterprise (DVBE) goal for this multiple-funding source, bench contract, prior to the issuance of each task order for real estate services. Proposers were encouraged to form teams that include DBE, SBE, and DVBE firms to perform the scopes of work identified without schedules or specific dollar commitments prior to establishment of this contract.

For each task order, a DBE or SBE/DVBE goal will be recommended based on scopes of work and estimated dollar value for a task order that is federally and/or state/locally funded. 16th & G Agency Corp dba The ROW Company, Bender Rosenthal, Inc., Del Richardson & Associates, Inc., Interwest Consulting Group, Inc., McKenna Lanier Group, Inc., Monument ROW, Inc., Paragon Partners, Ltd., Regency Right of Way Consulting, LLC, Tierra West Advisors, Inc., and Yvonne Green Davis, P.C. will be required to meet or exceed the DBE goal or demonstrate good faith efforts to do so. 16th & G Agency Corp dba The ROW Company, Bender Rosenthal, Inc., Del Richardson & Associates, Inc., Interwest Consulting Group, Inc., McKenna Lanier Group, Inc., Monument ROW, Inc., Paragon Partners, Ltd., Regency Right of Way Consulting, LLC, Tierra West Advisors, Inc., and Yvonne Green Davis, P.C. will be required to meet or exceed the SBE/DVBE goal to be eligible for task order award.

Prime: 16th & G Agency Corp dba The ROW Company

	Subcontractors	SBE	DVBE	DBE
1.	16 th & G dba The ROW Company (SBE/DBE Prime)	X		X
2.	Cambrian Solutions, Inc.	X		X
3.	Guida Surveying, Inc.	X		
4.	Hennessey & Hennessey	X		X
5.	Integra Realty Resources Orange County	X		X
6.	Santolucito Doré Group Inc. (SD Group)	X		X

Prime: Bender Rosenthal, Inc.

	Subcontractors	SBE	DVBE	DBE
1.	Donna Desmond Associates			X
2.	Epic Land Solutions	X		
3.	First Choice DVBE		X	
4.	Hodges Lacey & Associates LLC	X		
5.	Integra Realty Resources Orange County	X		X
6.	Jacobsen/Daniels Associates, LLC			X
7.	NuMarc US, Inc.	X		X
8.	Santolucito Doré Group, Inc.	X		X

Prime: Del Richardson & Associates

	Subcontractors	SBE	DVBE	DBE
1.	Del Richardson & Associates (SBE/DBE Prime)	X		X
2.	Cal Pacific Land Services	X		
3.	Donna Desmond Associates			X
4.	GCM Consulting Inc.	X		
5.	Hunsaker & Associates Los Angeles, Inc.	X		X
6.	Keith Settle and Company, Inc.	X		X
7.	Regency Right of Way Consulting	X		X
8.	Romo Acquisition & Relocation Services, LLC	X		X

Prime: Epic Land Solutions, Inc.

	Subcontractors	SBE	DVBE	DBE
1.	Epic Land Solutions (SBE Prime)	X		
2.	Calvada Surveying, Inc.		X	
3.	Citrus Escrow, Inc.		X	
4.	Coast Surveying, Inc.	X		X
5.	Donna Desmond Associates			X
6.	Diaz Yourman & Associates	X		X
7.	Golden State Escrow, Inc.	X		X
8.	Integra Realty Resources Orange County	X		X
9.	NuMarc US, Inc.	X		X
10.	Santolucito Doré Group, Inc.	X		X

Prime: Interwest Consulting Group, Inc.

	Subcontractors	SBE	DVBE	DBE
1.	Del Richardson & Associates	X		X
2.	Donna Desmond Associates			X
3.	Golden State Escrow, Inc.	X		X
4.	Hennessey & Hennessey	X		X
5.	Integra Realty Resources Orange County	X		X
6.	Keith Settle and Company, Inc.	X		X
7.	R. P. Laurain & Associates, Inc.	X		
8.	RT Engineering & Associates, Inc. (RTEA)	X		X
9.	Santolucito Doré Group, Inc.	X		X

Prime: McKenna Lanier Group, Inc.

	Subcontractors	SBE	DVBE	DBE
1.	McKenna Lanier Group (SBE/DBE Prime)	X		X
2.	Calvada Surveying, Inc.		X	
3.	Coast Surveying, Inc.	X		X
4.	Donna Desmond Associates			X
5.	Guida Surveying, Inc.	X		
6.	Hennessey & Hennessey	X		X
7.	Hodges Lacey & Associates LLC	X		
8.	Integra Realty Resources Orange County	X		X
9.	Jacobsen/Daniels Associates, LLC			X
10.	R. P. Laurain & Associates, Inc.	X		
11.	Tierra West Advisors, Inc.	X		X
12.	UltraSystems Environmental, Inc.	X		
13.	Yvonne Green Davis, PC	X		X

Prime: Monument ROW, Inc.

	Subcontractors	SBE	DVBE	DBE
1.	Monument ROW, Inc. (SBE/DBE Prime)	X		X
2.	Anchor CM			X
3.	Calvada Surveying, Inc.		X	
4.	Donna Desmond Associates			X
5.	Guida Surveying, Inc.	X		
6.	Hodges Lacey & Associates LLC	X		
7.	Integra Realty Resources Orange County	X		X
8.	Keith Settle and Company, Inc.	X		X
9.	R. P. Laurain & Associates, Inc.	X		
10.	Santolucito Doré Group, Inc.	X		X

Prime: Paragon Partners, Ltd.

	Subcontractors	SBE	DVBE	DBE
1.	Conaway Geomatics	X	X	
2.	Del Richardson & Associates	X		X
3.	Donna Desmond Associates			X
4.	Eco & Associates	X		X
5.	Hodges Lacey & Associates LLC	X		
6.	Integra Realty Resources Orange County	X		X
7.	Jacobsen/Daniels Associates, LLC			X
8.	Keith Settle and Company, Inc.	X		X
9.	KMEA		X	
10.	NuMarc US, Inc.	X		X
11.	R. P. Laurain & Associates, Inc.	X		
12.	Regency Right of Way Consulting, LLC	X		X
13.	Tierra West Advisors, Inc.	X		X
14.	Wagner Engineering & Survey, Inc.	X		

Prime: Regency Right of Way Consulting, LLC

	Subcontractors	SBE	DVBE	DBE
1.	Regency Right of Way Consulting, LLC (SBE/DBE Prime)	X		X
2.	Conaway Geomatics	X	X	
3.	Del Richardson & Associates	X		X
4.	Donna Desmond Associates			X
5.	Eco & Associates	X		X
6.	Golden State Escrow, Inc.	X		X
7.	Hodges Lacey & Associates LLC	X		
8.	Integra Realty Resources Orange County	X		X
9.	Jacobsen/Daniels Associates, LLC			X
10.	Keith Settle and Company, Inc.	X		X
11.	KMEA		X	
12.	NuMarc US, Inc.	X		X
13.	R. P. Laurain & Associates, Inc.	X		
14.	Tierra West Advisors, Inc.	X		X
15.	Wagner Engineering & Survey, Inc.	X		

Prime: Tierra West Advisors, Inc.

	Subcontractors	SBE	DVBE	DBE
1.	Tierra West Advisors, Inc. (SBE/DBE Prime)	X		X
2.	Calvada Surveying, Inc.		X	
3.	Coast Surveying, Inc.	X		X
4.	Donna Desmond Associates			X
5.	Guida Surveying, Inc.	X		
6.	Hennessey & Hennessey	X		X
7.	Hodges Lacey & Associates LLC	X		
8.	Integra Realty Resources Orange County	X		X
9.	McKenna Lanier Group	X		X
10.	R. P. Laurain & Associates, Inc.	X		
11.	UltraSystems Environmental, Inc.	X		X
12.	Yvonne Green Davis, PC	X		X

Prime: Yvonne Green Davis, P.C.

	Subcontractors	SBE	DVBE	DBE
1.	Yvonne Green Davis, PC (SBE/DBE Prime)	X		X
2.	Calvada Surveying, Inc.		X	
3.	Coast Surveying, Inc.	X		X
4.	Donna Desmond Associates			X
5.	Guida Surveying, Inc.	X		
6.	Hennessey & Hennessey	X		X
7.	Hodges Lacey & Associates LLC	X		
8.	Integra Realty Resources Orange County	X		X
9.	McKenna Lanier Group	X		X
10.	R. P. Laurain & Associates, Inc.	X		
11.	Tierra West Advisors, Inc.	X		X
12.	UltraSystems Environmental, Inc.	X		X

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

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



Board Report

File #: 2021-0367, File Type: Informational Report

Agenda Number: 16.

PLANNING & PROGRAMMING COMMITTEE JUNE 16, 2021

SUBJECT: COMMUNITY BASED ORGANIZATION PARTNERING STRATEGY

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on Community Based Organization Partnering Strategy: Elements for Successful Partnering in Professional Services (Attachment A).

ISSUE

Staff developed Metro's "Community Based Organization Partnering Strategy: Elements for Successful Partnering in Professional Services," a set of recommendations that establishes consistent and equitable processes for Metro to utilize across the agency when directly or indirectly engaging Community Based Organizations (CBOs) for professional services.

BACKGROUND

Research has shown that vast disparities exist in Los Angeles County among neighborhoods and individuals that make it difficult to seize opportunities in jobs, housing, education, health, and safety to improve their circumstances. Metro recognizes that transportation plays an important role in addressing these issues and that opportunities should be a core concept to public decision-making, public investment, and public service. That is why in 2017, the Metro Board of Directors passed the Metro Equity Platform Framework to illustrate Metro's commitment to advancing equity and for Metro to actively lead and partner in addressing and overcoming these disparities. To align with Metro's Equity Platform Framework, Metro's Transit Oriented Communities: First/Last Mile unit in 2017 procured a consultant team, that included CBOs, to assist with walk audits and community engagement needed for the First/Last Mile Blue Line Project.

The integration of CBOs as Metro's partners in engagement rather than targets of outreach represented a departure from the standard approach, both for Metro and the CBOs. This partnership allowed for a more robust and inclusive engagement and trust in the community, ultimately making it a model approach for future projects. Metro has historically partnered with CBOs in a variety of ways and on various subjects ranging from arts and culture to workforce development. Metro knows that CBOs bring forth unique skillsets in community engagement and education and provide specialized services to constituents that Metro may not always be able to reach. CBOs often have longstanding relationships with constituents they serve and an established level of trust essential to bring

historically vulnerable and marginalized community members to the table. These unique relationships with their constituents strengthen community engagement strategies by filling in the gaps where Metro may not be able to connect. Additionally, CBOs often bring forth a unique skillset at engaging these populations through decades of relationship building that differ from that of small businesses and other consultants who work for Metro. CBOs are different from smaller businesses in that they are often rooted in community-centered values and missions that extend beyond the provision of professional services to the agency.

Despite acknowledgement of the value of working with CBOs, Metro has approached CBO partnering in different ways, creating inconsistencies, and in some cases inequities in CBOs' access to information and contracting opportunities. Existing processes can also be taxing for some CBOs to navigate, especially depending on their legal structure, revenue streams, or if they have relationships or engagements with multiple Metro departments. To support and improve Metro's CBO partnering efforts and allow replication of the successful FLM Blue Line model, Community Relations and the Countywide Planning & Development Department set out to develop a strategy to enhance Metro's ability to meaningfully and effectively partner and ease the process of partnering for CBOs.

In 2019, CAUSEIMPACTS, a consultant firm, was selected to assist in the agency's development of a strategy with the goals to:

- Create clear and equitable structures, strategies, and policies for CBO partnership that the entire Metro agency can utilize and implement consistently across departments and situations.
- Develop multi-tiered CBO Partnership Strategy that outlines various categories of CBO partnership and engagement and how and when to compensate CBOs for their efforts and expertise.
- Create a network of CBOs that are prepared to do business with Metro.
- Create tools and prepare Metro staff to implement the final CBO Partnership Strategy.
- Build CBOs capacity to do business with Metro.

DISCUSSION

The CBO Partnering Strategy: Elements for Successful Partnering in Professional Services (CBO Partnering Strategy) was an interdepartmental effort that was co-led by Community Relations, Countywide Planning & Development, and the Office of Equity and Race. The CBO Partnering Strategy was informed by a four-phased process that included best practices research, strategy development, vetting the recommendations with stakeholders, and finalizing the strategy and developing implementation tools.

The CBO Partnering Strategy was informed by a series of 35 interviews with Metro employees, focus group meetings/interviews with 18 individuals representing 16 CBOs, and two surveys with Metro staff and CBOs that collected over 105 responses combined, six meetings with an Internal Metro Working Group comprised of the key departments that would have a critical role in implementation, and two CBO engagement meetings where CBOs had an opportunity to provide feedback on the draft strategy.

The CBO Partnering Strategy (Attachment A) is a living document that responds to an existing need

for Metro to define and deploy a clear, consistent, and equitable approach to partnering with CBOs on professional services.

CBO Definition

For the purposes of the CBO Partnering Strategy, CBOs are defined as *an organization with a mission to improve the environmental, economic, social, cultural and/or quality of life conditions of a common community of interest*. In the CBO Partnering Strategy, the term “organization” is broadly interpreted and can encompass groups with formal legal status and unregistered groups, such as block clubs, or other groups that may not have a legal designation yet are still organized to work on collective efforts to benefit their community. Metro can only compensate CBOs with legal status (for example, 501c3 status).

Recommendations

The CBO Partnering Strategy includes seven recommendations that are organized by two categories; internal facing actions that Metro can take to facilitate CBO partnering and activities that will build CBO capacity to partner with Metro. The seven recommendations include:

- 1. Central Lead** - Identifying one department that will be responsible for implementation, convening other Metro departments, interfacing with CBOs and monitoring success was found to be a critical element of a successful strategy. The Office of Equity and Race is the Central Lead for the CBO Partnering Strategy implementation.
- 2. CBO Database/Portal** - Creating and maintaining a searchable centralized database/portal of CBO partners to consolidate CBO contact information, ensure uniform and consistent communication, provide a platform to track CBO relationships, and a method to promote equitable inclusion.
- 3. Assessment Checklist for Compensation** - Developing a tool for Metro staff to better understand the value CBOs provide and identify when a level of work that Metro is requesting of a CBO should be considered for compensation.
- 4. Internal Library of Resources** - Creating and maintaining a library of materials for Metro staff that could include scopes of work, agreements, evaluation criteria, and other similar materials to ensure that Metro staff are able to build from work that has been done to date as new CBO partnerships are realized.
- 5. Chartering Process** - Developing and implementing an intentional onboarding exercise between Metro staff, consultants, and CBOs to ensure that areas of shared values, mission alignment, norms for working through areas of disagreement and conflict resolution are addressed at the beginning of the process.
- 6. Training Metro Staff to Partner Effectively** - Developing and implementing a series of training modules for Metro staff to build staff awareness and capacity on the value of working with CBOs and how to partner with CBOs most effectively.
- 7. Building CBO Capacity** - Leveraging existing Metro programs and training and building CBO capacity to partner with Metro, fostering collaboration between consultants and CBOs, exploring strategic partnerships with umbrella organizations that can support smaller CBOs in traversing the complexity of public sector administration and contracts, and continuing to collaborate and engage with other public agencies on CBO partnering efforts to continue to

learn and improve Metro's efforts.

Implementation

The CBO Partnering Strategy will be implemented by the Office of Equity and Race. Next steps for implementation include working with Transit Center and Center for Neighborhood Technology to develop a pilot CBO Database, piloting elements of the CBO Partnering Strategy with CBOs on Metro projects, launching a training series for CBOs on how to partner with Metro, developing an Implementation Working Group, and building a library of resources for partnering with CBOs.

FINANCIAL IMPACT

Implementation of the CBO Partnering Strategy will in some cases involve shaping and adjusting the direction of current projects within existing budgets. In other cases, it will require new activities and program development. Where an implementation action requires new revenues, a separate budget action would be taken. Each project team will need to ensure the staff infrastructure and sufficient resources to support CBO Partnering Strategy implementation activities.

Impact to Budget

There is no impact to the existing extended FY21 budget as a result of this Receive and File.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

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

NEXT STEPS

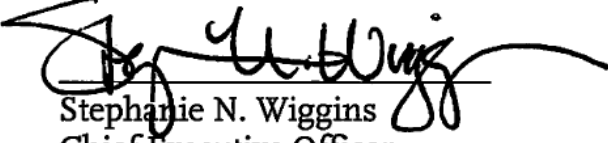
The Office of Equity and Race will continue implementing the CBO Partnering Strategy by advancing CBO database pilot with Transit Center and Center for Neighborhood Technology, executing the training series for CBOs on how to partner with Metro, developing the Implementation Working Group, and building the library of resources for Metro staff on how to partner with CBOs.

ATTACHMENTS

Attachment A - CBO Partnering Strategy: Elements for Successful Partnering in Professional Services

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We're fostering collaboration with local communities.

COMMUNITY-BASED ORGANIZATION PARTNERING STRATEGY Elements for Successful Partnering in Professional Services



Metro

SPRING 2021

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IDEAL CDC
Willowbrook Inclusion Network (WIN)
Stephen Wise Temple & Schools
Prevention Institute
Legacy LA Youth Development Corporation
Casa 0101
West Angeles Church - Youth Center
Long Beach Area Chamber of Commerce
Westwood Village Improvement Association
Chinese Historical Society of Southern California
Los Angeles Baha'i Center
Los Angeles River State Park Partners
Educating our youth and doing field trips for camps.
Sherman Oaks Homeowners Association (SOHA)
Investing in Place
Climate Resolve
Lutheran Social Services
The Library Store/Library Foundation of Los Angeles
El Centro de Ayuda
East Side Riders Bike Club
New Antioch Church
Little Tokyo Service Center
Liberty Hill Foundation
Inner-City Arts - Holli Hornlien
Lutheran Social Services of Southern California
Los Angeles County Bicycle Coalition
Mamia Educational Center
Long Beach Gray Panthers
Asian American Drug Abuse Program, Inc.
Playa Vista Job Opportunities and Business Services
First Christian Church
Move LA
Community Health Councils, Inc.
Girls Today Women Tomorrow
Los Angeles LDC
Anahuak youth sports association
Champions for Progress (Faithful Central CDC)
Watts/Century Latino Organization
Brentwood Community Council
Housing Rights Center
St. John the Baptist Social Services
Chrysalis
ACT-LA

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We've created a plan for partnerships.

Introduction

Metro's Community-Based Organization (CBO) Strategy Recommendations establishes consistent and equitable processes for Metro to utilize across the agency when directly or indirectly engaging CBOs for professional services.

This plan will be a living document and is a direct response to an existing need for improving internal efficiencies and effectively partnering with CBOs when professional services and compensation are involved.

The plan will establish consistent and clear parameters for partnering with CBOs to leverage internal and external expertise and lessons-learned resulting in efficiencies, cost savings and strengthening our relationships with CBOs based on a shared understanding of partnership, trust and respect. This document presents recommendations to move Metro in this direction.

At the conclusion of the strategy development process, approved recommendations become "Action Steps" of the final CBO Partnering Strategy Plan.

Background

Community-based organizations (CBOs) are a vital part of the economy, social service networks and communities that are served by Metro. Furthermore, they are key players in civic life, public policy and public program provision. Metro partners with Community-based Organizations (CBOs) in a variety of ways and for diverse purposes. A sampling of these partnerships have included conducting community outreach through a door-to-door walking campaign on the Purple Line Extension Project, community bike classes through the Metro Bike Share program and serving as project contractors or subcontractors on Metro's A Line (Blue) First/Last Mile: A Community-based Process and Plan and a wide range of projects and programs, which include Metro Art. Recognizing the importance of these partnerships, Metro intends to further its collaborations with CBOs and align its guiding goals and principles on community engagement as outlined in the Vision 2028 Strategic Plan, Metro's 10-year strategy for increasing transit ridership and Metro's Equity Platform Framework.

Metro's adoption of the Equity Platform Framework was a recognition of its influential role in the region and commitment to participate in reversing the "vast disparity among neighborhoods and individuals in LA County in their ability to see and seize opportunity – be it jobs, housing, education, health, safety or other essential facets of thriving in vibrant, diverse communities." The Equity Platform Framework also elevated CBO collaboration as a key method for advancing equity in the region.

Metro's CBO partnerships to date and future partnership opportunities extend beyond the scope of this plan. For example, the plan does not address matters of procedural equity and advisory councils. This plan is a starting point and builds on lessons learned and best practices intended to advance equity by leveraging the expertise and value that CBOs bring to Metro projects and, most critically, to local communities by outlining how Metro can equitably and consistently, engage CBOs for professional services. Therefore, partnership in this plan, is specific to when a CBO is engaged and compensated by Metro to provide professional services.

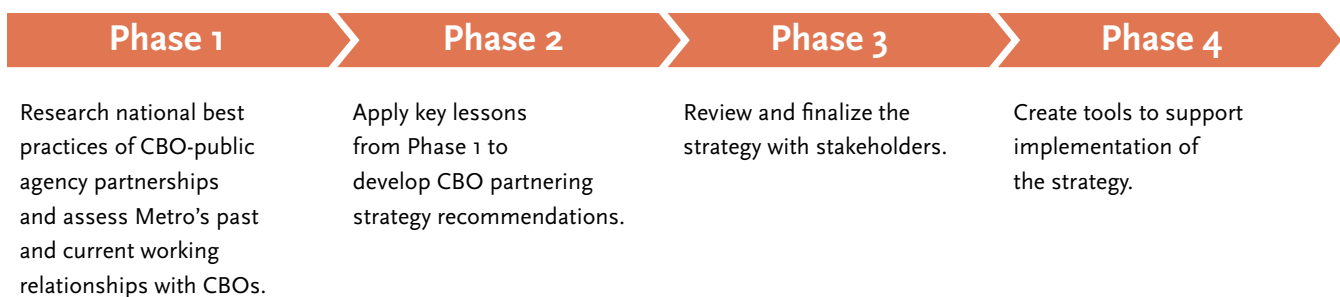
Historically, Metro departments approached CBO partnering in different ways, creating inconsistencies and in some cases inequities in CBOs' access to information and contracting opportunities. Metro's disparate approaches to CBO partnership creates confusion and can be taxing for CBOs to navigate, especially if they have relationships or engagements with multiple Metro departments. Furthermore, while many CBOs have relevant skills and unique knowledge that would make them competitive for Metro contracts, the comprehensive RFP submission process can be daunting and quite distinct from the grant application process for which most CBOs are more accustomed.

Our goal is to consistently use clear and equitable structures and strategies to partner with CBOs across the entire agency.

The strategy and tactics explained herein seek to align and improve the coordination between Metro's existing CBO partnerships and to standardize processes across the agency to create guidelines and tools for potential professional services partnerships. In turn, the strategy provides CBOs with clarity regarding how to do business with Metro along with expectations. These partnerships can help CBOs scale their impact, advance their organizational missions, expand their networks and in some cases increase their resources and funding. Metro is hopeful that well-executed CBO partnerships have the capacity to bolster the public's trust in the agency, enhance cultural competency, expand outreach and engagement capacity and ultimately enhance system quality by leveraging the insights and capabilities of community-based entities.

Project Phases

The CBO Partnering Strategy was developed in four phases:



Best Practices Research

The best practices research included a nationwide literature review of CBO partnership strategies, a scan of public agency reports and interviews with Public Agencies to identify existing CBO and public agency partnerships, as well as an internal scan of existing Metro-CBO partnerships, programs and initiatives. While addressing when, if and how to pay CBOs for their efforts is a key component of the best practices research and ultimately, the strategy; the research team did not limit inquiry to compensated CBO partnerships but rather studied and learned from the full universe of CBO collaborations in the hopes of enhancing all forms of CBO partnerships at Metro (paid and unpaid).

Key Findings of Best Practices Research

People define “community-based organization” in a variety of ways. Thus, the best practices interviews, focus groups and literature review led to the following definition:

A community-based organization (CBO) is an organization* with a mission to improve the environmental, economic, social, cultural and/or quality of life conditions of a common community of interest.

**The term “organization” should be broadly interpreted and can encompass groups with formal legal status and unregistered groups, such as block clubs, or other groups that may not have a legal designation yet are still organized to work on collective efforts to benefit their community.*

There are many examples of how public agencies partner with CBOs to conduct an array of activities from information dissemination to community engagement and consultation on transit planning to workforce development activities. Similarly, there is a broad range of potential CBO partnership structures and compensation models that are used across the nation that range from informal agreements to formal contractor roles. Each CBO engagement category has a sliding payment scale that is rarely well defined and often implemented multiple ways within the same agency.

The research revealed an overarching consensus that collaborating with CBOs in the planning and operations of public agencies increases equitable outcomes, public participation, and can foster trust between the community and public agencies. Even so, there are a number of challenges for both public agencies and CBOs that must be addressed in order to foster mutually beneficial collaborations. Some of the challenges that the public agency and CBO must overcome to engage in a successful partnership include ensuring that the CBO and the public agency have compatible work cultures; streamlining processes to minimize logistical hurdles for CBOs (e.g. procurement process, reporting protocols and submitting invoices); and overcoming mistrust and prior antagonistic relationships.

All of the interviews, agencies profiled and CBO feedback demonstrate that many public agencies have well-developed CBO partnerships for specific purposes, (e.g., standardized ad-hoc stipend relationships for community engagement activities) but none have developed a standard for contracting with CBOs across departments and functions or developed agency-wide structures or protocols. Furthermore, every source consulted emphasized an interest in a replicable model for an agency-wide partnering approach. Thus, Metro is leading a groundbreaking effort that has the potential to leave an enduring mark on how public agencies approach CBO partnership.

Collaborating with CBOs in the planning and operations of public agencies increases equitable outcomes, public participation and can foster trust between the community and public agencies.

There are many ways we partner.

Metro partners with CBOs in a variety of ways and on various subjects ranging from arts and culture to workforce development. These activities fall into 10 overarching engagement categories and mirror the common ways that public agencies across the nation engage CBOs. Each of these categories could include a range of levels of effort and partnering methods from informal collaboration to formal contracting relationships.

Disseminate Information

Refers to instances when a public agency shares information with CBOs and requests that the CBOs disseminate the information to their members. CBOs typically add an announcement to their existing newsletters or websites, send emails to their listservs, place flyers in high-traffic areas in their buildings, such as lobbies, and/or provide the public agency with a booth at an event to share information with attendees.

Advise and Consult

This category refers to instances when CBOs provide input on agency-sponsored programs, projects or initiatives. Advising roles for CBOs range from attending a focus group or community forum, to more time-intensive engagements, such as participating in standing committees or working groups that meet throughout the lifespan of a project.

Promote Agency Services

Under this category, CBOs do targeted recruitment and outreach to increase the likelihood that their members will use agency services or enroll in agency programs. Helping their members enroll in fare access programs for people who are lower income, have disabilities, or are otherwise under-represented, such as Metro's LIFE program, are common ways that CBOs promote agency services. Other examples include conducting trainings for transit users, such as travel training for seniors or providing safety information for students in area schools.

Community Engagement

Community engagement is a form of outreach that aims to meaningfully integrate the insights of the community members who will be directly impacted by an agency-sponsored project into the design and implementation of the project. CBOs may be asked to advise the public agency on its community engagement approach, to administer surveys, host community events, and in some instances, may be contracted to conduct door-to-door canvassing.

Use of Transit Stations

Under this category, transit agencies collaborate with CBOs to reimagine and diversify the uses of transit station properties for programs, such as farmers' markets, art installations, musical presentations and other community gatherings or events.

Arts and Culture

CBOs can help transit agencies develop regional arts and cultural frameworks that include meaningful engagement and visual and cultural opportunities. For example, CBOs can help to ensure that the public art in the transit system reflects the essence of the site-specific community and commission community artists to develop art installations.

Economic Development

Within transit, CBOs support Economic Development efforts by advising the agency on how to conduct infrastructure improvements in a way that will also develop the local economy and might work with the transit agency to mitigate community concerns during construction. Under this category, the public agency often works with CBOs, chambers of commerce and business improvement districts, community development corporations, as well as many other community- and faith-based organizations.

Provide Educational Services

Public agencies often partner with local schools, community colleges and youth development CBOs to provide educational programming and services related to its core functions. For example, a transit agency may provide educational tours of rail maintenance facilities in partnership with a local school district.

Workforce Development

In a workforce development engagement, the public agency will often partner with a public workforce system (e.g., American Job Centers funded through the U.S. Department of Labor) and CBOs to connect job seekers with employment opportunities at the public agency. Depending on the focus of the initiative, the public workforce system may contract CBOs to identify job seekers from hard-to-reach populations, such as women, lower-income residents or formerly incarcerated individuals. CBOs may at times also provide customized job readiness trainings for new hires.

Coordinate Referrals to Supportive Services

Under this category, the agency coordinates with CBOs to establish "on-call" systems that connect transit users in distressed circumstances with supportive services. For instance, more transit agencies are forging partnerships with CBOs to connect transit riders who are experiencing homelessness with local services, such as food assistance and housing support. In these partnerships, a CBO may often support with identifying the needs and facilitate the coordination of the various partners who can meet the needs, such as other county, city, or state entities.

Best practices make for better partners.

Essential Elements

The following elements of successful CBO partnering were identified and vetted through the best practices research conducted during phase 1 of this project. Every element herein was mentioned by multiple sources during the national best practices scan, internal working group meetings, CBO focus groups and expert interviews. These elements are essential to the creation and implementation of an effective CBO partnership and are reflected in the recommendation included in the next section.

Mission Alignment

Intentionally naming and reinforcing the common values and goals that both the agency and the CBO(s) collaborating on a project share.

Clear Expectations and Accountability

Establishing a clear scope of work, roles, expectations, desired outcomes, timeline and delegation of decision-making authority and continuingly revisiting them throughout the course of the project.

Opportunities to Build Capacity

Building CBOs' capacity to successfully bid, secure and manage public contracts and training public agency staff about community programs and how to effectively partner with the CBO community.

Address Cultural Barriers

Acknowledging preexisting tensions that may impact the CBO(s) and public agency's collaboration, addressing them and committing to adopting mindsets, behaviors and tools that will facilitate collaboration moving forward.

Central Partnerships Manager Identifying a primary point of contact within the public agency that manages, tracks and facilitates CBO relationships.

Comprehensive CBO Database Creating and maintaining a searchable central database of all CBO partners.

Standardized Menu of CBO Partnership Templates Developing a library of templates for documents that formalize the most common partnership models (e.g., Memoranda of Understanding (MOUs), Memoranda of Agreement (MOAs), grants and contracts).

Flexibility Even while introducing more structure to CBO engagements, upholding a commitment to flexibility to accommodate the unique needs of the CBOs and the public agency.

Transparent Communication Adopting communication protocols that can address challenges as they arise, prevent miscommunication, yet are also efficient and facilitate team members' work.

Levels of Effort

The level of effort and resources that CBOs and public agencies dedicate to executing the activities within an engagement category can also range from small scale efforts to deeper engagements. This CBO Engagement Continuum in the appendix (Appendix A) describes the escalating levels of effort that a CBO may contribute to a Metro project or initiative.

Best Practices Summary

This document presents the culminating recommendations of an extensive research, listening and development process that included:

- > Nationwide literature review of documents and online materials regarding public agency partnerships with CBOs;
- > External interviews with public and transit agency staff;
- > Internal review of Metro programs and initiatives;
- > Internal Metro employee interviews;
- > Consultation with an internal metro working group comprised of Metro staff members representing various departments that frequently partner with CBOs;
- > Internal Metro employee survey
- > CBO focus groups and interviews; and
- > CBO survey to collect feedback

We have seven strategies for success.

Recommendations

Seven CBO partnering recommendations were developed and designed with internal and external input to ensure that Metro can consistently use clear and equitable structures and strategies to partner with CBOs across the entire agency. These seven recommendations fall into two categories:

1. Internal Metro Systems Changes

Adjustments to enhance how Metro operates internally and with CBOs in order to improve CBO partnering. These elements are essential to developing, implementing and sustaining agency-wide CBO partnering structures at Metro.

2. Build CBO Capacity to Navigate and Partner with Metro

Many existing processes and systems at Metro can be leveraged to support CBO partnering and engagement. These recommendations explain how to build the capacity of CBOs by helping them navigate these existing systems.

These recommendations are:



Establish a Central Point of Contact



Develop and Maintain CBO Data



Establish Compensation Criteria



Create a Resource Library



Craft a Partnership Charter



Train Our Collaborators



Provide Guidance for Growth



Recommendation 1: Establish a Central Home for the CBO Partnering Strategy

Overview

Identify a primary point of contact within Metro who tracks, consolidates and enhances CBO relationships and supports all Metro departments in coordinating their CBO partnerships. The lead could increase efficiencies for Metro through cost-savings, streamlined communications and uniform operations.

This centralized lead will ensure consistency in partnering structures across Metro departments, build awareness on the diversity of CBO expertise, serve as a subject matter expert on CBO partnering activities for Metro departments and lead and/or monitor the implementation and evaluation of the CBO partnering strategy. Finally, when challenges or roadblocks arise, the lead would be accountable for addressing them in a timely fashion.

Ideally, one Metro department serves as the lead for the implementation of the CBO partnering strategy, rather than a committee because leadership by committee often results in confusion and lack of follow through. The lead will, however, coordinate and convene an internal implementation committee to ensure that the recommendations are rolled out uniformly across departments and are also responsive to the needs of every department. At a minimum, this committee should include Planning, the Office of Equity and Race, Vendor/Contract Management, the Office of Extraordinary Innovation, Procurement, Communications and Diversity & Economic Opportunity Department (DEOD).

Key responsibilities of the lead include:

- > Convene an internal implementation committee
- > Lead the process for establishing goals and measures and tracking implementation progress
- > Establish landing page/online hub for information on CBOs partnerships, contracting, training, etc.
- > Manage and/or monitor the comprehensive CBO partner database
- > Provide key support to Metro staff to facilitate the adoption of new tools, programs and processes
- > Outreach to and educate the CBO community about

opportunities (or manage others to do this)

- > Track and ensure that equitable CBO partnering structures are implemented across the agency
- > Interface with Procurement and other Metro departments as a subject matter expert

Intended Outcomes

- > Centralize, coordinate and streamline CBO partnership efforts
- > Limit duplication of efforts
- > Ensure implementation occurs
- > Provide a lead to whom CBOs and Metro staff can direct CBO partnering questions and inquiries

Implementation – How to Pilot

STEP 1

Assign interim CBO Partnering Strategy Lead.

STEP 2

Confirm the Metro staff who will serve on the internal implementation committee and hold first meeting.

STEP 3

Establish landing page/online hub for information on CBOs partnerships, contracting, training, etc.

STEP 4

Review lead's workload and determine viable staffing allocations based on budget.

Appendices: Tools Related to This Recommendation

APPENDIX B

Sample job description and responsibilities of the lead.

APPENDIX C

Description of Internal Implementation Committee.



Recommendation 2: Develop and Maintain CBO Partner Database/Portal

Overview

Create and maintain a searchable centralized database/portal of CBO partners in order to consolidate CBO contact information within multiple departments, ensure uniform and consistent communication, provide a platform to track CBO relationships and a method through which to promote equitable inclusion. A centralized database/portal of all CBO partners is essential to the creation and maintenance of an agency-wide CBO partnering strategy. The database/portal can be a powerful tool that increases equity by communicating opportunities for partnership based on predetermined categories rather than on pre-existing relationships.

The database/portal will be supplemented by purchasing and including a database pull of nonprofit agencies in Los Angeles from GuideStar. GuideStar is a trusted public database that includes all nonprofit 501c3 organizations across the nation. GuideStar has thoroughly attributed relevant NAICS codes to all of the organizations in its database so they can be used to identify potential collaborators and contractors for relevant scopes of work at Metro. A GuideStar Pro Plus custom data pull and subscription costs \$10,000 annually and will help to ensure that Metro's CBO outreach is equitable and includes all nonprofit 501c3 organizations in LA County. This custom data pull would have to transpire annually or every other year because nonprofit data frequently changes.

On top of the base GuideStar data, Metro would invite CBOs, regardless of legal 501c3 status, to enroll in the CBO partner database/portal and provide their relevant information, including capabilities, expertise, service area, NAICS codes, etc. This database/portal can then be used to send all opportunities (compensated and uncompensated) directly to all CBOs. The database/portal could also be shared with prime contractors that intend to partner with CBOs.

Given the ever-changing landscape of CBOs, the CBO partner database/portal should be updated annually. This can be accomplished by annually emailing all nonprofits on the database/portal and asking them to submit any updates via an online survey. Furthermore, the GuideStar database should be repurchased/updated every two years. Finally, Metro should train staff on how to use the database/portal.

Intended Outcomes

- > Centralize CBO contacts in one place that the entire agency can use
- > Reduce duplication of efforts
- > Improve communication and efficiency
- > Ensure that the CBOs Metro engages more accurately reflect LA County's diverse communities
- > Create a tool that prime contractors can use to identify potential CBO partners

Implementation

STEP 1

Purchase GuideStar subscription and do a one-time data-pull for LA County non-profits.

STEP 2

Align the database/portal to Metro's existing platforms using internal IT support (e.g. Perhaps integrate GuideStar database resources into Metro's existing FIS Vendor Services website).

STEP 3

Inform CBOs about the voluntary database/portal, benefits of enrolling and self-enrollment process.

STEP 4

Train a pilot group of relevant Metro staff on how to use the CBO database/portal.

STEP 5

Evaluate the effectiveness and use of the database/portal with the pilot group and improve accordingly.

STEP 6

Train all Metro staff on how to use the database/portal.

Appendices: Tools Related to This Recommendation

APPENDIX D

Overview of the database/portal fields and the underlying dropdown menu that CBOs would populate.



Recommendation 3: Use an Assessment Checklist to Determine Compensation

Overview

As stated in the introduction of this document, Metro partners with CBOs in a variety of ways and for diverse purposes. In addition, Metro has also procured CBOs to perform professional services that have included conducting community outreach through a door-to-door walking campaign on the Purple Line Extension Project, community bike classes through the Metro Bike Share program and serving as project contractors or subcontractors on Metro's Blue Line First/Last Mile: A Community-Based Process and Plan and Metro Art construction banner projects..

Recognizing the importance, expertise and value that CBOs can lend to Metro projects, this recommendation provides a standardized compensation assessment tool that can be used to help Metro staff determine when the activities that Metro staff requests of CBOs should be compensated for the CBOs contributions (deliverables) on a project, program or initiative. This is separate and apart from a CBOs engagement on Metro projects as a stakeholder. Metro will not compensate individuals or groups to engage through opportunities open to the public in Metro plans, programs and processes and provide feedback on these efforts as a general stakeholder.

The Compensation Assessment Tool (Tool) does not have a score and is not meant to replace a procurement process. Rather it is an informal tool to support Metro staff to better understand the value CBOs provide and identify if and when a level of work that Metro is requesting of a CBO should be considered for compensation. This will ensure that when appropriate, CBOs are engaged consistently and equitably.

The assessment should be considered when:

- > A project is initiated (e.g. when a statement of work is drafted) and Metro expects CBOs to perform services with deliverables;
- > A project is underway and Metro expects CBOs to perform services with deliverables;
- > A project is underway and CBO participation could provide added value and Metro expects CBOs to perform services with deliverables.

How to determine when to compensate CBOs

These methods and processes will be standardized by utilizing the following compensation assessment tool to determine if and when the activities that Metro is requesting of CBOs should be considered for compensation and training staff on how to use the tool.

Note that in order for a CBO to be paid directly by Metro they must be a registered vendor with Metro, have a formal legal entity such as a Non-Profit 501(c)3. Pending registrations or applications to obtain IRS nonprofit status will not be accepted. Those without legal status can participate through partnership with other entities as a subcontractor.

Intended Outcomes

- > Ensure that CBOs are equitably compensated for work they perform
- > Demonstrate value of CBOs expertise in the same way Metro values contractors conducting similar scope of work
- > Provide Metro staff with a tool to understand if and when the activity requested of a CBO should be compensated
- > Provide transparency and increase trust between Metro and the CBO community

Implementation – How to Pilot

Even with this additional guidance, interpreting and applying the criteria will be subjective so the criteria needs to be supplemented with training and case studies to strengthen alignment among Metro staff.

STEP 1

Identify a pilot group of Metro staff and train them on how to use the criteria.

STEP 2

Support and monitor implementation in the department that was trained.

STEP 3

Evaluate implementation of the pilot.

STEP 4

Adjust criteria accordingly.

STEP 5

Formally Launch criteria agency-wide.

Compensation Threshold Assessment Tool Checklist

<input type="checkbox"/> Metro Goals	The work to be completed is aligned with Metro's goals and priorities.
<input type="checkbox"/> Services	Contractors, including CBOs, provide similar services to Metro (e.g. translation or other form of unique services) and contractors would expect payment for the activities that Metro is requesting of CBOs.
<input type="checkbox"/> Costly	The work is a distinctive “ask” from Metro and one in which Metro expects the CBO to submit specific, measurable deliverables for projects, programs and initiatives (e.g. Facilitate a community meeting outside of already-held community meetings scheduled, write a report).
<input type="checkbox"/> Unique	<p>The organization has unique capacity that Metro needs and/or can enhance Metro's work. Elements or characteristics that could be considered include:</p> <ul style="list-style-type: none"> > Neighborhood/Community: Does the CBO serve and have expertise and/or access to a given community or set of communities that Metro is targeting? Will the organization provide value-added based on its connections and knowledge of the community and ability to perform quality work there? > Race/Culture: Does the CBO represent, serve or have particular expertise in working with a particular racial or cultural group or groups? Does this context make the CBO uniquely able to conduct work that Metro needs in relation to one or more such groups? > Language: Does the CBO represent a language community or have expertise in a language for which Metro needs expertise. For instance, does Metro need materials translated or outreach to members of a language group or groups that the given organization can best support? > Barrier(s) and Life Challenges: Does the CBO represent a given population or have a unique set of services that help address needs of certain populations that Metro serves, such as homeless individuals, low-income residents, unemployed Angelenos, people with disabilities or another group? > Service Model or Menu of Services: Does the CBO deliver other services which are unique and needed to support the given Metro project. Does the organization have a broad reach and ability to disseminate information particularly well? Are they “embedded” in multiple communities or deeply in a given community that allows them to reach a broad audience? > Site: Do they have particularly attractive sites/locations to hold Metro events successfully? <p>* Note that this is not making a case to sole source</p>



Recommendation 4: Establish an Internal Library of Resources and Sample Templates for CBO Partnering

Overview

Metro has compensated CBOs through traditional procurements (as prime and subcontractors), through stipends (check requests) and through grant programs. This recommendation calls for assembling an internal library of resources and sample templates for CBO partnering, procurement, contracting and grant programs and train Metro staff to utilize these consistently across the agency. These resources can then support staff to assess the best program and payment mechanism, including those who are writing Statements of Work and want to include language about the value of the CBO sector. The tools will also be used to clarify existing partnership structures and ensure that they are used uniformly across the agency. This recommendation is essential to the success of the CBO partnering strategy but will only be effective if Metro staff are trained in the new templates and processes. The training for Metro staff is covered in Recommendation 6.

1. Sample Letter of Agreement

Develop sample Letter of Agreement (LOA) for work that is outside of the standard model for professional services contracts. These are suitable for situations where Metro and a CBO set a mutually beneficial arrangement and do not exchange funds. Examples include jointly planned events or partnerships developed through Metro's Community Education Field Trip program.

2. Check Request Protocol

Educate Metro staff about the check request protocol that can be used to provide small stipends for light-touch activities and one-time limited engagements in compliance with Metro Accounting Procedures & Guidelines (ACC-01). Metro employees can request a check for under \$3,000 if it is not for professional services, if another contractor is not currently under contract to do that work and if a justification memo is signed by the chief of the department.

3. Internal Resources

Assemble an internal library of resources and sample templates for CBO partnering, procurement, contracting, grant programs and lessons learned summaries for each project, once complete. These tools provide a lessons learned compilation that catalogs CBO partnership tools and best practices, as well as key challenges that previous Metro-CBO partnerships encountered and the approaches and tools that supported them. Having access to a resource like this promotes ongoing learning and ideally prevents Metro staff and CBO partners from continually re-creating the wheel.

Intended Outcomes

- > Standardize partnership and payment processes and protocols
- > Provide Metro staff with sample language and resources

Implementation – How to Pilot

STEP 1

Develop internal resource library and work samples.

STEP 2

Identify a Metro project team that is working closely with CBOs on a project and have them use the library of resources.

STEP 4

Identify additional tools desired and revise existing tools based on pilot.

STEP 5

Formally launch internal library and train staff.

Appendices: Tools Related to This Recommendation

APPENDIX E

Includes the beginning of a library of internal resources, including: RFO sample with CBO partnering language; draft language about how Metro values and encourages CBO participation.



Recommendation 5: Use a Standard CBO Partner Chartering Process

Overview

Institute a standardized CBO partner chartering process when launching CBO partnerships. This is an intentional onboarding process that outlines expectations, shared values, where missions align, where missions do not align, agreed upon principles, such as “agree to disagree” and how to work through challenge.

The process is modeled after the “Program Charter” protocol Metro’s Planning Department piloted in its First/Last Mile efforts to ensure that there is mission alignment at the onset of a CBO partnership. The documents and processes support successful partnerships and help partnerships respectfully end when necessary.

The chartering process establishes the following:

Mission alignment of the agency and partnering CBO to establish a mutually beneficial relationship.

Mission alignment is essential because it creates a foundation of shared goals that are common to both the agency and the CBO(s). Mission alignment does not mean that all facets of missions will align, but rather that there is sufficient overlap to work on targeted projects together.

Shared values.

Similar to mission alignment, partners do not have to fully adopt each other’s value, but rather determine that there is sufficient overlap in values to work on targeted projects together.

How to work through challenges.

Partners anticipate the obstacles and conflicts they may encounter, identify ways to respond constructively and commit to adopting mindsets and behaviors that would facilitate collaboration in order to make the partnership most impactful.

Working agreements.

Key principles for how they will work together, such as “agree to disagree.”

Mutually effective communication channels.

Channels that are efficient, yet also allow for the relevant input of all entities.

Outline a clear scope of work, partner roles, project timeline and desired outcomes.

To establish clear expectations for all parties. When there is a lack of clarity around roles and scope, partners can be over- or under-utilized, which may create a sense of being taken advantage of or being undervalued. Clear outcomes and expectations provide the accountability needed to build effective partnerships, conduct projects together, and then measure the success of the partnership based on the outcomes outlined in the scope.

Agreement to evaluate the quality of partnerships mid-way and at the end of the project.

Understand what it means to act as an agent for Metro and what constitutes a conflict of interest.

This includes outlining what are appropriate actions that a CBO can participate in and the trade-offs while engaged in a Metro contract.

Intended Outcomes

- > Ensure consistency – when Metro staff engages and partners with CBOs, they do so equitably and consistently
- > Improve collaboration between Metro staff and CBO partners
- > Develop a process through which constant improvement is possible

Implementation – How to Pilot

STEP 1

Identify a Metro project team to pilot the chartering process.

STEP 2

Train relevant Metro staff on how to use the CBO partner chartering process.

STEP 3

Implement and evaluate effectiveness.

Appendices: Tools Related to This Recommendation

APPENDIX F

Template for a project charter worksheet, facilitators guide for leading the chartering process, and a sample project charter.



Recommendation 6: Train Metro Staff How to Effectively Partner with CBOs

Overview

Educate Metro staff about the value of working with CBOs and train them on how to effectively partner with CBOs, as well as the various payment mechanisms that are available to assess which format best aligns with a project needs and allows for equitable CBO participation. Supplement existing Metro trainings with customized modules on CBO partnering. The modules provide an orientation on the CBO landscape and the assets and expertise therein, as well as introduce newly developed tools to assist with CBO partnering, such as templates for partnership agreements and a partnership chartering process. Human Capital and Development (HC&D) has the background and expertise in training Metro staff, however, deep subject matter expertise related to CBO partnering lies outside of Metro. Therefore, Metro may need to eventually procure an external trainer, such as a CBO or CBO-focused intermediary with subject matter expertise, that is not on HC&D's bench of trainers for some of these trainings.

Training topics will include:

- > An introduction to the CBO landscape
- > Definition of a CBO
- > Unique expertise in the CBO sector and vital nature of their work in communities
- > Benefits of CBO partnership for Metro
- > How to use the CBO database
- > Asset mapping a community
- > Building organizational cultural competence to effectively partner with CBOs
- > How to use the project chartering process to set a strong foundation
- > How to identify, acknowledge and address power imbalances in a partnership
- > CBO procurement and contracting best practices
- > Understanding CBO budget structures and managing payment, invoices, etc.
- > Resources to refer CBOs to for additional guidance, training and technical assistance

Intended Outcomes

- > Increase awareness among staff of the unique knowledge, value, skills, capabilities and assets in the CBO sector, as well as an understanding of the constraints faced by CBOs when partnering with large public agencies, such as working on a reimbursement basis and complying with liability insurance requirements
- > Ensure equity and consistency when Metro staff engage and partner with CBOs
- > Teach Metro staff to use the tools and resources developed for this project

Implementation – How to Pilot

STEP 1

Develop internal staff trainings.

STEP 2

Identify Metro department/lead that will project manage and coordinate trainings.

STEP 3

Pilot and improve trainings.

STEP 4

Digitize trainings to scale training access and participation.



Recommendation 7: Build CBO's Capacity to Partner with Metro

Overview

Leverage the existing Metro Connect program and curricula that provides training and support to diverse and small businesses interested in contracting with Metro and facilitate CBO inclusion. Modify some existing Metro Connect modules so that they are tailored for a CBO audience that may not be as familiar with traditional procurement processes and terminology. Similar to small and disadvantaged businesses, nonprofits range in size and sophistication and they have many of the same needs that are addressed by the Metro Connect program, the Small Business Administration (SBA) and similar disadvantaged business programs and certifications. Nonprofits need the same guidance and technical assistance to navigate contracting opportunities, understand how to apply for the opportunities and be able to craft winning proposals. Ideally, workshops are provided quarterly in the community at CBO locations by staff who are trained to deliver the content.

Training topics will include:

- > Doing business with Metro
- > Introduction to Metro and types of work procured
- > How to register as a vendor with Metro
- > How to register on the Metro CBO partner database
- > How to search for and find relevant RFPs and how to use NAICS Codes
- > Partnership opportunities – how to partner with other firms to win
- > How to submit a proposal
- > What it means to be act as an agent for Metro and what constitutes a conflict of interest (see Appendix G)
- > Proposal Writing 101
- > How to convey your CBO's expertise
- > How to develop a work plan, project schedule and evidence of capacity including staff qualifications
- > How to develop a budget and calculate true fixed-cost rates
- > What contract terms are negotiable

Recommendation 7 continued

In addition to these capacity-building trainings, Metro would:

Promote Consultant Benches

Promote open Metro consultant benches to CBOs on the CBO database.

Foster Collaboration

Include and invite CBOs to meet-and-greet events between primes and current bench consultants to foster collaboration (possibly host meet-and-greet events for scopes that would benefit from additional CBO inclusion).

Secure and Manage Contracts

Connect CBOs to external capacity-building resources that enhance their capacity to successfully secure and manage public contracts. LA County has many entities that train and provide technical assistance to CBOs. Examples of CBO capacity-building entities, include Community Partners, Center for Nonprofit Management, California Community Foundation, Liberty Hill Foundation and LA County Procurement Technical Assistance Center (PTAC).

Develop Strategic Partnerships

Develop strategic partnerships with regional umbrella organizations that can serve as a prime contractor on projects that would benefit from multiple CBOs. The umbrella organization should be a local institution that builds CBO capacity and has a history of disseminating funds to CBOs to conduct a scope of work activities. The entities can then disseminate funds to CBOs in the form of grants or subcontracts, depending on the CBOs' capacities and perhaps provide additional funding to cover indirect costs associated with building their capacity, such as obtaining insurance. This would address CBOs constraints in complying with Metro's insurance requirements and working on a reimbursement basis.

Apply Best Practices

Align countywide CBO partnering efforts by working with the Los Angeles County Office of the CEO Office of Strategic Partnerships to collaborate on concurrent CBO strategies and apply best practices and lessons learned.

Intended Outcomes

- > Train CBOs on how to engage in Metro procurement and contracting
- > Facilitate CBO participation in Metro procurement
- > Increase awareness among CBOs of the opportunities available through Metro contracts

Implementation – How to Pilot

STEP 1

Develop workshop content and train Metro Connect trainers how to deliver the content.

STEP 2

Host a three-series CBO training through Metro Connect and evaluate reception.

STEP 3

Host three meet and greets and invite CBOs. Then follow up with primes to assess outcomes.

Appendices: Tools Related to This Recommendation

APPENDIX G

Conflicts of Interest are evaluated by the Los Angeles County Metropolitan Transportation Authority ("Metro") on a case-by-case basis.

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We have a clear path forward.

The CBO strategy will have a phased implementation informed by available resources (funding for professional services and staffing) and a keen eye to the most impactful activities that can establish a firm foundation for ongoing, future implementation. Given the uncertainty that the COVID-19 pandemic has introduced and the resultant impact on Metro's resources, staff time and funding projections, a phased implementation and/or piloted activities on a small scale are most viable in the near-term. Phased implementation will provide Metro with the opportunity to pilot, learn and improve upon each recommendation.

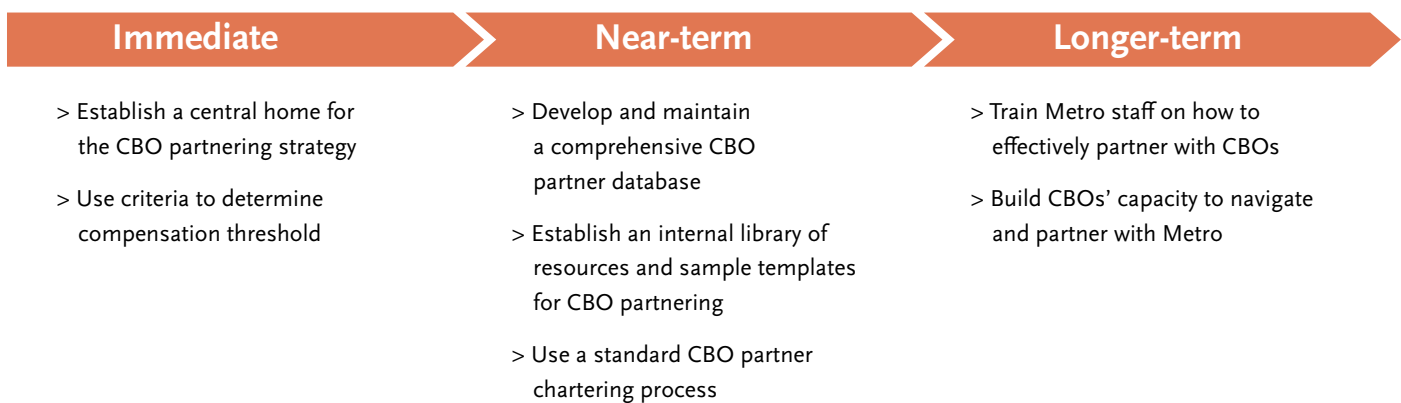
Selecting Measures of Success

Every effective strategy includes measures of success that are then used to track progress towards meeting the strategy's overarching goal. Adopting measures of success for the CBO Partnering Strategy Plan will support Metro's efforts to:

- > Infuse accountability and transparency into the CBO partnering project, thereby fostering and strengthening trust between Metro, the CBO community and the communities the CBOs represent and/or to which they are connected.
- > Evaluate the effectiveness of implementation and improve processes through regular analysis of trends and using data to adjust the strategy as needed to achieve the intended outcome.

The first year of the Strategy's implementation will function as a pilot period. In order to assess the viability of the various recommendations key measures of success need to be established and tracked throughout the pilot implementation year. Regular progress reports will assist in monitoring the degree to which desired outcomes are achieved and provide transparency and accountability. These pilot measures of success will be grounded in the Equity Platform Framework pillars.

Proposed Sequence for Implementation



Conclusion

Metro has increased CBO partnerships across the entire agency. These partnerships, such as the Metro A Line (Blue), have resulted in improved program delivery that has garnered Metro national recognition. At the core, Metro/CBO partnerships have been driven by a shared objective of serving the public and ensuring that the voices of Metro transit riders and underrepresented and high-need communities were brought to the forefront to inform improved, equitable outcomes. The value of this interface and the expertise that has been of direct benefit to Metro and the public cannot be understated. The CBO strategy establishes a formalized system for partnering with CBOs that is consistent across the agency and aligned with Metro's Equity Platform.

The CBO strategy establishes clear and consistent parameters for Metro to continue partnering with CBOs, as appropriate, by formalizing partnership structures and developing mutually beneficial, equity-focused relationships that bring real and tangible benefits to the agency, CBOs and Los Angeles region.

Appendices

Appendix A: Community-Based Organization (CBO) Engagement Continuum

The CBO engagement continuum describes the escalating levels of effort that a CBO may contribute to a Metro project or initiative (with additional effort, come justifications for compensation.)

Levels	Description of CBO's Role	Activities CBO Performs	Metro Example
1. Receive Information	Receives information from agency CBO receives information, such as an email announcement, a brochure or the contents of a presentation; CBO is not asked to react or provide any feedback.	<ul style="list-style-type: none"> > Reads brochure/informational literature > Receives email updates > Listens to presentation(s) 	Component of all Communications & Community Education efforts
2. Disseminate Information	Provides information to constituents CBO receives information AND circulates it to its constituents or facilitates Metro's direct interaction with its constituents.	<ul style="list-style-type: none"> > Adds an announcement/info to its newsletters and/or website > Sends email to list-serve > Allows flyers to be placed in lobby or other space on premise > Provides agency with a booth at event 	Component of all Communications & Community Education
3. Participate	Facilitates activities on behalf of the agency CBO goes beyond simply giving information and does targeted outreach to increase the likelihood that their constituents will use Metro services or enroll in Metro programs.	<p>Assists their constituents to:</p> <ul style="list-style-type: none"> > Completes agency's surveys or to submit comments > Attend agency-sponsored events or field trips > Enrolls in Metro-sponsored programs (e.g. internships, workforce development programs, etc.) > Accesses fare reduction initiatives and teaches others to enroll 	<ul style="list-style-type: none"> > Recruitment for E3 Teacher Externship > Recruitment for WIN-LA (or other WD effort) > Field Trip (e.g. San Fernando Valley residents ride L Line (Gold)) > Reduced TAP card programs
4. Advise/Consult	Provides feedback and insights Engagements can range from "light-touch" one-time events, such as attending a focus group, to longer-term commitments, like participating in committees that meet continuously throughout the lifespan of a project.	<ul style="list-style-type: none"> > Attends focus groups > Attends community forums > Provides feedback on approach, methods and/or content agency is developing for the population the CBO serves > Serves on a committee 	<ul style="list-style-type: none"> > All committees advising planning and constructions projects > Transit to Parks Strategic Plan Committee > Policy Advisory Committee > Metro Arts Advisory Groups
5. Execute/Do Work	Contributes a portion of the labor for an effort CBO contributes a portion of the labor for an effort that is uniquely positioned to provide.	<ul style="list-style-type: none"> > Provides venue for event (may include security, staffing, tech support) > Provides translation > Facilitates a community meeting > Completes door-knocking > Complete community engagement activities (e.g. organizes forum, facilitates focus group) > Delivers training (including workforce dev.) > Writes report that informs agency work 	<ul style="list-style-type: none"> > Purple Line Door-Knocking campaign > BEST (biking classes) > Blue Line First/Last Mile: A Community-Based Process and Plan
6. Co-Create/Co-Manage/Co-Decide	Partners with agency from start to finish of an effort CBO and Metro share an equal stake in the project and agree to share decision-making.	<ul style="list-style-type: none"> > Jointly designs, plans and executes work > Co-decides key pieces of the work 	<ul style="list-style-type: none"> > WIN-LA > SEED-LA Transportation School > San Fernando Valley Fun-Run on G Line (Gold)

Appendix B: Job Description

Lead for CBO Partnering Strategy

Job Summary

Tracks progress towards CBO partnering strategic goals; develops, implements and project manages programs associated with the CBO partnering strategy; builds awareness of and encourages the use of CBO programs; and serves as a subject matter expert on CBO partnering activities for Metro departments.

Duties and Responsibilities

- > Convene a successor to the Internal Working Group (IWG) to inform implementation of the CBO partnering strategy
- > Lead the process for establishing goals and baseline metrics for CBO partnering
- > Track progress of the CBO partnering strategy implementation
- > Manage the comprehensive CBO partner database, validate the database, publicize it and support Metro staff in utilizing the resource
- > Conduct targeted outreach to address gaps in the CBO partner database (e.g. if the database lacks representation from the San Gabriel Valley, recruit CBOs in that area to enroll)
- > Conduct targeted outreach to educate the CBO community about opportunities
- > Support staff training and technical assistance to support expanding knowledge, understanding and expertise across Metro on partnering with CBOs
- > Publicize existing Community Relations liaisons as point people per region to support open communication
- > Interface with Procurement as a subject matter expert on CBO contracting and partnering

Essential Knowledge and Abilities

- > Knowledge required for and applied in the performance of job tasks
- > Theories, principles and best practices for collaboration with community-based organizations (CBOs), multi-stakeholder partnerships and public relations
- > Protocols, structure and functioning of local government and public agencies
- > Metro's transit system
- > Metro's procurement and contracting system
- > Group dynamics and community organizing techniques
- > Research and analytical techniques, methods and procedures
- > Report presentation methods
- > Social media applications
- > Applicable business software applications

Skill in (defined as the proficient manual, verbal, or mental utilization of data, people or things):

- > Communicating effectively orally and in writing
- > Representing Metro before the public and delivering presentations to community stakeholders
- > Coordinating and facilitating community meetings and events
- > Holding peers accountable for commitments to projects
- > Analyzing situations, troubleshooting, recommending solutions and evaluating outcomes
- > Exercising sound judgment and creativity in making recommendations
- > Interacting professionally with various levels and departments of Metro employees and outside representatives

Ability to (defined as a present competence to perform an observable behavior or produce an observable result):

- > Design, implement and manage internal and external programs
- > Relate to diverse community members
- > Represent Metro before the public
- > Write clear comprehensive reports
- > Analyze situations, troubleshoot, recommend solutions and evaluate outcomes
- > Coordinate multiple projects and meet critical deadlines
- > Understand, interpret and apply relevant policies, laws, regulations and contracts
- > Read, write, speak and understand English

Minimum Qualifications

A combination of education and/or experience that provides the required knowledge, skills and abilities to perform the essential functions of the position. Additional experience, as outlined below, may be substituted for required education on a year-for-year basis. A typical combination includes:

Education

Bachelor's degree in Communications, Journalism, Marketing, or a related field

Experience

Five years of relevant experience performing community relations and project management work

Certifications/Licenses/Special Requirements

- > A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions
- > Ability to understand and speak a language other than English a strong plus
- > Must be willing to be on call and work some evenings and weekends

Appendix C: Committee Description

Internal Implementation Committee for CBO Partnering Strategy

The purpose of the CBO partnering strategy is to develop clear and equitable structures, strategies and guidance for CBO partnership that the entire Metro agency can utilize and implement consistently across departments and circumstances. As Metro implements the newly developed strategy, an Internal Implementation Committee, comprised of representatives from key Metro departments, will monitor the implementation of the strategy, address emerging needs and trends, update or enhance elements of the plan, lead/promote implementation activities within their respective departments and track progress towards strategic goals.

Ideally, representatives from the following Metro departments participate in the Internal Implementation Committee:

- a. Office of Equity and Race
- b. DEOD
- c. Vendor/Contract Management
- d. Communications
- e. Planning
- f. Office of Extraordinary Innovation (OEI)

Members of the Metro CBO Partnering Strategy Internal Implementation Committee commit to:

- > Attend monthly meetings for a one-year term
- > Work with their departments to gather input and share key insights with the committee
- > Report back updates and relevant information to their departments after committee meetings
- > Review drafts of work products and provide feedback
- > Actively participate in meetings and serve as a thought partner

Time Commitment

- > In-person meetings: two hours per month maximum
- > Follow-up in between meetings: two to three hours per month reviewing drafts of work products, responding to requests and inquiries and informing their departments

Internal Implementation Committee members will have:

- > Experience partnering with CBOs to implement Metro initiatives
- > An interest in the CBO sector in LA County and a commitment to strengthening its capacity to collaborate with Metro
- > Familiarity with partnership models (locally or nationally) between public agencies, non-profits, philanthropies and/or the private sector

Governance

The committee will advise. No decision-making power.

Appendix D: Overview of CBO Partner Database Fields

Data to Include in the CBO Partner Database

DATA FIELDS

- > This provides an overview of the data fields that should be included in the CBO partner database; these will be inserted into an online form that CBOs can self-fill in order to populate and update the database
- > This data can be exported from an online survey in a CSV format for easy integration
- > Data should be updated annually by sending CBOs an email asking them to update their information and/or send revisions using the survey link

Organization Name

Subregional Focus

Use Metro Long Range Transportation Plan (LRTP) Technical Document, pg 140-197, media.metro.net/2020/LRTP-TechDoc-Final.pdf (Select all relevant)

- > Arroyo Verdugo Cities
- > Central Los Angeles
- > Gateway Cities
- > Las Virgenes/Malibu
- > North Los Angeles County
- > San Fernando Valley
- > San Gabriel Valley
- > South Bay Cities
- > Westside Cities

Services

NAICS Codes – provide up to three (3)

- > Primary NAICS Code
- > Other NAICS Codes
- > Other NAICS Codes

Cause Areas

Use A-Z NTEE Codes (e.g. Transportation, Environment, Workforce Development, Health, Criminal Justice, Domestic Violence, Women, Social Welfare LGBTQ, Arts and Culture, Civic Participation, Education, Housing/Homelessness, Community Development, Technology, Youth Development, Faith Based, Non-profit Leadership, etc.)

- > Primary NTEE Code
- > Secondary NTEE Code
- > Tertiary NTEE Code

Type of Organization

Legal Structure

- > Non-profit 501(c)(3)
- > 501(c)(4)
- > No formal legal structure
- > Chamber of Commerce
- > Block or Neighborhood Groups
- > Trade Group
- > Faith-based Organization
- > Schools and Child Care Programs
- > Health Care Agencies
- > Foundation

Annual Budget

Annual Revenue (Align with Guidestar's \$\$ divisions)

- > \$0-\$49,999
- > \$50,000-\$249,999
- > \$250,000-\$999,999
- > \$1,000,000-\$9,999,999
- > \$10,000,000+

Appendix D continued

Has the organization partnered with Metro in the past/present?

> Y/N

> If Yes, then how:

- Metro has sponsored our organization
- Sat/sit on a Metro advisory council
- Special event
- Subcontractor for a Metro project
- Prime contractor on a metro project
- Other_____

Metro project you have worked on: _____

Website URL: _____

Contact Information

(Link with “care of” field on Guidestar database)

> First Name

> Last Name

> Title

> Email

> Phone

Mailing Address

> Mailing Street

> Mailing City

> Mailing State

> Mailing Zip code

NAICS Code Supplemental Support Guide

All NAICS Codes can be found at naics.com/search

Activity	Description	NAICS Code	NAICS Title	Description
Disseminate Information	Receive information from Metro and circulate it to members (e.g. add announcement to website, send email to list serve, place flyers in lobby, etc.)	541870	Advertising Material Distribution Services	Flyer direct distribution (except direct mail) services
Promote Agency Services	Conduct outreach to members to promote and increase their use of Metro services or enrollment in Metro programs (e.g. helping members enroll in Metro LIFE program)	923110	Administration of Education Programs	
Advise & Consult	Provide input on Metro-sponsored programs, projects or initiatives (e.g. participate in community forums or advisory groups)	611710	Educational Support Services	Career and vocational counseling services
Community Engagement	Participate in efforts to meaningfully integrate the insights of community members who will be directly impacted by a Metro project into the design and implementation of the project (e.g. administer surveys, host focus groups, conduct door-to-door canvassing, etc.)	925120	Administration of Urban Planning and Community and Rural Development	
Workforce Development	Partner with Metro to connect members with employment opportunities at Metro and/or provide “up-skilling” services to Metro employees (e.g. help to recruit and/or prepare job seekers or supplement Metro's workforce trainings, etc.)	611710	Educational Support Services	Career and vocational counseling services
Coordinate Referrals to Supportive Services	Coordinate with Metro to connect transit users in distressed circumstances with supportive services (e.g. housing services, food support, etc.)	624229 624210	Other Community Housing Services Community Food Services	Housing assistance agencies Community meals, social services
Use of Stations	Collaborate with Metro to repurpose transit station properties for additional community uses (e.g. farmers markets, art installations, musical performances or other community gatherings)	925120	Administration of Urban Planning and Community and Rural Development	Participate in Metro Art Programs
Arts & Culture	Participate in activities related to the art and culture that is represented in Metro facilities	926110	Administration of General Economic Programs	Cultural and arts development support program administration
Provide Educational Services	Work with Metro to provide educational programming to students in the K-12 school system, community college, or university (e.g. field trips, class projects, teacher externships, etc.)	611710	Educational Support Services	
Economic Development	Engage in efforts that inform how infrastructure and transit improvements can develop the local economy of a community	925120	Administration of Urban Planning and Community and Rural Development	
Professional Services Consulting	Strategic planning, etc.	541611	Administrative Management and General Management Consulting Services	

Appendix E: Library of Internal Resources

Request for Proposals (RFPs) Sample CBO Partnering Language

Every procurement is different so there is no single template that will work for all procurements. However, several of the following paragraphs may be useful as a starting point to ensure that:

- > CBOs and all entities are aware of the CBO partnering strategy and Metro's goals in increasing its focus on work with CBOs.
- > CBOs are aware they may compete for any procurement for which they are capable of performing the work; there is no barrier precluding a CBO from contracting with Metro.
- > All entities are aware of the benefits of partnering with CBOs, for instance as sub-contractors.

Draft language about how Metro values and encourages CBO participation:

The Los Angeles County Metropolitan Transportation Authority (Metro) is developing a community-based organization (CBO) partnering strategy to establish a consistent and equitable approach to partnering with community-based organizations that serve and are focused on Los Angeles' communities. This effort stems from the Metro Equity Platform Framework that seeks to increase equity in the region. Metro already partners with community-based organizations in a variety of ways for various capacities. For example, CBOs perform work that may include, but is not limited to:

- > Disseminating information
- > Delivering programs or services for Metro
- > Conducting trainings on behalf of Metro
- > Advising and consulting with Metro including providing, facilitating or gathering stakeholder input for Metro projects or advising the agency how to improve projects
- > Conducting community engagement and outreach
- > Placing their clients into upward mobility jobs in the transportation industry

Some CBOs may perform one specialized task in support of Metro goals, while others may perform multiple tasks in the course of their work on behalf of their targeted audiences, populations or communities.

Metro recognizes that it plays an influential role in the region and has a responsibility to reverse the vast disparity among neighborhoods and residents of LA County in their ability to see and seize opportunity – be it jobs, housing, education, health, safety or other essential facets of thriving in vibrant, diverse communities. Furthermore, Metro is cognizant that equity takes collaboration; it cannot be achieved in a silo, by one organization, or by one public agency.

Creating a formalized system for partnering with CBOs is part of a larger effort to ensure Metro is advancing equity throughout LA County. By formalizing its partnership structures with CBOs, Metro can develop mutually beneficial, equity-focused relationships that build the capacity of Metro, Metro's many contractors and other partner entities and CBOs, thus increasing the resources and capacity of people served by both Metro and CBOs.

This direct community-level expertise is proven to support program success, ensure that programs are carried out in a culturally competent manner and that local needs are taken into consideration. Some of these smaller, local community-based organizations may not be able to meet the administrative requirements of county contracts but are trusted by community members and therefore best qualified for performing some community services.

For these reasons, Metro advises the following with regard to its procurements and all aspects of its contractor relationships:

- > Metro encourages CBOs to apply to be contractors directly and to work to partner with other contractors as subcontractors. As outlined in [location of various updated policies/procedures, the CBO partnering strategy site/ locations, Office of Diversity, etc.] CBOs are welcome as Metro contractors, all Metro procurements are open to CBOs equally to other private sector entities and unless otherwise specified, there is nothing precluding CBOs from serving as Metro contractors simply by the fact of their being a not-for-profit organization or CBO.
- > Metro encourages all contractors to strongly consider working with community-based organizations, both formally as sub-contractors and informally as partners on a variety of initiatives. This is in recognition that CBOs possess direct experience, relationships and expertise in the communities affected by the project. This direct community-level expertise supports the success of all Metro work, by increasing the likelihood that services and programs are carried out in a culturally competent manner, that local needs are taken into consideration, and thus, that projects are completed on time.

Metro seeks to contract with entities that can carry out the scope of work required for a given initiative, while also providing economic opportunities for people with barriers to employment and stability, including those with homelessness experience, formerly incarcerated individuals (“returning citizens”), formerly foster youth, low-income residents, recent immigrants and others. Companies or organizations responding to Metro procurements are encouraged to communicate in their project plan and partnership descriptions how they plan to provide economic opportunities and jobs to members of these and other groups. Strategies may include leveraging local community-based organizations to conduct work such as recruiting, training and supporting people with barriers to employment as potential employees on Metro-related work and beyond, conducting hiring fairs in communities, at transitional settings in conjunction with Department of Corrections and Rehabilitation or Sherriff’s office, at temporary housing facilities, etc., and otherwise serving as a source of candidates.

Appendix F: Project Charter Process Worksheet

On [insert date], representatives of individual entities from [insert names of organization(s)] and Metro, met to kickoff contractual relationships. The meeting was intended to facilitate introductions between the entity/entities and to brainstorm ideas for the [insert name of project].

This project charter documents the vision and values of Metro and the organization(s) and will be used to set expectations and guide communication.

Who are we?

- > [Name of organization] is a... [insert description of organization and its mission].
- > Metro is the transportation agency overseeing [insert name of project]. Metro staff are committed to Metro's Equity Platform and to honestly engage equity through four pillars: define and measure; listen and learn; focus and deliver; train and grow.

What do we value?

Collectively as a project team, we are committed to [insert purpose and intended outcomes of project].

As a team, we share the following values and goals.

Example of values to be updated by the project team.

Community Integrity

We are committed to acknowledging that infrastructure and design elements shape the community's identity. We also acknowledge that infrastructure investment can impact the housing market and unintentionally cause displacement. Therefore, we strive to incorporate community input and perspective to ensure community support in order to preserve community integrity.

Environmental Sustainability

We are committed to improving quality of life by considering foreseeable impacts to the natural environment. As we make decisions about the project, we will be mindful of the needs of the present without compromising natural resources for the future.

Safety

We are committed to improving safety outcomes of different travel modes through infrastructure and education. We will continue to educate children, parents, residents, elected officials and others on safety as a part of our project outreach and consider best practices in pedestrian and bicycle design for safe access to future stations.

Transparency and Trust

We are committed to prioritizing open and inclusive dialogue even if “the going gets tough.” We will provide accurate and timely disclosure of information and ask for input on large and small decisions to build trust and team relationship.

We are committed to collaborative solutions; however, we recognize that each individual will have different perspectives and backgrounds and we may not always be in agreement. We will respect differences of opinions and not seek to undermine other entities as they pursue their organizational missions.

Accountability

We are committed to fulfilling our responsibilities to each other and to the community in a timely manner. We will follow through on our commitments and when challenges arise, we will work as a team to overcome them.

What are our working agreements?

We will aim to uphold the following mindsets and behaviors to facilitate our success in meeting the project's intended outcomes.

- > Start and end on time
- > Avoid assuming and ask for clarification when a question arises
- > Respond to emails within 24 hours

Project Chartering – Facilitator’s Guide

Desired Outcomes of Session

- > Build connection and trust among project team members
- > Identify shared values, goals and approaches to the work, as well as points of difference
- > Develop shared vocabulary
- > Align on project expectations and deliverables

Duration

The session is designed to take two to three hours, depending on how many people participate.

Agenda

Time	Key Activities	Notes & Materials
5 min	Welcome & Meeting Roles <ol style="list-style-type: none"> 1. Identify a timekeeper and note taker for the session 2. Review session objectives and agenda 	<ul style="list-style-type: none"> > Flip chart paper > Markers
10 – 15 min, depending on how many people participate	Introductions and Check-in – Invite participants to share: <ol style="list-style-type: none"> 1. Name, title and organizational affiliation 2. A personal value that this project provides an opportunity to honor/live out (e.g. I value community participation and this project is focused on gathering the input of community residents) 3. A hope they have for today’s session (e.g. I hope we create alignment and cohesion amongst the team) 	
8 min	Community Agreements – Created list of agreements that will guide our mindset and behavior for the session. What will facilitate our success in meeting the objectives of the session? Either (1) propose a list (such as the ones below), or (2) create a list together. Proposed community agreements (inspired by Restorative Justice practices): <ol style="list-style-type: none"> 1. Speak and listen from the heart 2. Speak and listen with respect 3. Say just enough 4. Honor privacy 5. Bring our best selves Ask for Agreement to Agreements (e.g. stand up or give a thumbs up if you agree)	<ul style="list-style-type: none"> > Flip chart paper > Markers
3 minutes	Project Charter Worksheet: Introduction <ol style="list-style-type: none"> 1. Write the date in the project charter worksheet 2. Read the introductory purpose statement at the top of the worksheet 3. Pause & check-in: Ask the group, “Are there any clarifying questions about the purpose?” 	<ul style="list-style-type: none"> > Copies of project charter worksheet > A version of the project charter worksheet projected or on poster paper, so that while it is being completed and edited, the team can see it
15-20 min, depending on how many people participate	Project Charter Worksheet: Who are we? A representative from each participating organization, briefly describes their organizational mission and the population(s) they serve	<ul style="list-style-type: none"> > Flip chart paper and marker or Project Charter
20 min	Project Charter Worksheet: What do we value? <ol style="list-style-type: none"> 1. 3 min – Restate and note in the worksheet the project’s purpose and intended outcomes 2. 7 min – Open brainstorm: Generate list of values (depending on size of group, each person can share the values they would like the group to uphold) 3. 5 min – Combine and/or rephrase: Look at the full list of values and note themes, which can be combined or restated, rephrased or fine-tuned 4. 5 min – Generate “final list”: Propose the top four to six values that will guide your work, gask for a vote and assure the group that this is a “living document” that can be updated as the project proceeds 	

Time	Key Activities	Notes & Materials
25 min	<p>Divided up into small groups to further define each value</p> <ol style="list-style-type: none"> 1. 8 min – Small group work: Define what each value means in action. Begin the statement with, “We are committed to...” (see example) 2. 12 min – Larger group share out: Each small group shares the statement they crafted and invites feedback from the larger group 3. 5 min – Synthesize 	
30 min	<p>Overview of Project Roles and Expectations</p> <p>Review the project's:</p> <ol style="list-style-type: none"> 1. Timeline 2. Each organization's role and Scope of Work (SOW) 3. Deliverables 4. Project management tools 5. Invoicing and monthly report procedures, resources and templates 6. List of outside capacity building resources for CBOs 7. How to exit the partnership/agreement 	<ul style="list-style-type: none"> > Relevant project documents, such as copies of contract and Scopes of Work (SOW)
10 min	<p>Working Agreements – Created list of agreements that will guide the team's mindset and behaviors for the project. What will facilitate our success in meeting the project's intended outcomes?</p> <p>Either (1) propose a list (such as the ones below), or (2) create a list together</p> <p>Proposed working agreements;</p> <ol style="list-style-type: none"> 1. Start and end on time 2. Avoid assuming and ask for clarification when a question arises 3. Respond to emails within 24 hours <p>Ask for Agreement to Agreements (e.g. stand up or give a thumbs up if you agree)</p>	<ul style="list-style-type: none"> > Flip chart paper > Markers
10 min	<p>Wrap-up – Discuss answers to the debrief questions:</p> <ul style="list-style-type: none"> > Pluses: What worked during this meeting? > Deltas: What could be improved? > What new insight or aha moment did you experience? 	<ul style="list-style-type: none"> > Flip chart paper > Markers

Appendix G: Conflicts of Interest

Conflicts of Interest are evaluated by the Los Angeles County Metropolitan Transportation Authority (“Metro”) on a case-by-case basis. Metro solicitations will typically outline conflict of interest code sections that should be reviewed carefully by all potential proposers and bidders, including CBOs. In this context, a “contractor” is a construction company, engineering firm, consultant, legal firm, or any company, supplier, or business entity who is presently engaging in any business with Metro. “Contractor” also includes any consultant and any subcontractor to a contractor.

The Ethics Declaration is outlined in the Request for Proposals (RFP) and includes a series of 10 questions, noted below. Conflicts of interests may arise based on responses to these questions.

1. In the past 12 months, has any Employee been a Metro Board member or Metro employee?
2. Is any Employee related to a Metro Board member or Metro employee?
3. Is any Employee presently a Metro Board member or Metro employee?
4. Do any Metro Board members or Metro employees own any stock in Declarant Company?
5. In the past 12 months, has any Employee given any gifts to a Metro Board member or Metro employee?
6. In the past 4 years, has any Employee or family member of any Employee, made any campaign contributions to any present Metro Board member or Metro employee?
7. Does Respondent now employ as a lobbyist, or intend to employ as a lobbyist, any former Metro Board Member or any person employed by Metro in the past 12 months?
8. Did any Employee receive, or have access to, any confidential information concerning this Contract?
9. Did any Employee perform work within the last 3 years relating to the Project or the Services contemplated to be performed under this Contract, including (a) the development of the Statement of Work/Statement of Services or any specifications, or (b) any involvement with earlier phases of the Project or Services to be provided under this Contract?
10. If you answered “yes” to any question 1 through 9 above, provide, on a separate sheet, a detailed explanation of the facts and circumstances that give rise to the “yes” answer. This explanation shall contain all relevant facts and information. This explanation shall, include names, dates, facts, amounts, and other and anything else necessary for a thorough response. Each explanation shall identify which of the 9 questions it is responding to and a separate explanation for each “yes” response is required.

Organizational Conflicts of Interest

Metro Contracts are subject to the restrictions against organizational conflicts of interest promulgated by the Federal Transit Administration in FTA Circular 4220.1F dated November 1, 2008 or successor circulars. Contractor and its Subcontractors shall at all times comply with such restriction in connection with the Services it provides to and on behalf of Metro. Without limiting the generality of the foregoing, Contractor shall not provide Services to Metro, under this Contract, which would constitute or create an organizational conflict of interest, including but not limited to any of the following that could result in a lack of impartiality or impaired objectivity, unequal access to information, and biased ground rules, for this Contract or any other contract for Metro:

A. Influenced Specifications or Statement of Work:

The Contractor's prior work product, whether it is performed on behalf of Metro or another public or private entity, has been relied upon in establishing, or significantly influenced, the specifications or Statement of Services under this Contract.

B. Opportunity to Create Contracting Opportunities:

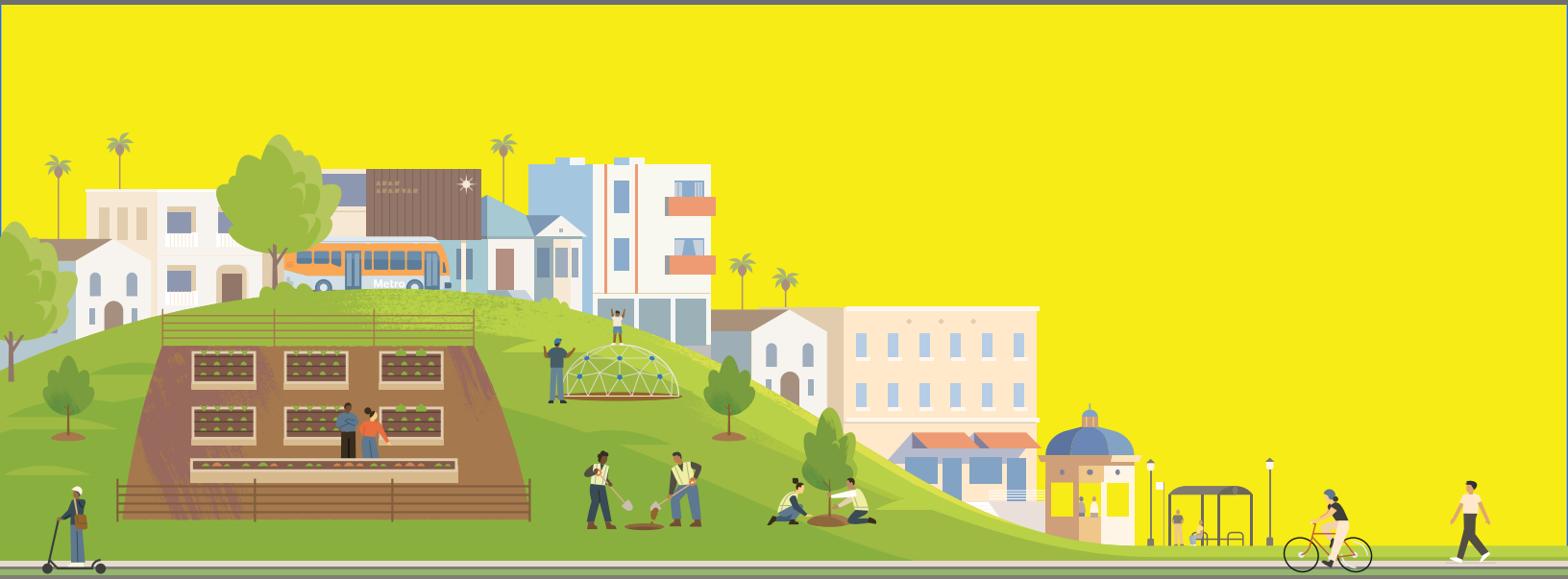
The Contractor's prior work product, whether it is performed on behalf of Metro or another public or private entity, afforded an opportunity for the Contractor to make or influence findings with respect to this Contract.


C. **Evaluation of Prior Work Product:** The Contractor would be in position to evaluate its own prior work product as part of this Contract, whether the prior work product is performed on behalf of Metro or another public or private entity; or as part of this Contract the Contractor would be in a position to assess its prior work product whether or not it was performed on behalf of Metro or another public or private entity.

D. **Access to Information:** The Contractor received confidential or other information as part of the services performed for Metro or another public or private entity which provides the Contractor with an unfair competitive advantage to obtain this Contract or another contract with Metro.


For CBOs, the one of the most critical questions is whether CBOs will have the ability to advocate for or against Metro projects if they are a paid Metro Contractor. CBOs can continue to advocate on Metro projects as a paid Metro Contractor, so long as that advocacy does not create conflicts under the two items noted above (Ethics Declaration and Organizational Conflicts of Interest) or conflict with any other terms outlined in their agreement with Metro.


More specifically, a CBO cannot use any information that they secured as a Metro Contractor to then advocate for or against a Metro project. Once again, conflicts of interest are assessed on a case-by-case basis. The above is intended to provide an overall framework and outline the key sections that are evaluated by Metro. CBOs should always seek guidance from Metro on whether any activities may create a conflict of interest.



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Los Angeles County
 Metropolitan Transportation Authority



Board Report

File #: 2021-0291, File Type: Policy

Agenda Number: 17.

REVISED
PLANNING AND PROGRAMMING COMMITTEE
JUNE 16, 2021

SUBJECT: MODERNIZING THE METRO HIGHWAY PROGRAM

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

ADOPT:

- 1) REVISED Measure R Highway Program Criteria - Project Eligibility for Highway Operational Improvements and Ramp/Interchange Improvements (Attachment A), and
- 2) REVISED Measure M Guidelines, Section X - Multi-Year Programs (Highway Subfunds) (Attachment B)

ISSUE

In March 2021, the Metro Board ~~approved the recommendations of the highway reform subcommittee and directed staff to initiate a formal 60-day public review and comment period of the proposed amendments to the Measure R and Measure M guidelines~~ circulate the Board's recommendations to modernize the Highway Program for a 60-day public review and comment period, and to report back to the Board at the end of the circulation period on the feedback received to determine the path forward.

The Board's recommendations included expansion of funding eligibility for active transportation and Complete Streets projects ~~in all Measure R and Measure M highway projects and programs,~~ and extension of the footprint of investments in transportation mobility improvements beyond the 1-mile bandwidth along the freeways originally stated in Measures R and M project eligibility and funding guidelines.

BACKGROUND

The Measure R Highway Operational Improvement and Ramp/Interchange Improvements project eligibility requirements for funding was adopted by the Metro Board at the October 2009 meeting followed by a clarification amendment in May 2014.

The Measure M Multi-Year Program (Highway Subfunds) Guidelines were adopted by the Metro Board at its June 2017 meeting.

In January 2020, the Board initiated discussions on improvements to the guidelines to allow for more investment in active transportation and Complete Streets projects to expand mobility options across LA County., ~~as one of 19 recommendations to modernize the Metro Highway Program.~~ Revisions to the current guidelines were amended by a subcommittee assigned to this task by the Board. Recommended revisions by the committee were presented to and approved by the Board in June 2020 and were posted for review and comment by the public and stakeholders. ~~In March 2021, the Board approved the subcommittee recommendations and initiated the formal guideline revision process.~~

DISCUSSION

In fall 2020, Metro staff reached out to the Council of Governments (COGs) to solicit early input/feedback to the Board-proposed revisions to the criteria and guidelines. Of the comments received, the COGs with highway subfund programs through Measures R and M noted concerns with the proposed guideline revisions. The concerns highlighted the diversity of the infrastructure needs by subregion and geography within the subregion. Urban, suburban, and rural areas use the transportation system differently and some rely on highway and major arterials more than others.

The letters received from those subregions supported added flexibility in the use of Highway funds for active transportation projects and complete street improvements. However, they requested affirmation that their transportation priorities to invest in highway mobility/operational improvement projects would not be hindered by the proposed changes.

Staff also presented the Board-proposed revisions to the Metro Technical Advisory Committee and the Policy Advisory Committee (PAC) at their November and December 2020 meetings. A coalition support comment letter was received from community-based advocate organizations and the PAC supporting the flexibility in the guidelines to develop active transportation, complete streets and multimodal projects. The PAC letter noted that congestion and choke points are present and must still be resolved to improve freeway traffic flow/safety.

At the conclusion of this early and targeted outreach, a total of 14 comment letters were received. Staff summarized those written comments in the attached summary table (Attachment C).

The Board approved the circulation of the proposed guideline revisions in March 2021 for a 60-day public review and comment period. At the conclusion of the comment period, a total of 5 public comments were received, half of which supported the guideline revisions and the other half supported continued investment in highway improvements. Comments received from Caltrans emphasized the need to have relevant, reputable and recent studies to justify the proposed improvements. Caltrans supports expanding multimodal connectivity and reductions in vehicle miles travelled and greenhouse gas emission reduction projects.

Upon the Board's adoption of the staff recommendations in this report, the guidelines as shown in Attachments A and B become final. The proposed changes and revisions that resulted from the June 2020 Board direction, reaffirmed the current eligible uses to develop highway projects and allow subregions to determine their priorities.

Additionally, the update expands the use of funds to consider and incorporate more pedestrian and bicycle use of the roadways and consideration of multimodal access in the project development process. Existing planning practices take these multimodal options into consideration. The updated guidelines encourage but do not mandate such improvements. Project sponsors will have the flexibility to scope, develop, and implement eligible and beneficial active transportation and complete streets elements that would diminish roadway congestion and improve roadway mobility and safety either as elements of a related highway improvement project or as a stand-alone project.

All investments in highway/roadway category of projects, regardless of mode, should be based on validation of adequate demand and reasonable proof of use leading to congestion relief and mobility improvements. The use of highway funds must lead to the capital construction of a transportation project.

DETERMINATION OF SAFETY IMPACT

The proposed approval will not have any adverse safety impacts on employees and patrons.

FINANCIAL IMPACT

Impact to Budget

Approving the recommendations will have no impact on the FY 2021-22 budget.

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 adopt the Revised Measure R Highway Program Criteria and Revised Measure M Highway Subfunds Guidelines. This is not recommended as the proposed revisions were the result of Board direction.

NEXT STEPS

Staff will continue to work with cities and the subregions to identify and deliver projects.

ATTACHMENTS

Attachment A - Revised Measure R Highway Program Criteria

Attachment B - Revised Measure M Guidelines, Section X - Multi-Year Programs (Highway Subfunds)

Attachment C - Summary Table of Comment Letters

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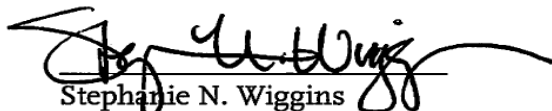
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Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

REVISED MEASURE R HIGHWAY PROGRAM ELIGIBILITY CRITERIA

The following shall replace Measure R Highway Program eligibility criteria in their entirety:

Project Eligibility for Highway Operational Improvements and Ramp/Interchange Improvements

The intent of a Measure R Highway Operational Improvement is to improve multimodal efficiency, safety, equity, and sustainability along an existing State Highway corridor by reducing congestion and operational deficiencies that do not significantly expand the motor vehicle capacity of the system, or by incorporating complete streets infrastructure into the corridor, in accordance with the Board-adopted policies set forth in Metro's Complete Streets Policy, Active Transportation Strategic Plan, and First/Last Mile Strategic Plan. In addition to those eligible projects on the State Highway System, for Measure R, projects located on primary roadways, including principal arterials, minor arterials, and key collector roadways, will be considered eligible for Operational Improvements and for ramp and interchange improvements.

Examples of eligible improvement projects include:

- interchange modifications;
- ramp modifications;
- auxiliary lanes for merging or weaving between adjacent interchanges;
- curve corrections/improve alignment;
- signals and/or intersection improvements;
- two-way left-turn lanes;
- intersection and street widening
- traffic signal upgrade/timing/synchronization, including all supporting infrastructure;
- traffic surveillance;
- channelization;
- Park and Ride facilities;
- turnouts;
- shoulder widening/improvement;
- safety improvements;
- on-street bus priority infrastructure, including but not limited to bus lanes, signal prioritization, queue jumps, bus boarding islands/curb extensions, and bus stop improvements;
- Class I, II, III, or IV bikeways;
- sidewalk improvements, including but not limited to widening, shade trees, and curb ramps;
- pedestrian safety improvements, including but not limited to bulb-outs, refuge islands, midblock crossings, pedestrian signals/beacons, raised intersections/pedestrian crossings, and scramble crosswalks;

- transportation infrastructure in a public right-of-way that supports the implementation of TDM strategies.

Up to 20% of a subregion's Operational Improvement dollars may be used for soundwalls. Landscaping installed as a component of an operational improvement must be limited to no more than 20% of a project's budget. State of good repair, maintenance and/or stand-alone beautification projects are not eligible. Other projects could be considered on a case-by-case basis as long as a nexus to State Highway Operational Improvements can be shown, such as a measurable reduction in Vehicle Miles Traveled.

ATTACHMENT B

REVISED MEASURE M GUIDELINES, SECTION X MULTI-YEAR PROGRAMS (HIGHWAY SUBFUNDS)

The following shall replace subsection 'A' "Highway Efficiency and Operational Improvements" definition: 'in its entirety.

Highway Efficiency and Operational Improvements includes those projects, which upon implementation, would improve regional mobility and system performance; enhance multimodal efficiency, safety, equity, and sustainability; improve traffic flow, trip reliability, travel times; and reduce recurring congestion, high-frequency traffic incident locations, and operational deficiencies on State Highways. Similarly, improvements which achieve these same objectives are eligible on major/minor arterials or key collector roadways. Highway subfunds are eligible for pre-construction and construction related project phases as referenced in Sections IX and X and are subject to eligibility criteria and phasing thresholds that will be developed within 6 months as part of the applicable administrative procedures. In accordance with the Board-adopted policies set forth in Metro's Complete Streets Policy, Active Transportation Strategic Plan, and First/Last Mile Strategic Plan, complete streets projects and project elements are eligible for highway subfunds. State of good repair, maintenance and/or stand-alone beautification projects are not eligible for Highway subfunds. Other projects could be considered on a case-by-case basis as long as a nexus to Highway Efficiency and Operational Improvements can be shown, such as a measurable reduction in Vehicle Miles Traveled.

Examples of Eligible Projects:

- System and local interchange modifications
- Ramp modifications/improvements
- Auxiliary lanes for merging or weaving between adjacent interchanges
- Alignment/geometric design improvements
- Left-turn or right-turn lanes on state highways or arterials
- Intersection and street widening/improvements
- New traffic signals and upgrades to existing signals, including left turn phasing, signal synchronization, and all supporting infrastructure
- Turnouts for safety purposes
- Shoulder widening/improvements for enhanced operation of the roadway
- Safety improvements
- Freeway bypass/freeway to freeway connections providing traffic detours in case of incidents, shutdowns or emergency evacuations
- Express Lanes
- On-street bus priority infrastructure, including but not limited to bus lanes, signal prioritization, queue jumps, bus boarding islands/curb extensions, and bus stop improvements
- Class I, II, III, or IV bikeways
- Sidewalk improvements, including but not limited to widening, shade trees, and curb ramps

- Pedestrian safety improvements, including but not limited to bulb-outs, refuge islands, midblock crossings, pedestrian signals/beacons, raised intersections/pedestrian crossings, and scramble crosswalks
- Transportation infrastructure in a public right-of-way that supports the implementation of TDM strategies

The following shall replace subsection 'C. "Multi-Modal Connectivity" definition:' in its entirety.

“Multi-modal Connectivity” definition:

Multi-modal connectivity projects include those projects, which upon implementation, would improve regional mobility and network performance; provide network connections; reduce congestion, queuing or user conflicts; enhance multimodal efficiency, safety, equity, and sustainability; encourage ridesharing; and reduce vehicle miles traveled. Project should encourage and provide multi-modal access based on existing demand and/or planned need and observed safety incidents or conflicts. Subfunds are eligible for pre-construction and construction related work phases of projects with the restrictions outlined under “Pre-Construction Activities” title under Readiness in Section IX. State of good repair, maintenance and/or stand-alone beautification projects are not eligible for Highway subfunds.

Examples of Eligible Projects:

- Transportation Center expansions
- Park and Ride expansions
- Multi-modal access improvements
- New mode and access accommodations
- First/last mile infrastructure

The following shall replace subsection 'D. "Freeway Interchange Improvement" definition:' in its entirety.

“Freeway Interchange Improvements” definition:

Freeway Interchange Improvements includes those projects, which upon implementation, would improve regional mobility and system performance; enhance safety by reducing conflicts; improve traffic flow, trip reliability, and travel times; and reduce recurring congestion and operational deficiencies on State Highways. Similarly, improvements on major/minor arterials or key collector roadways which achieve these same objectives are also eligible under this category. Highway subfunds are eligible for pre-construction and construction related work phases of projects with the restrictions outlined under “Pre-Construction Activities” title under Readiness in Section IX. In accordance with the Board-adopted policies set forth in Metro’s Complete Streets Policy, Active Transportation Strategic

Plan, and First/Last Mile Strategic Plan, complete streets projects and project elements are eligible for highway subfunds. State of good repair, maintenance improvements and/or stand-alone beautification projects are not eligible for Highway subfunds.

The following shall replace subsection 'E. "Arterial Street Improvements" definition:' in its entirety.

"Arterial Street Improvements" definition:

Arterial Street improvements include those projects, which upon implementation would improve regional mobility and system performance; enhance multimodal efficiency, safety, equity, and sustainability; improve traffic flow, trip reliability, and travel times; and reduce recurring congestion and operational deficiencies. Projects must have a nexus to a principal arterial, minor arterial or key collector roadway. The context and function of the roadway should be considered (i.e., serves major activity center(s), accommodates trips entering/exiting the jurisdiction or subregion, serves intra-area travel) and adopted in the City's general plan. In accordance with the Board-adopted policies set forth in Metro's Complete Streets Policy, Active Transportation Strategic Plan, and First/Last Mile Strategic Plan, complete streets projects and project elements are eligible for highway subfunds. Highway subfunds are eligible for pre-construction and construction related work phases of projects with the restrictions outlined under

"Pre-Construction Activities" title under Readiness in Section IX. State of good repair, maintenance improvements and/or stand-alone beautification projects are not eligible for Highway subfunds.

Examples of Eligible Projects:

- Intersection or street widening
- Two-way left-turn or right turn lanes
- New traffic signals and upgrades to existing signals, including left turn phasing
- Sight distance corrections/improve alignment
- Turnouts
- Safety improvements
- On-street bus priority infrastructure, including but not limited to bus lanes, signal prioritization, queue jumps, bus boarding islands/curb extensions, and bus stop improvements
- Class I, II, III, or IV bikeways
- Sidewalk improvements, including but not limited to widening, shade trees, and curb ramps
- Pedestrian safety improvements, including but not limited to bulb-outs, refuge islands, midblock crossings, pedestrian signals/beacons, raised intersections/pedestrian crossings, and scramble crosswalks
- Transportation infrastructure in a street right-of-way that supports the implementation of TDM strategies

ATTACHMENT C - Summary Table of Comment Letters

Yes/No to Changes	Comment (Main Points)	Commenting Entity	Board Response
High Level Summary			
N	Do not apply proposed guideline changes to Metro approved Measure R and M projects	Palmdale, NCTC, San Gabriel Valley, Lancaster, PAC, Gateway Cities COG	Measure R and M projects are in various states of project development and environmental review. These projects are already subject to Metro and/or Caltrans' complete streets policies. The recommendations do not establish new requirements for these projects, but do expand eligibility for some project scope elements. Metro expects that projects that have already completed environmental review or are nearing completion will see little or no change as a result of these guidelines.
Y	Support incorporating multi-modal improvements within a project's scope	Joint ATP Coalition Letter, PAC, Gateway COG,	Metro provides for the incorporation of multimodal improvements into project scopes via the previously adopted Metro Complete Streets Policy.
N	Do not limit ability to develop capacity enhancement projects	Palmdale, Santa Clarita, NCTC, County of Los Angeles, Lancaster, Gateway COG, PAC, South Bay	The revised guidelines expand eligibility for multimodal improvements without limiting eligibility for more traditional capacity increasing projects.
N	Do not remove the 1 mile buffer from state highway system	Gateway Cities COG, Palmdale, NCTC, Lancaster	The revised guidelines expand eligibility for projects outside the 1-mile buffer, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Y/N	Allow for projects outside the 1 mile buffer to be eligible on a case by case basis	Gateway Cities COG, Palmdale, NCTC, Lancaster	The revised guidelines expand eligibility for projects outside the 1-mile buffer, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Y/N	Projects that reduce VMT should be considered on a case by case basis	NCTC, Arroyo Verdugo, Gateway, South Bay	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Y	Support using VMT as a performance metric	City of Los Angeles, Westside Cities, Joint ATP Coalition letter	Metro agrees with using VMT as a planning metric and will be using it in countywide planning processes as well as when required for project-level analysis.
N	Preserve the intent of the voter approved measures and their objectives of reducing congestion and traffic	Palmdale, Santa Clarita, NCTC, County of Los Angeles, Lancaster, Gateway COG, PAC,	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT. The recommendations do not modify the expenditure plans of voter-approved measures.
Y	Support proposed guideline changes	South Pasadena, Westside Cities, Joint ATP Coalition letter	Metro acknowledges the comment.
N	Highway and Congestion relief projects and initiatives are important. Do not limit ability to develop these type of improvements	County of Los Angeles, Gateway COG, NCTC, Palmdale, Lancaster, South Bay	The revised guidelines expand eligibility for multimodal improvements without limiting eligibility for more traditional capacity increasing projects.

N	Urban and Rural needs vary and complete street improvements might not be feasible in all locations of county	County of Los Angeles, NCTC, Palmdale, Lancaster, Gateway Cities	The previously adopted Metro Complete Streets Policy allows for context-sensitive solutions reflecting L.A. County's diverse geography and urban, suburban, and rural contexts. It also includes an exceptions process under specified circumstances.
N	Limit the eligibility of additional multi-modal improvements to the boundaries of highway corridor projects. Implementation of multi-modal improvements at any geographic location should not be permitted.	Gateway Cities COG, Palmdale, NCTC, Lancaster	The revised guidelines expand eligibility for projects outside of highway corridor boundaries, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Agency Specific Comments			
Do not limit ability to pursue or develop highway capacity enhancement projects		County of Los Angeles	The revised guidelines expand eligibility for multimodal improvements without limiting eligibility for more traditional capacity increasing projects.
Urban and rural geographic areas should be considered when evaluating complete street infrastructure, rural corridors may not be feasible for these type of improvements		County of Los Angeles	The previously adopted Metro Complete Streets Policy allows for context-sensitive solutions reflecting L.A. County's diverse geography and urban, suburban, and rural contexts. It also includes an exceptions process under specified circumstances.
Projects currently funded by the Measures should not be impacted by new requirements. This may lead to additional need for studies or redesign		County of Los Angeles	Measure R and M projects are in various states of project development and environmental review. These projects are already subject to Metro and/or Caltrans' complete streets policies. The recommendations do not establish new requirements for these projects, but do expand eligibility for some project scope elements. Metro expects that projects that have already completed environmental review or are nearing completion will see little or no change as a result of these guidelines.
Add bullet that clarifies Transportation System Management projects that improve roadway operations		County of Los Angeles	Improving roadway operations continues to be eligible under the revised guidelines.
Add freeway and arterial transportation system projects that improve roadway operations.		County of Los Angeles	Improving roadway operations continues to be eligible under the revised guidelines.
Retain the wording within one-mile of a state highway; or farther than one mile on a case by case basis to preserve the benefit to highway safety and mobility		Gateway Cities	The revised guidelines expand eligibility for projects outside the 1-mile buffer, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.

Define what new mode and access accommodations means	Gateway Cities	"New mode and access accommodations" is existing language under the "Multi-Modal Connectivity" program. It is only applicable to the Arroyo Verdugo subregion.
Retain the wording enhance safety by reducing conflicts. For subregions with high truck volumes this is a critical goal.	Gateway Cities	Under the revised guidelines, "safety improvements" would be eligible in all applicable categories. This language is broadened from the existing language, which only allowed "safety improvements that reduce incident delay."
Add to guidelines, other projects could be considered on a case-by-case basis as long as a nexus to highway efficiency and operational imp can be shown such as a measurable reduction in VMT or safety improvements.	Gateway Cities	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process. Under the revised guidelines, "safety improvements" would be eligible in all applicable categories.
Eligibility of multimodal improvements should be limited to the geographic parameters or boundaries of highway corridor projects. A bus priority or active transportation corridor that is an integral part of a highway project should be eligible.	Gateway Cities	The revised guidelines expand eligibility for projects outside of highway corridor boundaries, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization
Eligible new projects elements should be limited to major corridors to provide positive mobility relief and not be implemented anywhere.	Gateway Cities	The revised guidelines expand eligibility for projects outside of highway corridor boundaries, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Do not remove the words, "improve traffic flow" from highway improvement program. This language is part of the voter-approved ordinance and ballot language is critical term.	Gateway Cities	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT. The recommendations do not modify the language or expenditure plans of voter-approved measures.
Both sales tax measures were "sold" by promising to improve traffic congestions. Do not dilute integrity of freeway corridor based plans with broad definitions.	Gateway Cities	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT. The recommendations do not modify the language or expenditure plans of voter-approved measures.
Measure R and M highway program funding is extremely important to address severely impacted roadways (freeway and highway). Most residents still need a car for basic mobility <u>need and access. Do not diminish effectiveness of highway projects</u>	Gateway Cities	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT.
Highways and Arterials are imperative to mobility and limited alternatives are available to the freeway network. Do not limit ability to develop SR-138 safety roadway enhancements or SR-14 bottleneck improvements.	Lancaster	Measure R and M projects are in various states of project development and environmental review. These projects are already subject to Metro and/or Caltrans' complete streets policies. The recommendations do not establish new requirements for these projects, but do expand eligibility for some project scope elements. Metro expects that projects that have already completed environmental review or are nearing completion will see little or no change as a result of these guidelines.

Do not force the study of complete street concepts in areas not viable.	Lancaster	The previously adopted Metro Complete Streets Policy allows for context-sensitive solutions reflecting L.A. County's diverse geography and urban, suburban, and rural contexts. It also includes an exceptions process under specified circumstances.
While expanding use of highway program funds makes sense in some subregions, do not make the guideline changes at the expense of North Los Angeles County which relies on the scarce highway program funds.	Lancaster	The revised guidelines expand eligibility for multimodal projects, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Do not adversely impact current approved projects in the pipeline	Lancaster	Measure R and M projects are in various states of project development and environmental review. These projects are already subject to Metro and/or Caltrans' complete streets policies. The recommendations do not establish new requirements for these projects, but do expand eligibility for some project scope elements. Metro expects that projects that have already completed environmental review or are nearing completion will see little or no change as a result of these guidelines.
Do not reduce the strength of these programs to provide congestion relief benefits to our residents.	Lancaster	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT.
Voter measures with tax increases were justified by allocating funds to improve traffic. do not exclude or restrict ability to improve vehicular traffic.	Palmdale	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT. The recommendations do not modify the language or expenditure plans of voter-approved measures.
Equitably consider the needs of all jurisdictions impacted by Metro's highway modernization efforts. Do not remove any eligible project opportunities	Palmdale	The revised guidelines expand eligibility for multimodal improvements without limiting eligibility for more traditional capacity increasing projects.
Do not remove the ability to have projects within a specific distance from a state highway and do not exclude improving vehicular traffic.	Palmdale	The revised guidelines expand eligibility for projects outside the 1-mile buffer, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Provide flexibility in guideline changes, but preserve the original intent of the voter approved ballot measures.	Santa Clarita	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT. The recommendations do not modify the language or expenditure plans of voter-approved measures.
Do not force study of complete street concepts or limit ability to spend funds on highway capacity enhancements that Measure R and M intended.	NCTC	The revised guidelines expand eligibility for multimodal improvements without limiting eligibility for more traditional capacity increasing projects.
Changing Measure R definition to "improve multimodal efficiency, safety, equity sustainability" prohibits intent of Measure R and improving vehicle flow projects don't meet intent anymore.	NCTC	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT. The recommendations do not modify the language or expenditure plans of voter-

Removal of "within 1-mile of state highway" negatively impacts existing projects.	NCTC	The revised guidelines expand eligibility for projects outside the 1-mile buffer, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Add bike facilities, sidewalk/curb ramps, ped improvements on case-by-case basis.	NCTC	Metro provides for the incorporation of multimodal improvements into project scopes via the previously adopted Metro Complete Streets Policy.
Allow project sponsors to use metrics and eligibility criteria appropriate to the projects needs and benefits	South Bay	The revised guidelines expand eligibility, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Allow highway projects to be funded that reduce delay on congested streets or that reduce VMT	South Bay	The revised guidelines expand eligibility for multimodal projects and projects that ease congestion by reducing VMT.
Do not use VMT only performance criteria. Improvement in LOS maybe occur without improving VMT.	South Bay	Metro agrees with using VMT as one of multiple planning metrics and will be using it in countywide planning processes as well as when required for project-level analysis. The revised guidelines expand eligibility, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Support inclusion of complete street elements in a project	South Bay	Metro provides for the incorporation of multimodal improvements into project scopes via the previously adopted Metro Complete Streets Policy.
Do not impact the scope, schedule or budgets of approved projects	San Gabriel Valley	Measure R and M projects are in various states of project development and environmental review. These projects are already subject to Metro and/or Caltrans' complete streets policies. The recommendations do not establish new requirements for these projects, but do expand eligibility for some project scope elements. Metro expects that projects that have already completed environmental review or are nearing completion will see little or no change as a result of these guidelines.
Oppose policy changes that affect already approved projects for this subregion or other subregions.	Arroyo Verdugo	Measure R and M projects are in various states of project development and environmental review. These projects are already subject to Metro and/or Caltrans' complete streets policies. The recommendations do not establish new requirements for these projects, but do expand eligibility for some project scope elements. Metro expects that projects that have already completed environmental review or are nearing completion will see little or no change as a result of these guidelines.
Local agencies and subregions should retain flexibility to address their local needs.	Arroyo Verdugo	The revised guidelines expand eligibility, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.

Allow for local agencies and subregions to retain flexibility to use other performance metrics	Arroyo Verdugo	Metro agrees with using VMT as one of multiple planning metrics and will be using it in countywide planning processes as well as when required for project-level analysis. The revised guidelines expand eligibility, but continue to delegate project selection to subregions. Subregions may choose to fund or not fund any individual project based on their own prioritization process.
Public Comments		
Require projects to improve access and/or safety features for bicycle, pedestrian and wheelchair users. Make projects ineligible if they require ROW of residential property and/or create unnecessary dangerous conditions for pedestrians		Public
Highway widening/expansion funds should be used for HOT lanes. Also consider updating general use lanes to HOT Lanes to increase travel times		Public
Highway funds should be used to connect carpool lanes. SR-134/I-5 carpool lanes end and start up again		Public
Improve sidewalks, shoulders and bikelane connections for cyclist and pedestrians		Public
Invest more in active modes of transit for bikers and walkers		Public
relevant, reputable and recent studies to justify why the proposed improvement are needed should be required. Projects that reduce Vehicle Miles Traveled, Green House Gases and improve multimodal connectivity are supported by Caltrans.		Caltrans



Board Report

File #: 2021-0288, **File Type:** Contract

Agenda Number: 37.

**CONSTRUCTION COMMITTEE
JUNE 17, 2021**

**SUBJECT: SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICE
CONTRACT**

ACTION: CONTRACT MODIFICATION TO EXERCISE OPTION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXERCISE a one-year option for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for the Engineering Design of Rail and Highway Transportation Projects, extending the period of performance from June 22, 2021 through June 22, 2022;
- B. INCREASE the total authorized contract value for Contract No. AE36687 with Mott MacDonald Group for Supplemental Engineering Services for Engineering Design for Rail and Highway Transportation Projects in an amount not-to-exceed \$5,000,000 increasing the total contract value from \$17,500,000 to \$22,500,000. Work will only be authorized by specific task orders, funded by specific project budgets; and
- C. NEGOTIATE and EXECUTE Task Orders and modifications within the Board approved funding amount.

ISSUE

On June 15, 2017, the Board approved a three-year cost-plus fixed fee contract for Supplemental Engineering Services with Mott MacDonald Group for Engineering and Design of Rail and Highway Transportation Projects plus two one-year options at \$5,000,000. On May 28, 2020, the Board approved an option of one year and \$2,500,000 increase in the authorized contract value. The current board action is for approval to exercise a one-year option and an additional \$5,000,000 in authorized contract value for the Contract to a total not-to-exceed amount of \$22,500,000. The approval of the exercise of this option will provide for a contract extension of time and increase the authorized funding limit to complete the Engineering and Design services that are currently underway.

BACKGROUND

The Mott MacDonald Group has been providing engineering and design support services on several projects through various task orders. One of these task orders includes preliminary engineering services for the Metro G Line (formerly Orange Line) BRT Improvements consisting of Grade Separation at Sepulveda and Van Nuys Stations and the G Line Gating for 41 at-grade crossings. The preliminary engineering design of the Metro G Line BRT Improvements is not yet complete and will require additional time and budget. The current requested board action will provide the additional time and increase in the authorized contract value to complete this project.

DISCUSSION

Metro Engineering has developed this SES Contract to supplement Metro's engineering efforts. The SES consultant team has the capability of supporting its engineering group's technical disciplines.

Examples of Task Orders issued under this contract to date are:

- Preliminary engineering services for Metro G Line BRT Improvements
- Metro A Line Special Trackwork Design
- Metro A Line Fare Gates Addition Project
- Metro L Line Track 2 Near Harbor Freeway Station Survey
- Expo/Crenshaw West Side Portal Conceptual Design
- Metro E Line MSE Walls 726 and 727 Survey Monitoring Program
- Metro G Line Colfax Recycled Water Project
- Conceptual Design/Planning in Support of the Metrolink SB/L Line Task Force
- Metro G Line ROW and Easement Survey for Immediate Remedial Measures

The technical proficiencies required for this SES contract (PS8510-3002) are very comprehensive and include all engineering and specialties disciplines which Metro may require in support of its projects. These include the following:

General Services include:

1. Preliminary and Final Design of Transportation including Rail and Highway Projects.
2. Design Review Support & Coordination for CIP projects & other special projects.
3. Production of Project Status, Technical and Engineering Reports.
4. Design of Structures, Stations and Guideways.
5. Facilities/Systems Interface Coordination.
6. Surveying Services.
7. Cost Estimating.
8. Intra/Inter Disciplinary Coordination.

9. Scheduling and Cost Management for Task Orders.
10. Post Design Services including Bid and Design Support during Construction.
11. Administrative Tasks associated with General Engineering Support Services.

Specific Rail Facilities and Third-Party Utility Design Services include:

12. Engineering Services for Review and Approval of Metro Projects.
13. Development of Technical Specifications, Drawings and Reference Documents.
14. Engineering Services for support of Metro Rail Operations and Maintenance.
15. Land Surveying and Legal Description.
16. Potholing.
17. Geotechnical Services, Borings and Reports.
18. Civil & Utility Engineering
19. Civil & Utility Engineering. Drainage Design and Hydraulic Calculations.
20. Structural Engineering.
21. Bridges and Aerial Structure Design.
22. Tunnels, Trenches and Underground Station Design.
23. Track Work Engineering, Plan and Profile.
24. CPUC Grade Crossing Application including attendance to field diagnostic meetings.
25. Yard and Shop Rail Maintenance Facility Design.
26. Architectural Design.
27. Station Site Development.
28. Urban Design Integration.
29. Landscape Architecture.
30. Traffic Control Plans including Striping Drawings and Signal Drawings.
31. CADD and MicroStation Drawings.
32. BIM Services and Training.
33. Project Presentation including Three-Dimensional Rendering.
34. Corrosion Control Measures and Cathodic Protection.
35. Value Engineering and Cost Reduction
36. Noise and Vibration Analysis including Site Visits, Measurement and Mitigation.
37. Any other engineering or technical discipline not listed above that is ancillary to the Statement of Work and consistent with the general requirements of an approved Task Order.
38. HVAC design including HVAC and emergency ventilation.
39. Electrical Design.
40. Plumbing Design.
41. Fire Protection Design

DETERMINATION OF SAFETY IMPACT

This Board Action will not have an impact on established safety standards for Metro's Construction Projects.

FINANCIAL IMPACT

The funding for these services is included in the approved FY21 and FY 22 budget in various Capital Projects. Task Orders will be issued and funded from the associated future fiscal year and Life-of-Project (LOP) budgets. The funding source differs depending on the individual project. These activities will remain within the approved LOP for each project. The specialized design for the Metro G Line Grade Separation requires additional Task Order Modifications which would exceed the current Not to Exceed Amount.

Since this is a multi-year contract, the cost center manager and Interim Chief Program Management Officer, will be accountable for the budgeting the cost of the annual work program for each fiscal year for the term of the contract, including any options exercised.

IMPACT TO BUDGET

The funding for the task orders are provided by the specific project requiring the services. The source for these funds is in line with the respective projects' funding plans and fund sources may consist of federal and/or state grants as well as local funds. Many of the state of good repair projects are funded with local funding sources that are eligible for rail and bus operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This will promote Metro's strategic goal of expanding the transportation network and increasing mobility for all users.

ALTERNATIVES CONSIDERED

The Board may elect to not exercise these positions with Mott MacDonald for the Supplemental Engineering Services. Staff does not recommend this alternative as the design they are assigned are in various degrees of design development, construction or and the cost and schedule for each of these projects would be significantly impacted. Specifically, Mott Macdonald is performing preliminary engineering services for the Metro G Line BRT which requires extensive amount of coordination between Sepulveda Transit Corridor and East San Fernando Valley Transit Corridor (ESVFTC) projects as both projects have a station at the Metro G Line. The interface between ESVFTC terminus station with the proposed aerial station for Metro G Line improvements at Van Nuys is particularly important and requires extensive coordination between the two design teams to create a seamless circulation and transfer for the patrons using the station. Mott MacDonald has been performing this task, but the preliminary engineering design of the Metro G Line BRT Improvements is not yet complete and will require additional time and budget. Not exercising these options will adversely affect these three important projects. In addition, the cost of procuring another consultant in a timely manner would create potential delay to existing contracts where they are currently supporting Metro Engineering staff to design these projects.

Another alternative would be to hire Metro staff to perform the required services. This alternative is also not recommended as it would be difficult to obtain qualified staff in a timely manner, and the services are only required on a periodic basis for peak workloads or specific tasks over the life of the project.

NEXT STEPS

Upon Board approval, staff will issue a Contract Modification to exercise the second one-year option, and issue Contract Task Orders, as needed.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Task Order/Modification Log
Attachment C - DEOD Summary

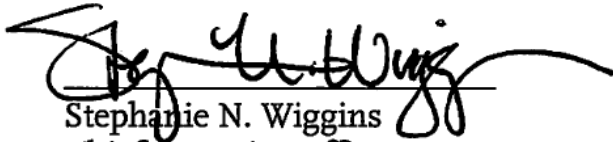
Prepared by:

Androush Danielians, Senior Executive Officer, Engineering (213) 922-7598

Reviewed by:

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

Bryan Pennington, Interim Chief Program Management Officer (213) 922-7557



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

SUPPLEMENTAL ENGINEERING SERVICES (SES)

1.	Contract Number: AE36687		
2.	Contractor: Mott MacDonald Group		
3.	Mod. Work Description: Additional Funding for additional Contract Task Orders for G Line BRT Improvements		
	Contract Work Description: Supplemental Engineering Services(SES)		
5.	The following data is current as of: May 10, 2021		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	June 22, 2017	Original/Current authorized funding limit: \$ 17,500,000.00
	Contract Executed Date:	July 17, 2017	Total of Contract Work Orders and Modifications Approved: \$ 14,912,355.70
	Original Completion Date:	June 22, 2020	Pending and Proposed Contract Work Orders and Modifications (including this action): \$ 7,587,644.30
	Current Est. Completion Date:	June 22, 2022	Total authorized funding limit (with this action): \$ 22,500,000.00
7.	Contract Administrator: Robert Romanowski		Telephone Number: (213) 922-2633
8.	Project Manager: Androush Danielians		Telephone Number: (213) 922-7598

A. Procurement Background

On June 22, 2017, the Board approved award of Contract No. AE36687 with Mott MacDonald Group for three years with funding approval through FY2020 in the amount of \$15,000,000, for the Scope of Work included in the Supplemental Engineering Services (SES) Contract. This is a cost reimbursable plus fixed fee contract and services are authorized by individual Task Orders.

On May 28, 2020, the Board approved the exercise of a one-year option including an increase of \$2,500,000 in authorized funding for a total authorized funding limit not-to-exceed \$17,500,000.00.

Attachment B shows that twenty-three Contract Task Orders and their Modifications have been issued to date, totaling \$14,912,355.70.

This Board Action is to approve the exercise of a final one-year option and to increase the total authorized funding for Contract No. AE36687 in support of additional Supplemental Engineering Services (SES) needs.

B. Cost/Price Analysis

All direct labor rates, as modified by an annual economic price adjustment, indirect costs rates, as modified by an audit of the actual rate for each year, and the negotiated fixed fee factor for this cost reimbursable plus fixed fee contract remain unchanged from the original contract.

A fair and reasonable cost for all future Contract Task Orders will be determined based upon fact finding, scope definition, technical evaluation, cost analysis, and negotiations before issuing work to the Consultant. Contract Task Orders will be processed in accordance with Procurement Policies and Procedures, within the additional funding requested.

ATTACHMENT B

**CONTRACT TASK ORDER / MODIFICATION LOG
CONTRACT NO. AE36687**

Mod/Task Order (TO) No.	Description	Status	Contract Funding Limit (A)	Mod / TO Value (B)	Board Approved CMA (C)
	Original Award	Approved	\$15,000,000.00		N/A
AE36687-MOD-00001	Administrative Mod to delete unneeded SP's	Approved		\$ 0.00	
AE36687-MOD-00002.1	Add Article VIII Pricing of Task Orders to Contract	Approved		\$ 0.00	
AE36687-MOD-00003	Economic Price Adjustment for Contract Year 2 for Direct Labor Rate Ranges	Approved		\$ 0.00	
AE36687-MOD-00004	Modify Contract Funding Limit NTE and Exercise Option to Extend Period of Performance for One Year as approved by the Board 05/28/2020	Approved	\$ 2,500,000.00		
Approved Contract Funding Limit			\$17,500,000.00		
AE36687-TO-001	MOL Improvements Project - Preliminary Engineering Services, as modified by MODS 0001 through 0004	Approved		\$11,203,000.00	
AE36687-TO-001A	MOL BRT Improvements - Engineering Support for Outreach Program	Approved		\$ 112,200.00	
AE36687-TO-002	SES – Geotechnical Engineering Support, as modified by MODS 0001 through 0003.1	Approved		\$ 76,083.20	
AE36687-TO-003	Sepulveda Blvd Survey at Ovada PL	Approved		\$ 18,916.33	
AE36687-TO-004	Cancelled				
AE36687-TO-005	MBL Special Trackwork Design, as modified by MODS 00001 through 00005	Approved		\$ 891,296.43	
AE36687-TO-006	Virginia TPSS Survey Services	Approved		\$ 10,297.88	

AE36687-TO-007	Blue Line Fare Gates Addition Project Site Services	Approved		\$ 14,149.60	
AE36687-TO-008	Cancelled				
AE36687-TO-009	Lankershim Depot Park Topographic Survey Services	Approved		\$ 3,375.20	
AE36687-TO-010	Lankershim Depot Park Landscape Architect - Design Review Services, as modified by MODS 00001 through 00002	Approved		\$ 21,859.79	
AE36687-TO-011	Metro Blue Line Del Amo Station Survey	Approved		\$ 10,533.00	
AE36687-TO-012	Legal Description Review for Vista Canyon/City of Santa Clarita Development Project, as modified by MODS 00001 through 00002	Approved		\$ 14,659.25	
AE36687-TO-013	Metro Green Line Track 2 Near Harbor Freeway Station Survey and its MOD 00001	Approved		\$ 36,250.00	
AE36687-TO-014	Expo/Crenshaw West Side Portal Conceptual Design as modified by MODS 00001 through 00003	Approved		\$ 133,983.00	
AE36687-TO-015	Metro Expo II Line MSE Walls 726 and 727 Survey Monitoring Program	Approved		\$ 55,759.00	
AE36687-TO-016	Metro Expo II Line MSE Walls 726 and 727 - Top of Rails Survey	Approved		\$ 32,914.00	
AE36687-TO-017	Metro Orange Line Colfax Recycled Water Project, and its MODS 00001 and 00002	Approved		\$ 202,589.00	
AE36687-TO-018	Washington Satellite Yard Topographic Survey for the New Blue Project and MODs 00001 through 00003	Approved		\$ 25,422.02	
AE36687-TO-019	Conceptual Design/Planning in Support of the Metrolink SB/Gold Line Task Force and MOD 00001	Approved		\$ 443,999.00	
AE36687-TO-020	Landscape Arch. Support for Metro Expo Line Bike Path Landscape Repairs/Turn over	Approved		\$ 24,739.00	
AE36687-TO-021	Ridership Modeling and Risk Analysis and MOD 00001	Approved		\$ 78,372.00	

AE36687-TO-022	Metro Gold Line ROW and Easement Survey in the Vicinity of N Virginia Ave Grade Crossing Azusa	Approved		\$ 24,018.00	
AE36687-TO-023	MOL Improvements Project - Pilot Gates Project	Approved		\$ 1,477,940.00	
Subtotal Approved Task Orders and Task Order Modifications				\$14,912,355.70	
AE36687-TO-001-MOD-00004	Metro G Line (Orange) BRT Improvements Project – additional Engineering	Pending		\$ 1,500,000.00 (Estimated)	
AE3687-TO-023-MOD-00001	MOL Improvements Project - Pilot Gates Project – Additional ODC and DSDC for Installation Subcontract	Pending		\$ 1,500,000.00 (Estimated)	
TBD	Future Proposed Task Orders per Board Report list of eligible Projects	Proposed		\$ 4,587,644.30	
Subtotal Pending and Proposed Task Orders and Task Order Modifications				\$ 7,587,644.30	
SUMMARY					
Subtotal Approved Task Orders and Task Order Modifications				\$14,912,355.70	
Subtotal Pending and Proposed Task Orders and Task Order Modifications				\$ 7,587,644.30	
TOTAL Approved, Pending, and Proposed Task Orders and Modifications including This Board Action				\$22,500,000.00	
Original Funding Limit					\$15,000,000.00
Exercise of First Option, Approved 05/28/2020 by the Board					\$ 2,500,000.00
Exercise of Second Option, including This Board Action					\$ 5,000,000.00
TOTAL AUTHORIZED FUNDING LIMIT					\$22,500,000.00

DEOD SUMMARY

**SUPPLEMENTAL ENGINEERING SERVICES (SES) CONSULTANT SERVICE
CONTRACT/AE36687**

A. Small Business Participation

Mott MacDonald Group made a 17% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) commitment for this contract. The overall SBE/DVBE participation for this on-call contract is based on the cumulative of all Task Orders (TOs) issued.

To date, twenty-three (23) task orders and subsequent modifications have been awarded. Based on payments reported, the contract is 86.69% complete, and the cumulative SBE participation is 25.06%, which exceeds the commitment by 8.06%. The cumulative DVBE participation is 1.76%, representing a 1.24% shortfall.

Mott MacDonald Group explained that Metro changed the procurement strategy for the G Line gated crossing improvements from *Design-Bid-Bid* to *Progress Design-Build* for which they had anticipated significantly more design work by DVBE MA Engineering. Also, DVBE Leland Saylor provides cost estimating services and Mott MacDonald Group has not had a significant task order issued where estimating was a part of the scope and has not been able to utilize Leland Saylor as anticipated. Mott MacDonald Group affirmed that it would continue to look for opportunities for MA Engineering and Leland Saylor for the remainder of the contract duration.

Notwithstanding, Metro Project Managers and Contract Administrators will work in conjunction with DEOD to ensure that Mott MacDonald Group remains on schedule to meet or exceed its SBE/DVBE commitments. Metro staff will request that Mott MacDonald submit updates to its mitigation plan if it is not on track to meet its small business commitment. Additionally, key stakeholders associated with the contract have been provided access to Metro’s online monitoring system to ensure that all parties are actively tracking Small Business progress.

Small Business Commitment	SBE 17% DVBE 3%	Small Business Participation	SBE 25.06% DVBE 1.76%
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	SBE Subcontractors	% Committed	Current Participation¹
1.	Anil Verma	TBD	1.62%
2.	Arellano Associates	TBD	TBD
3	BA, Inc.	TBD	9.23%
4.	Earth Mechanics	TBD	0.81%
5.	Engineering Solutions Services	TBD	TBD
6.	Gibson Transportation	TBD	TBD

7.	Lenax	TBD	1.29%
8.	McLean & Schultz	TBD	2.50%
9.	Morgner Construction Management	TBD	TBD
10.	PacRim Engineering	TBD	0.43%
11.	Rail Surveyors Engineers	TBD	3.58%
12.	Terry Hayes and Associates	TBD	TBD
13.	The Alliance Group	TBD	0.94%
14.	The Solis Group	TBD	0.27%
15.	Wagner Engineering	TBD	4.28%
16.	TransLink Consulting	Added	0.12%
	Total	17%	25.06%

	DVBE Subcontractors	% Committed	Current Participation¹
1.	Leland Saylor	TBD	0.23%
2.	MA Engineering	TBD	1.53%
	Total	3%	1.76%

¹Current Participation = Total Actual amount Paid-to-Date to SBE/DVBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Living Wage and Service Contract Worker Retention Policy Applicability

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

C. Prevailing Wage Applicability

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

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



File #: 2021-0432, File Type: Informational Report

Agenda Number: 42.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 17, 2021**

SUBJECT: FARELESS SYSTEM INITIATIVE (FSI) UPDATE JUNE 2021

ACTION: ORAL REPORT

RECOMMENDATION

RECEIVE oral report on Fareless System Initiative (FSI) Update.

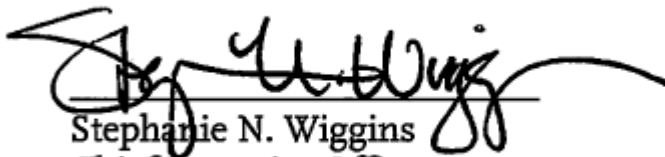
ATTACHMENTS

Attachment A - File # 2021-0372 Approved Motion on Fareless System Initiative (FSI) May 2021

Prepared by: Devon Deming, Interim Deputy Executive Officer, FSI (213) 922-7957

Reviewed by:

Elba Higueros, Chief Policy Officer, OCEO, (213) 922-6820



Stephanie N. Wiggins
Chief Executive Officer



Board Report

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

Agenda Number: 45.

REVISED
REGULAR BOARD MEETING
MAY 27, 2021

Motion by:

DIRECTORS GARCETTI, MITCHELL, AND KREKORIAN

Fareless System Initiative

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

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

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

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

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

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

FSI's advancement and next steps.

SUBJECT: FARELESS SYSTEM INITIATIVE

RECOMMENDATION

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

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

Administrative Coordination

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

Funding

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

Follow-Up

- F. Report to the Board monthly on the development, launch, and performance of the Fareless System Initiative. The first update should include:
1. A mission statement and goals for the FSI pilot;
 2. Lists of interested municipal operators, school districts, and community college districts;
 3. An update on the refined FSI financial plan; and
 4. Identification of a cross-departmental implementation team.

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

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

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

BONIN AMENDMENT:

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

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

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

Metro's Fareless System Initiative (FSI)

Fareless System Initiative (FSI) Update
Executive Management Committee
Thursday, June 17, 2021

Devon Deming
Interim Deputy Executive Officer
Fareless System Initiative (FS)
demingd@metro.net
(213) 978-7957



Implementation Team

FSI Implementation is an agency-wide initiative and will require support from every department.

- CEO appointed Devon Deming as Interim DEO on June 1
- FSI Implementation reports to OCEO

Phase 1 Implementation Team Includes:

- Operations (including Service Planning)
- Finance (OMB and TAP)
- Communications (Reduced Fare/Customer Care, Community Relations, Marketing, Government Relations, and Public Relations)

Program Goals (Phase 1)

- Phase 1 (K-14)
 - To make access to transit fareless for all K-12 and community college students in LA County through cost-sharing partnerships with districts (school and community college) and transit agencies.
 - Feasible funding plan for Phase 1
 - Program could start as early as August 2021 for at least 18-month pilot

K-12 District Partnerships: Status

Proposed cost-sharing for District K-12 Partnerships would be \$3 per student per year for all students in district and would include:

- Distribution of free TAP Cards through District
- Unlimited rides on all participating transit agencies in LA County

We are surveying districts, conducting online information sessions, and one-on-one meetings to reach as many districts as possible quickly. In preliminary meetings with school districts, this \$3 proposal has been well-received.

K-12 Launch

- K-12 Pilot (Preliminary)
 - All K-12 TAP cards (rider class) would be recognized by the Metro system to allow students to board without requiring fare to be loaded on the card (same as LADOT DASH to Class)
 - 40,000 existing K-12 TAP cards would automatically be eligible
 - 500,000 additional K-12 cards available for distribution through Districts and more on order
 - Schools would be required to track distribution for school purposes, but not share any student information with Metro
 - Simple online registration process for performance data

Community College Launch

- Community College Launch (Preliminary)
 - Currently, 18 out of 20 Community Colleges have existing cost-sharing agreements with transit agencies
 - Cerritos College has verbally agreed to participate
 - College of the Canyons pending meeting
 - Proposed cost sharing is based on the muni/college agreements already in place
 - Metro's U-Pass program would need to transition from "Opt-In" to "Opt-Out", which would require contract amendments for existing schools. This is recommended to streamline the programs and to be consistent with the muni/college agreements

Status of Phase 1 Funding Plan

- Three school districts interested in cost-sharing
- \$100,000 funding from already-planned CARB STEP mobility grant benefits FSI with same technical infrastructure.
- Evaluating if \$80 Million to defease bonds can be shifted to Phase 2
- Calculating lost fare revenue estimate for Metro
- Evaluating financial impact of LACMOA/LTSS request to cost-share 50% of lost fare revenue up to 2019 NTD Ridership levels
- Currently evaluating the use of Federal ARPA funds, and any other funding

Next Steps

- Continued outreach to all stakeholders and finalization of Phase 1 funding plan
- If key deal terms are finalized per May Board Motion, then a written board report will be agendaized for full Board consideration at its meeting on June 24th



Fareless System Initiative

Fact Sheet
April 2021



Board Report

File #: 2021-0452, **File Type:** Informational Report

Agenda Number: 50.

REGULAR BOARD MEETING JUNE 24, 2021

SUBJECT: FARELESS SYSTEMS INITIATIVE NEXT STEPS

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE a status report in response to Board Motion 45 by Directors Garcetti, Mitchell, Krekorian, Hahn, Bonin, and Solis at the May 2021 Board Meeting.

ISSUE

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

BACKGROUND

In September 2020, former CEO Phil Washington created the Fareless System Initiative (FSI) Task Force to study the challenges and opportunities of eliminating fares on Metro buses on trains and make recommendations on steps toward accomplishing that goal.

The May 2021 Board Motion requested the FSI Pilot to “be scaled and/or targeted in a manner that best aligns with Metro’s Equity Platform, adopted by the Board in March 2018” and to utilize “opportunities to expand or adjust existing fare subsidy programs to maximize community benefit.”

Department of Education data shows that 69% of 1.4 million K-12 students in LA County qualify for the Free and Reduced-price Meals for low-income families. Furthermore, according to the Centers for Disease Control (CDC), obesity rates are increasing in LA County, with 24.3% of adults and more than 20% of junior high school students being obese and the highest obesity rates of up to 37% occurring in low-income neighborhoods. Under the CDC’s Communities Putting Prevention to Work (CPPW) initiative, LA County has implemented a variety of improvements to make healthy living easier, including the creation of a regional bicycle master plan and model streets that encourage

healthy and active lifestyles. American Heart Association research has shown that people who take public transit are 44% less likely to be overweight, 27% percent less likely to have high blood pressure, and 34% percent less likely to have diabetes, when compared to people who drive.

Surveys from the Manual Arts High School U-Pass Pilot show that, in addition to school trips, students use transit to access internships, jobs, sports and activities, medical appointments, and to visit family. Metro's Community Education (MCE) Programs educates communities and students about using Metro focusing on rail, bike and pedestrian safety. MCE also helps teachers plan field trips to cultural destinations around Los Angeles using transit.

Eighty percent of students in the California Community College System work while attending school and many attend more than one school simultaneously. Graduating from a California Community College nearly doubles an individual's chance of finding a job compared to those who did not complete high school, and jobs that require workers to have an associate degree have an average annual wage of almost \$53,000, compared to \$36,100 for workers in high school-level occupations, according to the U.S. Bureau of Labor Statistics.

A recent study by the Institute for Higher Education Leadership & Policy at Cal State Sacramento showed that only 30% of community college students successfully graduate, with only 26% of African American students and 22% of Latino students earning a degree. However, a Kresge Foundation study of the U-Pass Program at Rio Hondo College showed that students receiving a transit pass had a 2% higher graduation rate than students not participating in the program.

DISCUSSION

Based on the study, and the May Board Motion, staff is managing a phased pilot approach, starting with K-12 and community college students in Phase 1.

Goals and Implementation Team

Phase 1 of the FSI Pilot Program will increase ridership, increase student success, and improve student health by building on existing Metro and regional student pass programs, to make access to transit fareless for all K-12 and community college students in LA County through cost-sharing partnerships with districts (school and community college) and transit agencies.

FSI Implementation is an agency-wide initiative and will require support from every department. To that end, CEO Stephanie Wiggins appointed Devon Deming as Interim Deputy Executive Officer on June 1 to oversee FSI Implementation, which reports to the Office of the CEO.

The cross-departmental Phase 1 Implementation Team Includes:

- Finance (OMB and TAP)
- Operations (including Service Planning)
- Communications (Reduced Fare/Customer Care, Community Relations, Marketing, Government Relations, and Public Relations)

Administrative Coordination

The Board Motion requested:

1. Strategies to streamline and simplify the eligibility process for participants, striving to remove as many barriers to entry as possible
2. An efficient implementation process, as well as agreements with the school districts, to be put in place to distribute fareless K-12 and Community College student passes.
3. Partnering with school districts on administrative coordination to enable availability at pilot launch to all LA County school and community college districts (based on each district's interest), including but not limited to any required Memoranda of Understanding or TAP coordination
4. Pursue reasonable cost-sharing agreements with school districts;
5. While FSI remains a pilot, existing funding agreements and processes with community colleges and transit agencies should be kept in place, including leveraging any existing student transportation fee programs
6. Wherever municipal operators have existing fareless agreements with community college districts, consider accepting muni student transit passes on Metro for the duration of the pilot
7. Seek new funding agreements for districts without any existing discounted or fareless student pass programs (e.g., U-Pass)

To simplify the process, Metro will follow the implementation method developed by TAP and utilized by LADOT to launch the free DASH to Class program. The TAP system will be programmed to recognize K-12 TAP Cards on Metro and other FSI-participating operators without needing any passes or stored value to be loaded. All 40,000 existing K-12 TAP cards would automatically be eligible.

In addition to already-registered students, schools will be able to distribute TAP cards directly to their students who are not registered. Schools will not be required to share any student information with Metro and will only be asked to ensure that each student only receives one card. Cards will need to be registered by the parents on a simplified web portal with minimal information to prepare the card for use and to ensure that it can be easily replaced if lost. Metro will also ask parents for permission to follow-up with additional communication to analyze the success of the program. This simplified registration portal will also be the foundation for other programs in the future, including for large scale events, such as the 2028 Olympics.

Schools will be able to sign up to participate in cost-sharing agreements at a proposed rate of \$3 per student per year for all students in the district. This rate will cover the cost of the TAP card and unlimited rides on all FSI agencies for 12 months and will eliminate the need for schools to purchase monthly passes for homeless and foster youth or attendance improvement or other transit pass programs.

A similar card distribution and TAP registration portal process will be used for community colleges. However, existing agreements between community college agreements will remain in place and passes that are currently only good on individual municipal operators will be transitioned to regional passes accepted by all FSI agencies. In addition, schools that are currently only providing passes to

students who opt-in to the transit program will be encouraged to upgrade to the pass program that provides passes to all students.

Out of the twenty community colleges in LA County:

- Five have existing agreements with municipal transit agencies that are implemented as a transportation fee to all students, but only provide access to the local agency's service .
- One college in Metro's U-Pass Program also utilizes a transportation fee, but the pass includes access to services on Metro and the nine other agencies participating in U-Pass Program
- Seven offer Metro's U-Pass Program only to students who opt-in and pay for the pass
- Five of the nine Los Angeles Community College District campuses offer free U-Passes to College Promise participants who opt-in, but do not offer passes to the remaining students

Of the remaining two colleges, Cerritos College has already committed to a cost sharing agreement to implement this program for all students. In addition, the following K-12 districts (25) from throughout the county have expressed interest in participating in cost-sharing at the \$3 per student rate:

1. Baldwin Park
2. Basset
3. Claremont
4. Culver City
5. El Monte Union High
6. El Rancho
7. Girls Athletic Leadership School Los Angeles
8. Glendora
9. Hacienda - La Puente
10. Hughes-Elizabeth Lakes Union Elementary
11. ICEF Public Schools
12. Larchmont Charter
13. Lawndale Elementary
14. Little Lake City Elementary
15. Los Angeles Academy of Arts and Enterprise
16. Monrovia Unified
17. Montebello Unified
18. Mountain View Elementary
19. Newhall
20. North Valley Military Institute
21. Palmdale Elementary
22. Pasadena Unified
23. Santa Monica-Malibu Unified
24. South Whittier Elementary
25. William S. Hart Union High

Funding

The Board Requested:

1. A final funding plan to be created
2. Report back in the financial plan with information on the costs, including administration, technology, and enforcement, of the proposed pilot program compared to a universal fare-free system.
3. The initiative to be funded without reducing existing transit operations or state of good repair expenditures or by using regional funding typically committed to bus and rail transit operations or intended for the capital program
4. Municipal and local operators that choose to participate be fully included and provided the same type of fare subsidy as Metro transit operations, in order to ensure a seamless rider experience regardless of geographic location or transit provider
5. In partnership with implementation partners and key stakeholders, pursue and support federal and state opportunities and legislation to fund the Fareless System Initiative, both the pilot phase and any permanent program (should the Board decide to continue past the proposed pilot period), including but not limited to the federal Freedom to Move Act
6. Report back on the feasibility of using the Federal American Rescue plan
7. Consider pursuing private funding opportunities, including but not limited to philanthropic partnerships

Estimated K-12 fare revenue losses for transit agencies

For the pilot period (23 months), the estimated loss in K-12 fares across the county (Metro/Muni/Local operators) is estimated at \$41.6 million including Metro fares of \$33.5 million and Muni/Local operators estimated fare losses of \$8.2 million, which will be refined with the transit operators.

Transit Agreements for Community Colleges

For the pilot period, existing agreements in place between operators and Community Colleges would remain and will continue to fund fareless transit for community colleges. Metro will seek consensus with schools on individual changes needed to accommodate the program and expand to all community colleges in Los Angeles County.

Other Costs - No Bond Defeasance Required for Phase 1

The implementation of FSI Phase 1 does not necessitate the defeasance of General Revenue bonds (estimated at \$80 million) at this time. Metro will continue to monitor any impacts and coordinate with investors and rating agencies to ensure that stakeholders understand Metro's commitment to fiscal prudence.

Phase 1 Pilot Program Funding

Metro plans to use American Rescue Plan Act (ARPA) to fund Metro's participation in Phase 1 (K-14) of the FSI Pilot. Staff will continue to seek out and identify other eligible funding to support the program. Metro staff will continue to work with the region's transit operators to determine regional funding for Phase 1. Should future funding be identified and materialize, those funds would be distributed to all participating operators in support of the pilot program.

DETERMINATION OF SAFETY IMPACT

This program does not affect the incidence of injuries or healthful conditions for patrons or employees. Therefore, approval of this request will have no impact on safety.

NEXT STEPS

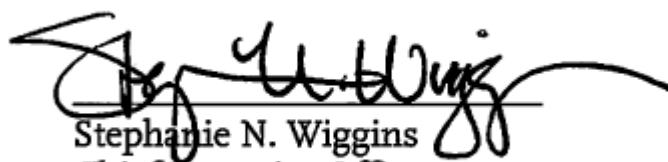
Staff will continue the outreach with the municipal and local transit operators, as well as the school districts and community colleges in anticipation of presenting a formal financial plan, consistent with the May Board motion, for Board approval at its next meeting.

ATTACHMENTS

Attachment A - File # 2021-0372 Approved Motion on Fareless System Initiative (FSI) May 2021

Prepared by: Devon Deming, Interim Deputy Executive Officer, FSI (213) 922-7957

Reviewed by: Elba Higueros, Chief Policy Officer, OCEO, (213) 922-6820
Stephanie Wiggins, Chief Executive Officer, OCEO, (213) 922-7555


Stephanie N. Wiggins
Chief Executive Officer



Board Report

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

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REVISED
REGULAR BOARD MEETING
MAY 27, 2021

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

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- C. In partnership with implementation partners and key stakeholders, pursue and support federal and state opportunities and legislation to fund the Fareless System Initiative, both the pilot phase and any permanent program (should the Board decide to continue past the proposed pilot period), including but not limited to the federal Freedom to Move Act;
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Follow-Up

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

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

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Metro's Fareless System Initiative (FSI)

Fareless System Initiative (FSI) Update
Board of Directors Meeting
Thursday, June 24, 2021

Devon Deming
Interim Deputy Executive Officer
Fareless System Initiative (FS)
demingd@metro.net
(213) 978-7957



Background – LA County

- 69% of 1.4 million K-12 students qualify for Free and Reduced-Price Meal programs for low-income families
- 20% of junior high school students and 23% of LA adults are obese
- People who take transit are 44% less likely to be overweight
- An AA degree increases income potential by up to 47%
- Only 30% of community college students graduate, and only 26% of African American students and 22% of Latino students
- Access to jobs, internships, medical appointments, family, cultural destinations, and recreational opportunities

Program Goals - Phase 1 (K-14)

- Increase ridership, increase student success, and improve student health by building on existing Metro and regional student pass programs, to make access to transit fareless for all K-12 and community college students in LA County through cost-sharing partnerships with districts (school and community college) and transit agencies
- Program could start as early as August 2021 for at least 18-month pilot with an approved funding plan

Implementation Team

FSI Implementation is an agency-wide initiative and will require support from every department.

- CEO appointed Devon Deming as Interim DEO on June 1
- FSI Implementation reports to OCEO

Phase 1 Implementation Team Includes:

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K-12 Launch

- K-12 Launch (Preliminary)
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 - 40,000 existing K-12 TAP cards would automatically be eligible
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 - Schools would only be required to track distribution for school purposes, but not share any student information with Metro
 - Simple online registration process for performance data
 - Expected completion late July/early August

Community College Launch

Out of the twenty community colleges in LA County:

- Five existing muni agreements with transportation fees
 - One U-Pass Program with transportation fee,
 - Seven U-Pass Program only to students who opt-in and pay for the pass
 - Five of the nine Los Angeles Community College District campuses offer free U-Passes to College Promise participants who opt-in, but do not offer passes to the remaining students
-
- TAP will build online registration portal similar to K-12 TAP portal with expected completion late July/early August
 - Colleges will be encouraged to upgrade to the pass program that provides passes to all students

Status of Phase 1 Funding Plan

Costs

- Preliminary Estimate for County: \$41.7M
 - Metro: \$33.5M, Muni/Local: \$8.2M
 - Refining fare loss estimates for Muni and local transit agencies
- Defeasance of bonds (\$80M) not necessary for implementation of Phase 1

Funding

- Twenty-five K-12 school districts interested in cost-sharing
- Metro plans to propose ARPA to fund Metro's participation in Phase 1
- Work with regional transit operators to determine funding for their participation in Phase 1
- Continue to seek additional funding to support the pilot

Next Steps

- Staff will continue the outreach with the municipal and local transit operators, as well as the school districts and community colleges
- Present a formal financial plan, consistent with the May Board motion, for Board approval at its next meeting on July 22, 2021



Fareless System Initiative

Fact Sheet
April 2021



Board Report

File #: 2021-0331, **File Type:** Policy

Agenda Number: 54.

**REGULAR BOARD MEETING
JUNE 24, 2021**

SUBJECT: LINK UNION STATION PROJECT

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. HOLDING a public hearing on the proposed Resolution of Necessity; and
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire APN: 5173-019-006 in fee simple and the non-movable assets, otherwise known as improvements pertaining to the realty or fixtures and equipment, located at 801 East Commercial Street, Los Angeles, CA 90012 (hereinafter called the "Property Interests" as shown in Attachment A).

(REQUIRES 2/3 VOTE OF THE BOARD)

ISSUE

Acquisition of the Property is required for the construction and operation of the Link Union Station Project ("Project"). To date, staff has been unable to reach an agreement with the owner or tenants for the acquisition of the Property Interests.

BACKGROUND

The Link Union Station Project ("Project") requires the fee simple acquisition of the property identified as APN 5173-019-006 for the construction of the Project. The acquisitions will result in the displacement of tenants from portions of the property. As a result of the acquisition and displacement, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is required to appraise and make an offer to acquire the Property Interests. A written offer to acquire the fee simple interest was presented to the owner ("Property Owner") and written offers to acquire the non-movable assets including improvements pertaining to the realty ("Improvements Pertaining to Realty"), were presented to the Property Owner and to the leasehold interests ("Tenants") as required by California Government Code Section 7267.2. To date, staff has been unable to reach an agreement with the Property Owner or Tenants for the acquisition of the Property Interests.

DISCUSSION

Findings

The Property Interests are necessary for construction of the Project; therefore, staff recommends the acquisition of the Property Interests through eminent domain to maintain the Project schedule.

Considerations

Attached is the Staff Report prepared by staff and legal counsel setting forth the required findings for acquiring the Property Interests through the use of eminent domain (Attachment A). After LACMTA receives testimony and evidence from all interested parties, the LACMTA must make a determination as to whether to acquire the Property Interests by eminent domain and adopt the proposed Resolution of Necessity (Attachment B). The Board must find and determine that based upon all the evidence and the existence of the above stated conditions, acquisition by eminent domain is necessary; and a two-thirds vote of all the members of its governing body is required to adopt the Resolution of Necessity.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an impact on LACMTA's safety standards.

FINANCIAL IMPACT

The funding for the acquisition of the Property Interests is included in the Fiscal Year 2021 (FY21) budget under Project 460089 Link Union Station Project, in Cost Center 2415 (Regional Rail), and Account Number 53103 (Acquisition of Land) and Fund 3711.

Impact to Budget

The approved FY21 budget is designated for the Link Union Station Project and does not have an impact to operations funding sources. These funds were assumed in the Long-Range Transportation Plan for the Project.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Equity Platform Framework Consistency

Implementation of the State's eminent domain laws assures that equity is afforded to property owners to engage and have a voice in the decision-making process with regards to the acquisition of their property.

Strategic Plan Consistency

The Board action is consistent with LACMTA Vision 2028 Goal #1: Provide high quality mobility options that enable people to spend less time traveling. Adoption of the Resolution of Necessity is a required step to acquire these properties for the Link Union Station Project which will provide an additional mobility option.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendations. This is not recommended as it will hamper the Real Estate division's ability to respond quickly to the project's needs resulting in significant delays and cost increases for the project.

NEXT STEPS

If this action is approved by the Board, the LACMTA's condemnation counsel will be instructed to take all steps necessary to commence legal proceedings in a court of competent jurisdiction to acquire the Property interests by eminent domain and to conclude those proceedings either by settlement or jury trial. Counsel will also be directed to seek and obtain an Order of Prejudgment Possession in accordance with the provisions of the eminent domain law.

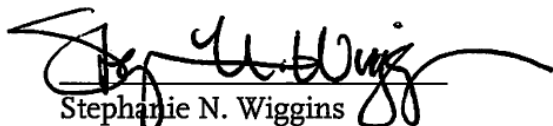
ATTACHMENTS

Attachment A - Staff Report

Attachment B - Resolution of Necessity

Prepared by: Craig Justesen, Deputy Executive Officer-Real Estate, (213) 922-7051
Holly Rockwell, Senior Executive Officer, Real Property Management & Development,
(213) 922-5585

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



Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A

STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF THE PROPERTY INTERESTS REQUIRED FOR THE LINK UNION STATION (“PROJECT”)

BACKGROUND

The Property is required by the Los Angeles County Metropolitan Transportation Authority for the construction and operation of the Link Union State Project (“Project”). The address, record owner, physical description, and nature of the property interest sought to be acquired for the Project are summarized as follows:

Assessor's Parcel Number	Parcel Address	Property Owner/ Tenant	Purpose of Acquisition	Property Interest(s) Sought
5173-019-006	801 East Commercial Street (the “Property”), Los Angeles, CA 90012	Sovran Acquisition Limited Partnership, a Delaware limited partnership	Construction and operation of the Link Union Station Project	Fee Simple and Improvements Pertaining to Realty or Fixtures and Equipment
5173-019-006	801 East Commercial Street (the “Property”), Los Angeles, CA 90012	AT&T Cellular New Cingular Wireless PCS, LLC Site-ID CLL25681R	Construction and operation of the Link Union Station Project	Leasehold Interests and Improvements Pertaining to the Realty or Fixtures and Equipment
5173-019-006	801 East Commercial Street (the “Property”), Los Angeles, CA 90012	Sprint Cellular Services Site-ID LA25XC459	Construction and operation of the Link Union Station Project	Leasehold Interests and Improvements Pertaining to the Realty or Fixtures and Equipment

Property Requirements:

The following property requirements apply to the affected property listed in the above table:

Purpose of Acquisition: Construction and operation of the Link Union Station Project.

A first written offer was mailed to the Property Owner, Sovran Acquisition Limited Partnership, on October 1, 2020, for acquisition of fee simple interest the non-movable assets, otherwise known as improvements pertaining to the realty or fixtures and equipment. A first written offer was mailed to AT&T/New Cingular Wireless PCS, LLC on October 13, 2020 for acquisition of the non-movable assets, otherwise known as improvements pertaining to the realty or fixtures and equipment. A first written offer was mailed to Sprint Cellular Services on October 28, 2020 for acquisition of the non-movable assets, otherwise known as improvements pertaining to the realty or fixtures and equipment.

A. The public interest and necessity require the Project.

The need for the Project is generated by the forecasted increase in regional population and employment; implementation of federal, state, and regional transportation plans (RTP) that provide for increased operational capacity for commuter and intercity trains and accommodation of the planned new High-Speed Rail system in Southern California. Localized operational, safety, and accessibility upgrades in and around Los Angeles Union Station (LAUS) will be required to meet existing demand and future growth.

The public interest and necessity require the Project because the Project will:

1. Increase the commuter and intercity rail service capacity of LAUS;
2. Improve service reliability at LAUS through the implementation of a run through tracks configuration and elimination of the current stub end tracks configuration while preserving current levels of freight rail operations;
3. Accommodate the planned new HSR system in Southern California;
4. Increase the passenger/pedestrian capacity and enhance the safety of LAUS through the implementation of a new passenger concourse, meeting the multi modal transportation demands at LAUS.

It is recommended that based on the above evidence, the Board find and determine that the public interest and necessity require the Project.

B The Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.

An Alternative Analysis (AA) Study was initiated in 2016 to identify all reasonable track alignment alternatives and passenger concourse options that meet the Project purpose and need. In November 2018, the LACMTA Board approved the designation of the California Environmental Quality Act (CEQA) "Proposed Project" in the Draft

Environmental Impact Report (DEIR) as Alternative 1 with Design Option B, which provides up to 10 run-through tracks with a loop track, and with shared lead tracks in the throat area. The CEQA Proposed Project includes an above-grade passenger concourse that will also include a new expanded, at-grade passageway.

The DEIR was distributed and made available for a 45-day public comment period from January 17, 2019, through March 4, 2019, pursuant to CEQA Guidelines Section 15105. Based on the substantial number of comments received regarding various aspects of the elevated portion of the above grade passenger concourse, as well as the outcome of recent coordination activities with project funding partners, Metro modified the Proposed Project in the Final EIR, with the removal of the above grade passenger concourse, minimizing to the extent feasible the footprint of the run-through track bridge structure as well as the construction access and staging areas.

The Final EIR project was analyzed under all CEQA issue areas to demonstrate that the changes to the project have been adequately analyzed in the Draft EIR and there is no need to recirculate the EIR.

The Project will cause private injury, including the displacement or relocation of certain owners and users of private property. However, no other alternative locations for the Project provide greater public good with less private injury. Therefore, the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

Due to its bulk, the FEIR is not physically included in the Board's agenda packet for this public hearing. However, the FEIR documents should be considered in connection with this matter, and by this reference they are incorporated herein. It is recommended that, based upon the foregoing, the Board find and determine that the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

C. The Property Interests are necessary for the Project.

The Property Interests are required for construction and operation of the Project. The selected alignment requires the full acquisition of the property to construct the run-through tracks, a maintenance access ramp to the track structure, relocation of an existing storm drain and sanitary sewer lines along Commercial Street, and construction staging area to be used by LACMTA's construction contractor. The areas of the Property Interests are based on the approved FEIR for the Project.

Staff recommends that the Board find that the acquisition of the Property Interests are necessary for the Project.

D. Offers were made in compliance with Government Code Section 7267.2.

California Code of Civil Procedure Section 1245.230 requires that a Resolution of Necessity contain a declaration that the governing body has found and determined that either the offer required by Section 7267.2 of the California Government Code has been made to the Owner and Tenants, or the offer has not been made because the Owner cannot be located with reasonable diligence.

California Government Code Section 7267.2 requires that an offer be made to the Owner and Tenants and in an amount which the agency believes to be just compensation. The amount must not be less than the agency's approved appraisal of the fair market value of the property. In addition, the agency is required to provide the Owner with a written statement of, and summary of the basis for, the amount it established as just compensation.

Staff has taken the following actions as required by California law for the acquisition of the Property Interests:

1. Obtained an appraisal to determine the fair market value of the Property, which included consideration of any immovable fixtures and equipment as appropriate;
2. Reviewed and approved the appraisal, and established the amount it believes to be just compensation;
3. Determined the owner(s) of the Property by examining the county assessor's record and the title report;
4. Made a written offer to the Owner for the full amount of just compensation - which was not less than the approved appraised value; and
5. Provided the Owner with a written statement of, and summary of the basis for, the amount established as just compensation with respect to the foregoing offer.

It is recommended that based on the above Evidence, the Board find and determine that the offer required by Section 7267.2 of the California Government Code has been made to the Owner and Tenants.

E. LACMTA has fulfilled the necessary statutory prerequisites.

LACMTA is authorized to acquire property or property interests by eminent domain for the purposes contemplated by the Project under Public Utilities Code §§ 30503, 30600, 130051.13, and 130220.5; Code of Civil Procedure §§ 1230.010-1273.050; and Article I, § 19 of the California Constitution.

F. LACMTA has complied with the California Environmental Quality Act.

A Draft EIR was circulated for public review and comment on January 17, 2019, through March 4, 2019. On June 27, 2019, the Board certified the FEIR. The FEIR documents therefore comply with the California Environmental Quality Act. Since that time, none of the circumstances identified in CEQA Guidelines Section 15162 have occurred which would require the preparation of a subsequent EIR. As set forth above, LACMTA has also

fulfilled the statutory prerequisites under Code of Civil Procedure § 1240.030 and Government Code § 7267.2.

Accordingly, LACMTA has fulfilled the necessary statutory prerequisites to acquire the Property Interests by eminent domain.

CONCLUSION

Staff recommends that the Board approve the Resolution of Necessity.

**RESOLUTION OF THE
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
DECLARING CERTAIN REAL PROPERTY, LEASEHOLD INTERESTS, AND
IMPROVEMENT PERTAINING TO THE REALTY NECESSARY FOR PUBLIC
PURPOSES AND AUTHORIZING THE ACQUISITION THEREOF THROUGH THE
EXERCISE OF EMINENT DOMAIN
LINK UNION STATION PROJECT**

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BOARD OF DIRECTORS HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:

Section 1.

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY ("LACMTA") is a public entity organized and existing pursuant to Chapter 2 of Division 12 of the California Public Utilities Code (commencing with Section 130050).

Section 2.

The property or property interests described hereinafter are to be taken for public use, namely, for public transportation purposes and all uses necessary, incidental or convenient thereto, and for all public purposes pursuant to the authority conferred upon the Board to acquire property or property interests by eminent domain by California Public Utilities Code Sections 30000-33027, inclusive, and particularly Section 30503 and 30600, Sections 130000-132650, inclusive, and particularly Sections 130051.13 and 130220.5, Code of Civil Procedure Sections 1230.010-1273.050, inclusive, and particularly Sections 1240.510 and 1240.610, and Article I, Section 19 of the California Constitution.

Section 3.

The property interest consists of the acquisition of fee simple, as described more specifically in the legal description Exhibit "A-1", depicted on the Plat Map Exhibit "B-1", and the Improvements Pertaining to Realty or Fixtures and Equipment, as more particularly described in Exhibits "C-1", "C-2" and "C-3", (hereinafter, the "Property Interests").

Section 4.

- (a.) The acquisition of the above-described Property Interests is necessary for the development, construction, operation, and maintenance of the Link Union Station Project ("Project");
- (b.) The environmental impacts of the Project were evaluated in the Final Environmental Impact Report (FEIR), which was certified by the Board on June 27, 2019. and

- (c.) The Board has reviewed and considered the FEIR, before and as part of the process of determining whether to acquire the above-referenced Property.

Section 5.

The Board hereby declares that it has found and determined each of the following:

- (a.) The public interest and necessity require the proposed Project;
- (b.) The proposed Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (c.) The Property sought to be acquired, which has been described herein, is necessary for the proposed Project;
- (d.) The offer required by Section 7267.2 of the Government Code has been made to the Owner; and
- (e.) The Final Environmental Impact report consistent with the California Environmental Quality Act (CEQA) for the Project has been previously certified by this Board.

Section 6.

Pursuant to Sections 1240.510 and 1240.610 of the Code of Civil Procedure, to the extent that the Property Interests are already devoted to a public use, the use to which the Property Interests are to be put is a more necessary public use than the use to which the Property Interests are already devoted, or, in the alternative, is a compatible public use which will not unreasonably interfere with or impair the continuance of the public use to which the Property Interests are already devoted.

Section 7.

That notice of intention to adopt this resolution was given by first class mail to each person whose Property Interest is to be acquired by eminent domain in accordance with Section 1245.235 of the Code of Civil Procedure and a hearing was conducted by the Board on the matters contained herein.

Section 8.

Legal Counsel is hereby authorized and directed to take all steps necessary to commence legal proceedings, in a court of competent jurisdiction, to acquire the Property Interests described above by eminent domain. Counsel is also authorized and directed to seek and obtain an Order for Prejudgment Possession of said Property Interests in accordance with the provisions of the eminent domain law and is directed that the total sum of probable just compensation be deposited with the State Treasurer or the Clerk of the Superior Court. Counsel may enter into stipulated Orders for Prejudgment Possession and/or Possession and Use Agreements, where such agreements constitute the functional

equivalent of an Order for Prejudgment Possession. Counsel is further authorized to correct any errors or to make or agree to any non-material changes to the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transactions required to acquire the Property Interests, and, with the concurrence and approval of LACMTA Staff, to make minor adjustments to the scope and descriptions of easements or other Property Interests to be acquired in order to ameliorate any claims for severance damages.

Counsel is further authorized to compromise and settle such eminent domain proceedings, if such settlement can be reached, and in that event, to take all necessary actions to complete the acquisition, including stipulations as to judgment and other matters, and causing all payments to be made. If settlement cannot be reached, Counsel is authorized to proceed to resolve the proceedings by means of jury trial. Counsel is further authorized to associate with, at its election, a private law firm for the preparation and prosecution of said proceedings.

I, CHRISTINA GOINS, Secretary of the Los Angeles County Metropolitan Transportation Authority, do hereby certify that the foregoing Resolution was duly and regularly adopted by a vote of two-thirds of all the members of the Board of the Metropolitan Transportation Authority at a meeting held on the 24th day of June, 2021.

Date: _____

CHRISTINA GOINS
LACMTA Interim
Board Secretary

ATTACHMENTS

- Exhibit "A-1", "B-1" – Legal Description and Plat Map
- Exhibit "C-1" – Fee Owner Improvements Pertaining to the Realty
- Exhibit "C-2" – AT&T - Improvements Pertaining to the Realty
- Exhibit "C-3" – Sprint - Improvements Pertaining to the Realty

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 11, AND 13 THROUGH 20, INCLUSIVE IN BLOCK "F" OF THE ALISO TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 12, MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH ALL RIGHT, TITLE AND INTEREST IN AND TO THOSE PORTIONS OF FRONTAGE STREET (FORMERLY KNOWN AS ALISO STREET) AND CENTER STREET ADJOINING LOTS 14, 16, 18, 19 AND 20 ON THE NORTH AND WEST.

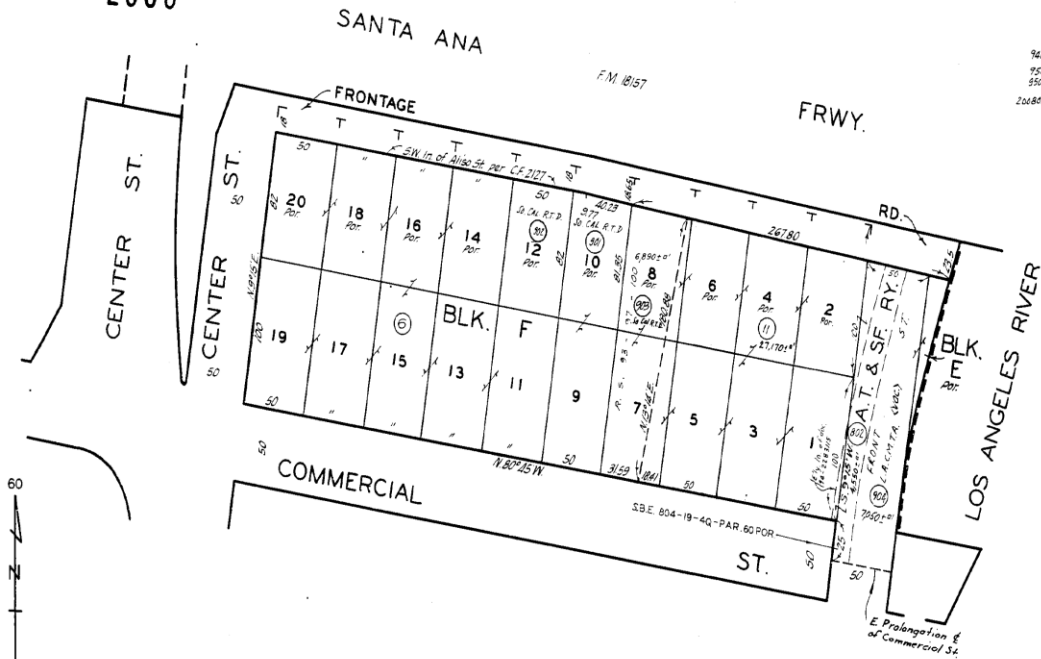
APN(s): 5173-019-006

Plat Map

5173 | 19
SCALE 1" = 60'

2008

REVIS
11-2-62
68101060
850520-85
89121811:
86092360:
870310665:
89121811:
7464141010001-23
75041205010001-23
550512
26683320101201-23



SUBDIVISION OF THE ALISO TRACT
M.R. 4-12-13

2008

Fee Owner - Improvements Pertaining to the Realty

Item No.	Qty.	Description
1	2	Signs, Channel letters, 2' to 3' high (estimate), "Life Storage", metal cabinets, 2-sided plastic fascias, interior illumination, local electrical, including, 2 company logos, 5' diameter (estimate), exterior wall-mounted
2	1	Office entrance door canopy, 5' x 3' x 4', tubular metal frame, canvass covering, with vinyl letters, "Office", exterior wall-mounted
3	1	Sign, projected, 2' W x 8' H (estimate), painted metal cabinet, 2-sided plastic fascias, "Office", with Life Storage logo, interior illumination, local electrical, exterior wall-mounted
4	12	Floor plan signs, throughout interior, 4' x 3', vinyl, with eyelets, tubular metal frames, 2" diameter pipes, 5' x 7' overall, wall and ceiling-mounted
5	3	Surveillance televisions, 42", wall-mounted, including 3 laminated box frames, in office
6	23	Fire extinguisher cabinets, metal, wall-recessed, throughout
7	43	Public address speakers, 8" diameter, throughout, including, wiring, brackets

AT&T - Improvements Pertaining to the Realty

Item No.	Qty.	Description
1	1	Roof mounted cellular site, including but not limited to:
	3	Antenna arrays, each consisting of: 4 antennas-(2) Quintel, (1) Kathrein, (1) CCI
	18	Radios, Ericsson, (3) M: 4449, (3) M: 4478, (3) M: RRUS32-B66, (3) M: RRUS32-B2, (3) RRUS32-B30, (3) M: RRUSE2-B29
	3	Surge protectors, M: DC6 "squid"
	3	Surge protectors, M: DC2
	3	Fiber spool boxes
	3	Antenna equipment support frames, L shape, 12'w x 10'h each side, 6" square steel with some angle iron, galvanized, roof attached, includes FRP facade
	1	Elevated cabinets platform, 33' x 18' x 2'h, galvanized steel, I-Beam frame, grate decking, handrails, 2 stairs
	1	PIM filter cabinet, Purcell, with filter
	1	BTS cabinet, Purcell, includes, (20 M: PP216, (2) M: XMU, (1) 5G unit M: 6630, (1) Cisco router M: SIAD, (1) GPS splitter, (1) GPS antenna
	2	UMTS cabinets, older technology
	1	Power plant cabinet, Purcell, 12 batteries, breakers, rectifiers, etc.
	1	Set of Verizon telco service equipment, including (2) NIU cabinets, (2) Telco cabinets, (1) Cinia cabinet, (1) GPS antenna, vendor provided, not appraised
	3	Surge protector cabinets at equipment platform, M: DC12, with coil pull box
	160	Linear feet of enclosed cable trays, Cope, aluminum, 14" x 6"
	1	Lot of cabling throughout

Sprint – Improvements Pertaining to the Realty

Item No.	Qty.	Description
1	1	Roof mounted cellular site, including but not limited to: <ul style="list-style-type: none"> <li data-bbox="456 485 1153 590">3 Antenna arrays, each consisting of: (1) I-20 antenna, with (2) 800RH radios and (1) 1900RRH radio, (1) Massive MIMO radio/antenna <li data-bbox="456 604 1052 636">1 Remote microwave antenna, "fastback" type <li data-bbox="456 646 1206 751">3 Antenna equipment support frames, 14'w x 10'h, 6" square steel with some angle iron, flying buttress supports, galvanized, roof attached, includes FRP facade <li data-bbox="456 766 1138 829">1 BTS cabinet, Purcell, including all equipment, GPS column, batteries, baseband units, etc. <li data-bbox="456 844 919 875">1 Power protection cabinet, Purcell <li data-bbox="456 886 1198 949">1 Telco cabinet, Purcell, no equipment installed in cabinet as of effective date of value <li data-bbox="456 963 1206 1026">1 Elevated cabinets platform, 18' x 12' x 3'10"h, galvanized steel, I-Beam frame, grate decking, handrails, 1 stairs <li data-bbox="440 1041 1206 1104">150 Linear feet of enclosed cable trays, Cope, aluminum, 14" x 6" <li data-bbox="456 1119 834 1150">1 Lot of cabling through out



Board Report

File #: 2021-0332, **File Type:** Policy

Agenda Number: 55.

**REGULAR BOARD MEETING
JUNE 24, 2021**

SUBJECT: LINK US PROJECT - PBR REALTY, LLC

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. HOLDING a public hearing on the proposed Resolution of Necessity; and
- B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire APNs: 5173-003-012 and 5173-018-001 and in fee simple located at 621 and 703 Commercial Street, Los Angeles, CA 90012 (hereinafter called the "Property" as identified in Attachment A).

(REQUIRES 2/3 VOTE OF THE BOARD)

ISSUE

Acquisition of the Property is required for the construction and operation of the Link Union Station Project ("Project"). To date, staff has been unable to reach an agreement with the owner.

BACKGROUND

A written offer to purchase was presented to the owner pursuant to Government Code Section 7267.2. The owner has not accepted the offer of Just Compensation made by the Los Angeles County Metropolitan Transportation Authority ("LACMTA"), and we have not reached a negotiated settlement of the acquisition. Because the property is necessary for the construction and operation of the Project, staff recommends the acquisition of the Property through eminent domain to obtain possession and determine the value in order to maintain the Project's schedule.

In accordance with the provision of the California Eminent Domain law and Sections 30503, 30600, 130051.13, 130220.5 and 132610 of the California Public Utilities Code (which authorizes the public acquisition of private property by eminent domain), LACMTA has prepared and mailed notice of this hearing to the owner informing them of the right to appear at this hearing and be heard on the following issues: (1) whether the public interest and necessity require the Project; (2) whether the

Project is planned or located in the manner that will be most compatible with the greatest good and the least private injury; (3) whether the Property is necessary for the Project; (4) whether either the offer required by Section 7267.2 of the Government Code has been made to the owner, or the offer has not been made because the owner cannot be located with reasonable diligence; (5) that any environmental review of the Project, as may be necessary, pursuant to the California Environmental Quality Act has occurred and (6) whether LACMTA has given the notice(s) and followed the procedures that are a prerequisite to the exercise of the power of eminent domain.

DISCUSSION

Findings

The Property is necessary for the construction of the Project; therefore, staff recommends the acquisition of the Property through eminent domain to maintain the Project schedule.

Considerations

Attached is the Staff Report prepared by staff and legal counsel setting forth the required findings for acquiring the Property through the use of eminent domain (Attachment A). After LACMTA receives testimony and evidence from all interested parties, the LACMTA must make a determination as to whether to acquire the Property by eminent domain and adopt the proposed Resolution of Necessity (Attachment B). The Board must find and determine that based upon all the evidence and the existence of the above stated conditions, acquisition by eminent domain is necessary; and a two-thirds vote of all the members of its governing body is required to adopt the Resolution of Necessity.

DETERMINATION OF SAFETY IMPACT

The Board action will not have an impact on LACMTA's safety standards.

FINANCIAL IMPACT

The funding for the acquisition of the Property is included in the Fiscal Year 2021 budget under Project 460089 Link Union Station Project, in Cost Center 2415 (Regional Rail), Account Number 53103 (Acquisition of Land) and Fund 3711.

Impact to Budget

The approved FY21 budget is designated for the Link Union Station Project and does not have an impact to operations funding sources. These funds were assumed in the Long-Range Transportation Plan for the Project.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Equity Platform Framework Consistency

Implementation of the State's eminent domain laws assures that equity is afforded to property owners

to engage and have a voice in the decision-making process with regards to the acquisition of their property.

Strategic Plan Consistency

The Board action is consistent with LACMTA Vision 2028 Goal #1: Provide high quality mobility options that enable people to spend less time traveling. Adoption of the Resolution of Necessity is a required step to acquire these properties for the Link Union Station Project which will provide an additional mobility option.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendations. This is not recommended as it will hamper the Real Estate division's ability to respond quickly to the project's needs resulting in significant delays and cost increases for the project.

NEXT STEPS

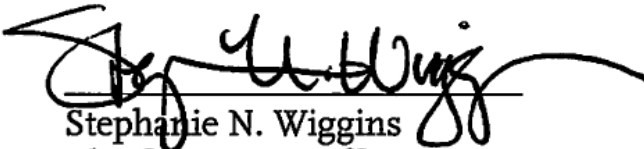
Once this action is approved by the Board, the LACMTA's condemnation counsel will be instructed to take all steps necessary to commence legal proceedings in a court of competent jurisdiction to acquire the Property by eminent domain and to conclude those proceedings either by settlement or jury trial. Counsel will also be directed to seek and obtain an Order of Prejudgment Possession in accordance with the provisions of the eminent domain law.

ATTACHMENTS

Attachment A - Staff Report
Attachment B - Resolution of Necessity

Prepared by: Craig Justesen, Deputy Executive Officer-Real Estate, (213) 922-7051
Holly Rockwell, Senior Executive Officer, Real Property Management & Development,
(213) 922-5585

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



Stephanie N. Wiggins
Chief Executive Officer

STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF THE PROPERTY REQUIRED FOR THE LINK UNION STATION PROJECT (“PROJECT”)

BACKGROUND

The Property is required by the Los Angeles County Metropolitan Transportation Authority (“LACMTA”) for the construction and operation of the Project (“Project”). The address, record owner, physical description, and nature of the property sought to be acquired for the Project are summarized as follows:

Assessor's Parcel Number	Parcel Address	Property Owner	Purpose of Acquisition	Property Interest(s) Sought
5173-018-001	703 East Commercial Street (the “Property”), Los Angeles, CA 90012	PBR Realty, LLC, a Delaware limited liability company	Construction and operation of the Link Union Station Project	Fee Simple
5173-003-012	621 East Commercial Street (the “Property”), Los Angeles, CA 90012	PBR Realty, LLC, a Delaware limited liability company	Construction and operation of the Link Union Station Project	Fee Simple

Property Requirements:

The following property requirements apply to the affected property listed in the above table:

Purpose of Acquisition: Construction and operation of the Link Union Station Project.

A first written offer was mailed to the Property Owner on December 19, 2019, for acquisition of the Property.

A. The public interest and necessity require the Project.

The need for the Project is generated by the forecasted increase in regional population and employment; implementation of federal, state, and regional transportation plans (RTP) that provide for increased operational capacity for commuter and intercity trains and accommodation of the planned new High-Speed Rail system in Southern California. Localized operational, safety, and accessibility upgrades in and around Los Angeles Union Station (LAUS) will be required to meet existing demand and future growth.

The public interest and necessity require the Project because the Project will:

1. Increase the commuter and intercity rail service capacity of LAUS;
2. Improve service reliability at LAUS through the implementation of a run through tracks configuration and elimination of the current stub end tracks configuration while preserving current levels of freight rail operations;
3. Accommodate the planned new HSR system in Southern California;
4. Increase the passenger/pedestrian capacity and enhance the safety of LAUS through the implementation of a new passenger concourse, meeting the multi modal transportation demands at LAUS.

It is recommended that based on the above evidence, the Board find and determine that the public interest and necessity require the Project.

B The Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.

An Alternative Analysis (AA) Study was initiated in 2016 to identify all reasonable track alignment alternatives and passenger concourse options that meet the Project purpose and need. In November 2018, the LACMTA Board approved the designation of the California Environmental Quality Act (CEQA) "Proposed Project" in the Draft Environmental Impact Report (DEIR) as Alternative 1 with Design Option B, which provides up to 10 run-through tracks with a loop track, and with shared lead tracks in the throat area. The CEQA Proposed Project includes an above-grade passenger concourse that will also include a new expanded, at-grade passageway.

The DEIR was distributed and made available for a 45-day public comment period from January 17, 2019, through March 4, 2019, pursuant to CEQA Guidelines Section 15105. Based on the substantial number of comments received regarding various aspects of the elevated portion of the above grade passenger concourse, as well as the outcome of recent coordination activities with project funding partners, Metro modified the Proposed Project in the Final EIR with the removal of the above grade passenger concourse, minimizing to the extent feasible the footprint of the run-through track bridge structure as well as the construction access and staging areas.

The Final EIR project was analyzed under all CEQA issue areas to demonstrate that the changes to the project have been adequately analyzed in the Draft EIR and there is no need to recirculate the EIR.

The Project will cause private injury, including the displacement or relocation of certain owners and users of private property. However, no other alternative locations for the Project provide greater public good with less private injury. Therefore, the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

Due to its bulk, the FEIR is not physically included in the Board's agenda packet for this public hearing. However, the FEIR documents should be considered in connection with this matter, and by this reference they are incorporated herein. It is recommended that, based upon the foregoing, the Board find and determine that the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

C. The Property is necessary for the Project.

The Property is required for construction and operation of the Project. The selected alignment requires the full acquisition of the property to construct the run-through tracks, construction access and relocation of the existing overhead electrical line along the north side of Commercial Street, and construction staging area to be used by LACMTA's construction contractor. The areas of the Property is based on the approved FEIR for the Project.

Staff recommends that the Board find that the acquisition of the Property is necessary for the Project.

D. Offers were made in compliance with Government Code Section 7267.2.

California Code of Civil Procedure Section 1245.230 requires that a Resolution of Necessity contain a declaration that the governing body has found and determined that either the offer required by Section 7267.2 of the California Government Code has been made to the Owner and Tenants, or the offer has not been made because the Owner cannot be located with reasonable diligence.

California Government Code Section 7267.2 requires that an offer be made to the Owner and Tenants and in an amount which the agency believes to be just compensation. The amount must not be less than the agency's approved appraisal of the fair market value of the property. In addition, the agency is required to provide the Owner with a written statement of, and summary of the basis for, the amount it established as just compensation.

Staff has taken the following actions as required by California law for the acquisition of the Property:

1. Obtained an appraisal to determine the fair market value of the Property, which included consideration of any immovable fixtures and equipment as appropriate;
2. Reviewed and approved the appraisal, and established the amount it believes to be just compensation;
3. Determined the owner(s) of the Property by examining the county assessor's record and the title report;
4. Made a written offer to the Owner for the full amount of just compensation - which was not less than the approved appraised value; and
5. Provided the Owner with a written statement of, and summary of the basis for, the amount established as just compensation with respect to the foregoing offer.

It is recommended that based on the above Evidence, the Board find and determine that the offer required by Section 7267.2 of the California Government Code has been made to the Owner and Tenants.

E. LACMTA has fulfilled the necessary statutory prerequisites.

LACMTA is authorized to acquire property by eminent domain for the purposes contemplated by the Project under Public Utilities Code §§ 30503, 30600, 130051.13, and 130220.5; Code of Civil Procedure §§ 1230.010-1273.050; and Article I, § 19 of the California Constitution.

F. LACMTA has complied with the California Environmental Quality Act.

A Draft EIR was circulated for public review and comment on January 17, 2019, through March 4, 2019. On June 27, 2019, the Board certified the FEIR, the /FEIR documents therefore comply with the California Environmental Quality Act. Since that time, none of the circumstances identified in CEQA Guidelines Section 15162 have occurred which would require the preparation of a subsequent EIR. As set forth above, LACMTA has also fulfilled the statutory prerequisites under Code of Civil Procedure § 1240.030 and Government Code § 7267.2.

Accordingly, LACMTA has fulfilled the necessary statutory prerequisites to acquire the Property by eminent domain.

CONCLUSION

Staff recommends that the Board approve the Resolution of Necessity.

**RESOLUTION OF THE
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
DECLARING CERTAIN REAL PROPERTY NECESSARY FOR PUBLIC PURPOSES
AND AUTHORIZING THE ACQUISITION THEREOF THROUGH THE EXERCISE OF
EMINENT DOMAIN
LINK UNION STATION PROJECT, (“PROJECT”)**

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BOARD OF DIRECTORS HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:

Section 1.

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY ("LACMTA") is a public entity organized and existing pursuant to Chapter 2 of Division 12 of the California Public Utilities Code (commencing with Section 130050).

Section 2.

The property described hereinafter are to be taken for public use, namely, for public transportation purposes and all uses necessary, incidental or convenient thereto, and for all public purposes pursuant to the authority conferred upon the Board to acquire the property by eminent domain by California Public Utilities Code Sections 30000-33027, inclusive, and particularly Section 30503 and 30600, Sections 130000-132650, inclusive, and particularly Sections 130051.13 and 130220.5, Code of Civil Procedure Sections 1230.010-1273.050, inclusive, and particularly Sections 1240.510 and 1240.610, and Article I, Section 19 of the California Constitution.

Section 3.

The property consists of the acquisition of fee simple, as described more specifically in the legal descriptions Exhibit “A-1” and Exhibit “A-2” and depicted in the Plat Maps Exhibit “B-1” and “B-2”. (hereinafter, the “Property”).

Section 4.

(a.) The acquisition of the above-described Property is necessary for the development, construction, operation, and maintenance of the Link Union Station Project ("Project");

(b.) The environmental impacts of the Project were evaluated in the Final Environmental Impact Report (FEIR), which was certified by the Board on

June 27, 2019. and

- (c.) The Board has reviewed and considered the FEIR, before and as part of the process of determining whether to acquire the above-referenced Property.

Section 5.

The Board hereby declares that it has found and determined each of the following:

- (a.) The public interest and necessity require the proposed Project;
- (b.) The proposed Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (c.) The Property sought to be acquired, which has been described herein, is necessary for the proposed Project;
- (d.) The offer required by Section 7267.2 of the Government Code has been made to the Owner; and
- (e.) Environmental review consistent with the California Environmental Quality Act (CEQA) for the Project has been previously certified by this Board.

Section 6.

Pursuant to Sections 1240.510 and 1240.610 of the Code of Civil Procedure, to the extent that the Property is already devoted to a public use, the use to which the Property is to be put is a more necessary public use than the use to which the Property is already devoted, or, in the alternative, is a compatible public use which will not unreasonably interfere with or impair the continuance of the public use to which the Property is already devoted.

Section 7.

That notice of intention to adopt this resolution was given by first class mail to each person whose Property is to be acquired by eminent domain in accordance with Section 1245.235 of the Code of Civil Procedure and a hearing was conducted by the Board on the matters contained herein.

Section 8.

Legal Counsel is hereby authorized and directed to take all steps necessary to commence legal proceedings, in a court of competent jurisdiction, to acquire the Property described above by eminent domain. Counsel is also authorized and directed to seek and obtain an Order for Prejudgment Possession of said Property in accordance with the

provisions of the eminent domain law and is directed that the total sum of probable just compensation be deposited with the State Treasurer or the Clerk of the Superior Court. Counsel may enter into stipulated Orders for Prejudgment Possession and/or Possession and Use Agreements, where such agreements constitute the functional equivalent of an Order for Prejudgment Possession. Counsel is further authorized to correct any errors or to make or agree to any non-material changes to the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transactions required to acquire the Property, and, with the concurrence and approval of LACMTA Staff, to make minor adjustments to the scope and descriptions of easements or other Property to be acquired in order to ameliorate any claims for severance damages.

Counsel is further authorized to compromise and settle such eminent domain proceedings, if such settlement can be reached, and in that event, to take all necessary actions to complete the acquisition, including stipulations as to judgment and other matters, and causing all payments to be made. If settlement cannot be reached, Counsel is authorized to proceed to resolve the proceedings by means of jury trial. Counsel is further authorized to associate with, at its election, a private law firm for the preparation and prosecution of said proceedings.

I, CHRISTINA GOINS, Secretary of the Los Angeles County Metropolitan Transportation Authority, do hereby certify that the foregoing Resolution was duly and regularly adopted by a vote of two-thirds of all the members of the Board of the Metropolitan Transportation Authority at a meeting held on the 24th day of June, 2021.

Date: _____

CHRISTINA GOINS
LACMTA Interim
Board Secretary

ATTACHMENTS

Exhibit A-1 and A-2 – Legal Description

Exhibit B-1 and B-2 – Plat Map

LEGAL DESCRIPTION

703 East Commercial Street, Los Angeles

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 5 TO 18 INCLUSIVE, IN BLOCK "G" OF THE ALISO TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 4, PAGES 12](#) AND 13 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

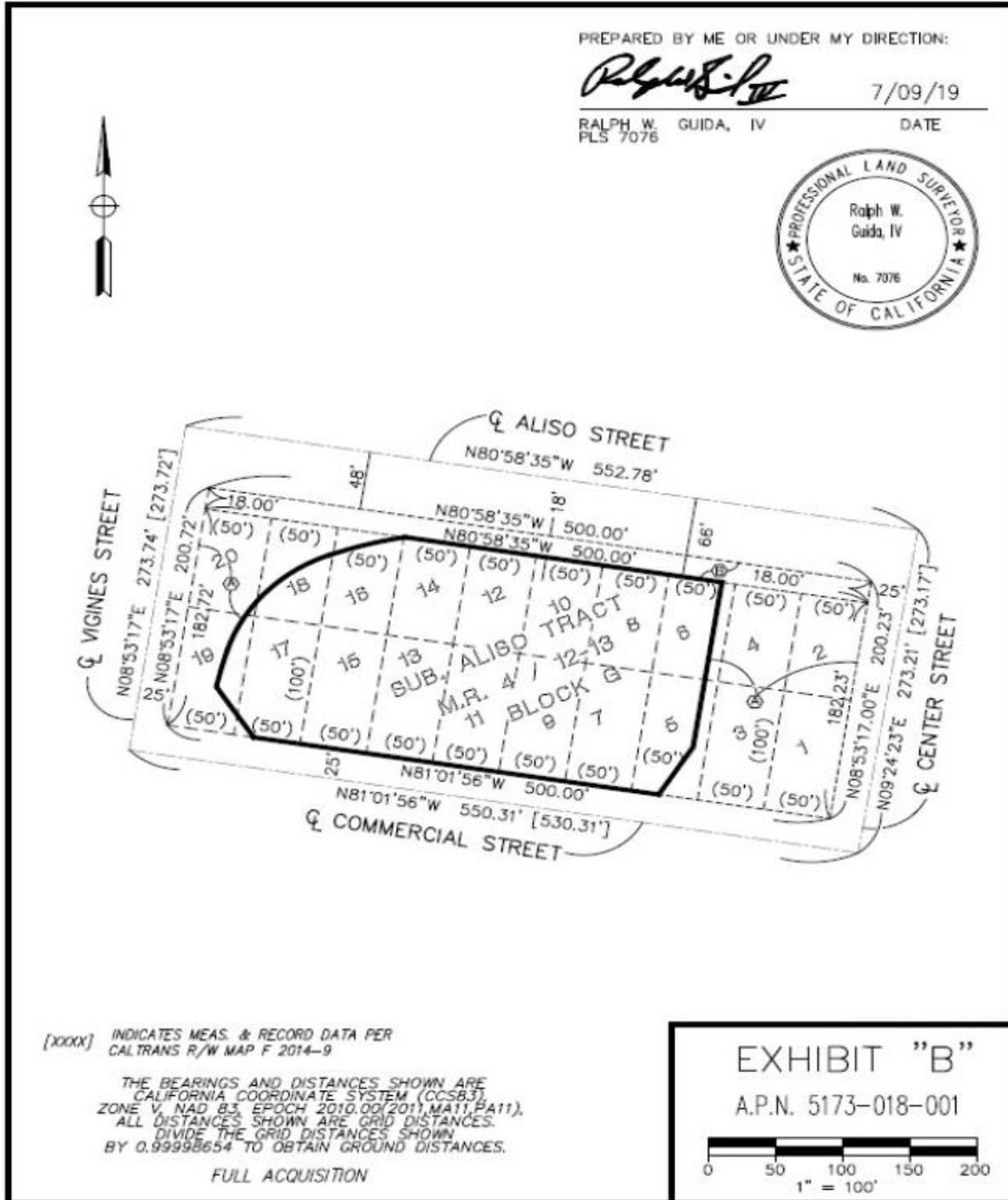
EXCEPT THEREFROM THE NORTH 18 FEET OF LOTS 6, 8, 10, 12, 14, 16 AND 18, AS CONDEMNED FOR THE WIDENING OF ALISO STREET BY FINAL DECREES ENTERED IN CASE NO. 452144, SUPERIOR COURT, LOS ANGELES COUNTY, CERTIFIED COPIES THEREOF BEING RECORDED IN [BOOK 19670, PAGE 113](#), OFFICIAL RECORDS AND IN [BOOK 19235, PAGE 268](#), OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THOSE PORTIONS OF LOTS 5, 6, 14, 16, 17 AND 18, AS CONDEMNED FOR FREEWAY PURPOSES BY FINAL ORDER OF CONDEMNATION ENTERED IN CASE NO. 611479, SUPERIOR COURT, LOS ANGELES COUNTY, A CERTIFIED COPY THEREOF BEING RECORDED JULY 12, 1956 AS [INSTRUMENT NO. 4157, OFFICIAL RECORDS](#).

[APN: 5173-018-001](#)

PLAT MAP

703 East Commercial Street, Los Angeles



LEGAL DESCRIPTION

621 East Commercial Street, Los Angeles

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

THAT PORTION OF LOTS 1 TO 8 INCLUSIVE OF BLOCK "H" OF THE SUBDIVISION OF THE ALISO TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 4 PAGES 12](#) AND 13 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EAST LINE OF SAID BLOCK "H", SAID POINT BEING 25.50 FEET NORTHERLY MEASURED AT RIGHT ANGLES FORM THE SOUTH LINE OF SAID BLOCK "H"; THENCE WESTERLY PARALLEL WITH SAID SOUTH LINE NORTH 81° 01' 56" WEST, 182.04; THENCE NORTH 4° 02' 03" EAST, 80.95 FEET; THENCE NORTH 84° 07' 49" EAST, 105.33 FEET; THENCE NORTH 89° 12' 48" EAST, 88.29 FEET TO THE EAST LINE OF SAID BLOCK "H"; THENCE SOUTHERLY ALONG SAID EAST LINE SOUTH 8° 53' 17" WEST, 122.58 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION LYING WITHIN THE FOLLOWING DESCRIPTION:

COMMENCING AT A POINT IN THE EAST LINE OF BLOCK "H" OF THE SUBDIVISION OF THE ALISO TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN [BOOK 4 PAGES 12](#) AND 13 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING 25.50 FEET NORTHERLY MEASURED AT RIGHT ANGLES FORM THE SOUTHERLY LINE OF SAID BLOCK "H"; THENCE WESTERLY PARALLEL WITH SAID SOUTHERLY LINE NORTH 81° 01' 56" WEST, 182.04 FEET; THENCE NORTH 4° 02' 03" EAST, 80.95 FEET; THENCE NORTH 84° 07' 49" EAST, 105.33 FEET; THENCE NORTH 89° 12' 48" EAST, 26.64 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 0° 47' 12" EAST, 6.00 FEET; THENCE NORTH 89° 12' 48" EAST, 15.45 FEET; THENCE NORTH 0° 47' 12" WEST, 6.00 FEET; THENCE SOUTH 89° 12' 48" WEST, 15.45 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION LYING WITHIN THE FOLLOWING DESCRIPTION:

BEGINNING AT A POINT IN THE EAST LINE OF BLOCK "H" OF THE SUBDIVISION OF THE ALISO TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN [BOOK 4 PAGES 12](#) AND 13 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING 25.50 FEET NORTHERLY MEASURED AT RIGHT ANGLES FORM THE SOUTHERLY LINE OF SAID BLOCK "H"; THENCE WESTERLY PARALLEL WITH SAID SOUTHERLY LINE NORTH 81° 01' 56" WEST, 182.04 FEET; THENCE NORTH 4° 02' 03" EAST, 1.00 FEET; THENCE EASTERLY PARALLEL WITH SAID SOUTHERLY LINE SOUTH 81° 01' 56" EAST, 50.00 FEET; THENCE SOUTH 8° 58' 04" WEST, 0.50 FEET; THENCE PARALLEL WITH SAID SOUTHERLY LINE SOUTH 81° 01' 56" EAST, 132.13 FEET TO THE EAST LINE OF SAID BLOCK "H"; THENCE SOUTHERLY ALONG SAID EAST LINE SOUTH 8° 53' 17" WEST, 0.50 FEET TO THE POINT OF BEGINNING.

Assessor's Parcel Number: 5173-003-012

PLAT MAP

621 East Commercial Street, Los Angeles

