

REPORT
FROM



THE PERSONNEL
DEPARTMENT

TO: City Council	DATE October 6, 2020
REFERENCE: Los Angeles Administrative Code Division 5, Chapter 31	COUNCIL FILE _____
SUBJECT: Ridesharing Trust Fund Review Fiscal Year (FY) 2019-20	

RECOMMENDATION:

That the City Council note and file the Ridesharing Trust Fund review for Fiscal Year (FY) 2019-20.

SUMMARY:

The City offers a variety of transportation benefits to eligible employees through what the Personnel Department has branded the COMMUTEwell Program. Transportation benefits include ridesharing programs as well as City-sponsored parking. Transportation benefits are established within the City's Special Memorandum of Understanding on Commute Options and Parking ("Special Parking MOU") and overseen by the City's Joint Labor-Management Committee on Commute Options and Parking (JLMC-COP). The JLMC-COP includes four management member representatives – the Personnel Department, General Services Department (GSD), City Administrative Officer (CAO), and Department of Transportation (DOT) - and four employee organization representatives - the American Federation of State, County and Municipal Employees (AFSCME), Laborers' International Union of North America (LIUNA 777), Los Angeles Police Command Officers Association (LAPCOA), and Service Employees International Union, Local 721 (SEIU 721).

The City's civilian and sworn Police/Fire employees are eligible for the COMMUTEwell Program (excluding employees of the Los Angeles World Airports (LAWA), Harbor Department, and Department of Water and Power (DWP), each of which offers their own transportation benefit programs). The Personnel Department's Employee Benefits Division/Commute Options and Parking Section ("Employee Benefits") administers the COMMUTEwell Program. Employee Benefits has the ongoing responsibility of administering and promoting greater utilization of the City's existing ridesharing benefits as well as administering parking benefits.

On June 19, 1991, the City established a City Employees Ridesharing Fund (Ridesharing Fund) under Los Angeles Administrative Code (LAAC) Division 5, Chapter 31 (Chapter 31). The purpose of the Ridesharing Fund is for the receipt and retention of monies received by the City from City employees for parking privileges at all City owned or leased lots, as well as monies collected from City employees for fares in City operated vanpools, or secured from grants or other rideshare incentive programs; and for costs, exclusive of salaries, to provide for ridesharing enhancements that reduce City employee private vehicle usage in commuting to and from work.

Chapter 31, Sec. 5.344 (g) provides that, "The General Manager of the Personnel Department shall report to the City Council regarding the Fund on an annual basis, within 90 days after the close of the City's fiscal year. Such report shall identify all receipts into, and all expenditures out of, the Fund, as well as the purposes for which the expenditures were made." This report provides a review of Trust Fund activity and expenditures for FY 2019-20.

(A) Ridesharing Transportation and Parking Benefits Overview

COMMUTEwell's rideshare benefits encourage the use of public transportation and other means of ridesharing to work. Ridesharing helps reduce air pollution and traffic congestion and supports a more sustainable, livable environment for citizens.

(1) Rideshare Benefits

Rideshare benefits include the following:

- **Transit Reimbursement Program:** Provides up to \$50 reimbursement per month to individuals who use public transportation to commute.
- **Transit Spending Account (TSA):** Allows employees to set aside up to \$260 pre-tax dollars per month to pay for transit expenses while also providing a Transit Match of up to \$50 per month.
- **Vanpool Program:** Operates a fleet of vans commuting from the greater Los Angeles area to common City work locations.
- **Carpool Program:** Assists with matching employees interested in sharing transportation costs.
- **Bike/Walk to Work Program:** Provides up to \$50 per month to individuals who walk or bike to work.

(2) Parking Benefits

Parking benefits include the following:

- **City Facilities Parking** – Eligible employees may receive parking at various City-owned or leased parking facilities on a space-available basis per parking priorities established in the Special Parking MOU.
- **Parking Savings Accounts** – Eligible employees may contribute, on a tax-free basis, up to \$260 per month to an account to fund parking expenses at non-City-owned or leased facilities.

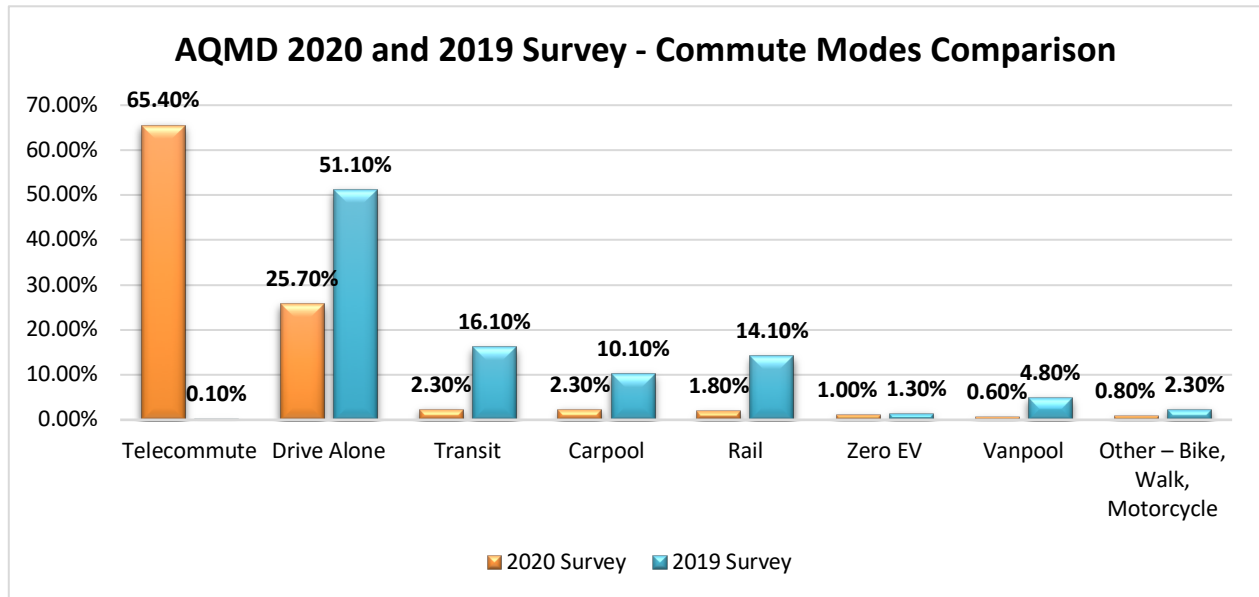
Employee Benefits issues permits, keycards, and keycard approvals for 22 lots. In total, approximately 6,000 permits have been issued at these various parking facilities.

(3) Impact of Novel Coronavirus (COVID-19) on COMMUTEwell Program

The COVID-19 pandemic has altered typical COMMUTEwell Program utilization. Prior to COVID-19, participation in the City's rideshare benefit programs averaged approximately 3,700 employees. Since COVID-19, participation has fallen to approximately 1,540 employees. Most of the reduction is attributable to a 90% reduction in employees taking public transportation and receiving Transit Subsidy or Transit Match benefits.

The impact on employee commuting behaviors is readily apparent by reviewing results from the June, 2020 Employee Transportation Survey (Survey) as mandated by the South Coast Air Quality Management District (SC-AQMD). SC-AQMD Rule 2202 requires that employers report on the commuting activities of employees

at worksites with 250 or more employees. The City has 12 such worksites. Employees at these worksites were required to complete this year's Survey describing their commuting activities for the week of June 15-19, 2020. A comparison of 2020 and 2019 Survey results is provided as follows:



- The percentage of employees indicating they **telecommuted** rose from 0.1% in 2019 to **65%** in 2020.
- The percentage of employees indicating they **drove alone** fell from 51% in 2019 to **26%** in 2020.
- The percentage of employees indicating they used **ridesharing** (carpool, vanpool, rail, and public transit) fell from 45% in 2019 to **7%** in 2020.

The overall impact was to improve the City's Average Vehicle Ridership (AVR) results, with nine of 12 regulated worksites meeting or exceeding targets, some by unusually large margins.

AQMD Survey Results				
Site Location	Target	2019 AVR	2020 AVR*	Change
LA Civic Center	1.75	1.85	2.70	0.85
Public Works	1.75	1.79	5.14	3.35
Figueroa Plaza	1.75	1.75	2.82	1.07
Garland Building	1.75	1.57	3.63	2.06
Hyperion	1.50	1.72	1.55	(0.17)
Library	1.75	2.11	2.18	0.07
Vignes	1.50	1.53	4.66	3.13
LA Zoo	1.50	1.23	1.27	0.04
Van Nuys	1.50	1.21	2.25	1.04
PiperTech	1.50	1.83	1.60	(0.23)
West LA	1.50	1.14	1.40	0.26
Central Services Yard	1.50	1.21	1.34	0.13

* Highlighted results indicate locations where AVR requirements were met or exceeded.

The JLMC-COP and Personnel Department are incorporating an assessment of the impact of COVID-19 into future transportation benefit design. The current transportation benefit design as reflected in the Special Parking MOU has been in existence since September 2005. The JLMC-COP will shortly begin working with a transportation benefits consultant to conduct a thorough review and best practice study to develop recommendations for design improvements. Once the study is complete the JLMC-COP will develop a revised Special MOU for adoption by the City Council.

(B) REVIEW OF FY 2019-20 RIDESHARING TRUST FUND ACTIVITY

The Personnel Department has completed its FY 2019-20 review and reconciliation of the Trust Fund. **Attachment A** provides a summary description of activity items as indicated as follows:

Revenues

- (1) *Parking Fees* – Primarily parking fees paid by City employees.
- (2) *Vanpool Revenue* – Fares from City employee riders in the vanpool program.
- (3) *Interest Income* – Interest earnings credited to the Ridesharing Fund.

Payments

- (1) *Transit Subsidy/Match Incentives* – Payment of Transit Subsidy and Transit Match incentives.
- (2) *Contractual Services* – Payments for van lease costs and other contracted services.
- (3) *Fuel* – Fuel costs for the City's vanpool program.
- (4) *Printing and Binding* – Printing costs for COMMUTEwell Program communication materials.
- (5) *Office Expenses* – Incidental office and administrative expenses.

Net of all recorded and accrued items, assets in the Trust Fund totaled **\$3,541,388** as of June 30, 2020.

(C) CONCLUSION

The Ridesharing Fund provides an important vehicle for processing financial transactions related to the City's COMMUTEwell Program. The Personnel Department recommends that the City Council note and file this report regarding and identifying all FY 2019-20 Ridesharing Trust Fund receipts and expenditures and the purposes for which expenditures were made.



WENDY MACY, GENERAL MANAGER
PERSONNEL DEPARTMENT

**City of Los Angeles
Rideshare Trust Fund
Review of Trust Fund Status and Activity
June 30, 2020**

FY 2020 Activity per Financial Management System (FMS)

	<i>July 1, 2019 Opening Balance per FMS -></i>	\$2,895,692
Revenues		
Parking Fees	2,259,449	
Vanpool Revenue	645,226	
Interest Income	75,017	
		\$2,979,693
Payments		
Transit Subsidy/Match Incentives	1,372,271	
Contractual Services	445,312	
Fuel - Fuel Cost for the City's vanpool program	691,308	
Printing and Binding	1,765	
Office and Admin Expenses	30,481	
		\$2,541,136
Post June 30, 2020 Activity		
FY 2017-19 Reversion Amounts	253,402	
		\$253,402
Outstanding Liabilities		
FY 2020 Encumbrances	46,263	
		\$46,263
	June 30, 2020 Net Available Balance	\$3,541,388