


CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: February 10, 2022

To: Honorable City Council
c/o City Clerk, Room 395
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From: Seleta J. Reynolds, General Manager 
Department of Transportation

Subject: **Department of Transportation (LADOT) Recommendations to Transfer \$4.0 Million from the Unappropriated Balance to LADOT to Implement the Universal Basic Mobility Program**

RECOMMENDATION

1. APPROVE LADOT's request to transfer up to \$4.0 million in funding from the Unappropriated Balance (UB) to LADOT to implement the Universal Basic Mobility Program;
2. AUTHORIZE the General Manager of LADOT to negotiate and execute agreements, subject to review by the City Attorney as to form and legality;
3. AUTHORIZE the City Controller to:
 - a. Transfer and appropriate \$4,000,000 from the Unappropriated Balance Fund No. 100-58, Account No. 580375 to a new account in the Transportation Trust Fund No. 840-94, entitled "Universal Basic Mobility Program" to support the implementation of the Universal Basic Mobility Program;
4. AUTHORIZE the General Manager of LADOT, or designee, to prepare additional Controller instructions and/or any necessary technical adjustments that are consistent with Mayor and Council action, subject to the review of the City Administrative Officer, and instruct the Controller to implement these instructions.

BACKGROUND

In Los Angeles today, a person can access twelve-times more jobs in one hour by car than by transit.¹ More men in Los Angeles have their driver's license and own smartphones, which contributes to women spending a staggering 16.5% of their earnings on transportation.² The COVID-19 pandemic has amplified these and other existing inequities in our transportation system and deepened the challenges that many residents experience, particularly those facing other systemic challenges such as poverty.

¹ Job Accessibility: Cars vs. Transit. Rachel Junken, 2015. Accessed January 31, 2022. <https://transportationist.files.wordpress.com/2015/09/job-accessibility-revised1.png>

² Changing Lanes: A Gender-Equity Transportation Study. Los Angeles Department of Transportation, June, 2021. Accessed January 28, 2022. <https://ladot.lacity.org/sites/default/files/documents/changing-lanes-report.pdf>

LADOT's Strategic Plan prioritizes equity as a key pillar of its work and ensures that all personnel, contracts, programs, and services work to achieve equitable, dignified, and just outcomes for underserved populations in Los Angeles. As part of this work, LADOT is developing Universal Basic Mobility (UBM) as an organizing principle, guiding operations and investments department wide. UBM accepts that people simply cannot access education, employment, housing, and healthcare without robust transportation options and that the department's focus should be on securing more transportation choices for all Angelenos to remove transportation as a budgetary or absolute barrier to achieving their dreams and aspirations.

Prior to the pandemic, LADOT established the country's largest electric vehicle car sharing program (BlueLA), and the country's largest dockless pilot program. The City developed these programs in response to unprecedented growth in the private transportation sector, as well as targeted funding opportunities focused on greenhouse gas (gHg) reductions in disadvantaged communities. Additionally, LADOT piloted free transit for students, under its DASH to Class Pilot program, and now has made DASH free for all. These programs increase access to mobility services for low-income communities, but ensuring equitable transportation requires continued investment in the mobility needs of those struggling with the greatest systemic inequities.

In August 2020, LADOT worked in partnership with Slate-Z, a South Los Angeles non-profit focused on revitalizing South Los Angeles by moving residents to economic opportunity, to submit a grant application to pilot Universal Basic Mobility options in South Los Angeles. The California Air Resources Board awarded \$14 million to deliver the project.

In April 2021, LADOT developed and submitted a multi-faceted grant application to the United States Department of Transportation (USDOT) requesting over \$40 million in infrastructure improvements for South Los Angeles. The scope of work included funding for street safety infrastructure, digital infrastructure, Electric Vehicle chargers, air quality monitors, and broadband. LADOT received a partial award of \$18 million to implement the street safety improvements, and is working with the Bureau of Streets Services and USDOT now, to prepare a report to City Council to accept the funding.

Through these grant awards, LADOT is advancing its Universal Basic Mobility workstream to ensure every Angeleno has dignified, reliable, safe, and affordable transportation that serves their needs. This work supports the Martinez-Price Motion (C.F. 21-0039) to develop a plan for reforming the City's capital infrastructure programs to address equity objectives within low-income communities of color, and it aims to directly address insights from the Department's Gender Equity study and support Executive Directive 27: Racial Equity in City Government.

DISCUSSION

LADOT is implementing its first Universal Basic Mobility pilot funded by the CARB STEP grant (C.F. 20-1041). This pilot project is informed by research that identifies mobility gaps for vulnerable populations, that include low-income Angelenos, older adults, disabled, youth, and women, and address them through existing LADOT business lines or public and private partnerships. Investing in mobility for the most vulnerable will also benefit the larger transportation network, ultimately achieving an "all ships rise" approach.

With additional funds from the UBM Unallocated Balance, LADOT will implement the following programs:

- UBM investment programs
 - Mobility wallet distributions in partnership with LA Metro
 - BlueLA travel vouchers
- Open loop transit payments pilot program (ie allowing transit riders to pay with debit cards instead of transit fare media)
- UBM Consultant services for baselining, evaluation, and community engagement

LADOT may require additional contractual services to fully implement a UBM program that will impact multiple business lines within the Department.

UBM Investment Programs

Mobility Wallet Pilot

A mobility wallet program connects a user to multiple mobility services for a low or discounted price.

Oakland, Pittsburgh, Portland, and Stockton are all piloting Mobility Wallet programs. LADOT is collaborating with Metro and UC Davis to secure a research grant to better understand these mobility wallet pilots and inform its own model and to provide an evaluation framework.

As part of the CARB STEP grant, LADOT and LA Metro secured funding to develop software, integrate mobility service providers, and cover the cost of transit services. Additional funding will load monthly vouchers for shared mobility services, including taxis, transportation network companies, car sharing, dockless mobility companies, Metro Bike Share, LA NOW, and BlueLA. The pilot will distribute 2,500 mobility wallets to eligible low-income residents in South Los Angeles, making it the largest UBM Mobility Wallet pilot in the country.

Mobility Wallet Pilot	Current Funding	UB Requested Funds
Subsidies	\$1,250,000	\$2,000,000
Software Development	\$500,000	N/A
Total		\$2,000,000

BlueLA Travel Vouchers

BlueLA is an all electric carsharing program located in disadvantaged communities that offers a discounted rate for low-income users, who account for 60% of trips taken. The program is set to expand from 100 cars and 200 chargers to a total of 300 cars and 500 chargers. Additional funding will expand vouchers to users.

BlueLA	Current Funding	UB Requested Funds
User costs	\$500,000 (CARB Funded)	\$250,000
Capital Infrastructure	\$17,500,000 (CARB + LADWP + Operator)	N/A
Outreach + Engagement	\$1,000,000	N/A

Total		\$250,000
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Open Loop Payments Pilot Program

Research suggests that more and more Americans use contactless credit and debit cards and digital wallets for a majority of transactions (131.2 billion in 2018, up 29.7 billion from 2015). However, 25% of Californians remain underbanked or unbanked and are unable to access the digital economy. That means that they do not have the option to use many transportation systems available in Los Angeles such as dockless scooters and rideshare, adding to the financial burdens that may already prevent them from accessing these goods and services. The City of Los Angeles provides residents the Angeleno Card, a contactless, open loop payment card, and account to overcome these barriers. However, the Angeleno card is not integrated with transit payment platforms and cannot be used on City or regional buses.

LADOT’s open loop pilot will install contactless open payment hardware on all Commuter Express buses, allowing passengers to use their Angeleno Card for fares. These systems will also enable fare capping to ensure all Commuter Express users pay the lowest price offered to their income bracket without having to cover the entire cost of a monthly pass in advance.

This program will build on a California State Transportation Agency (CalSTA) initiative known as the California Integrated Travel Project (Cal-ITP). Open Loop Payments are part of Metro’s initial project list for the 2028 Olympics.

Open Loop payments	Current Funding	UB Requested Funds
Hardware (110 validators)	N/A - new initiative	\$150,000
Software	N/A - new initiative	\$50,000
Commuter Express Subsidies	N/A - new initiative	\$300,000
Community Outreach	N/A - new initiative	\$100,000
Evaluation	N/A - new initiative	\$50,000
Total		\$650,000

Universal Basic Mobility Consultant Services

Research and Baselineing

LADOT seeks external expertise and knowledge to evaluate its current UBM framework. This consultant will also help to establish a UBM definition and central UBM framework, conduct an inventory of UBM related work within the department, perform an equity audit, and establish evaluation metrics and standards for LADOT staff to rely upon to further the development of the UBM program. This scope of work will evaluate how LADOT is effectively progressing towards UBM and highlight program areas the Department should prioritize investment and resources city wide.

Communication and Outreach

The Department relies on consultant services to enhance its community engagement through a dignity-infused model that incorporates the viewpoints, lived experiences, and perspectives of those most impacted by a transportation project. LADOT is proposing to add an additional \$300,000 to the existing contract, and leverage the capacity of that program to engage communities on UBM pilot related initiatives.

Transportation Forecasting Model, VMT Calculator, and UBM

LADOT will also add \$300,000 in additional funding to its Travel Forecast Modeling and Vehicle Miles Traveled (VMT) calculator consulting services contract in order to tie UBM work and metrics together to test and prove out the link between the UBM investments and potential for VMT reduction in line with SB743 mandates.

Consultant Services	Current Funding	UB Requested Funds
Research and Baselineing	N/A - new initiative	\$500,000
Citywide Communication and Outreach	\$650,000	\$300,000
Transportation Forecasting Model	\$650,000	\$300,000
Total		\$1,100,000

Funding Summary

Program	UB Requested Funds
Mobility Wallet Program	\$2,000,000
BlueLA Travel Vouchers	\$250,000
Open Loop Payment Pilot	\$650,000
Consulting Services	\$1,100,000
Total	\$4,000,000

FINANCIAL IMPACT

No impact to the City's General Fund is anticipated by this action since funding was allocated in the FY 22 Budget for UBM.

SJR:MP:pl