



Metropolitan Transportation Authority

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**PLANNING AND PROGRAMMING COMMITTEE
NOVEMBER 14, 2007**

SUBJECT: LOS ANGELES COUNTY RIDER RELIEF TRANSPORTATION PROGRAM

**ACTION: APPROVE RIDER RELIEF TRANSPORTATION PROGRAM AND
GUIDELINES**

RECOMMENDATION

- A. Approve the new Rider Relief Transportation Program (RRTP) and its Program Guidelines as provided in Attachment A, and;
- B. Authorize the Chief Executive Officer to negotiate and execute all necessary agreements between Metro and the brokers to implement the Program.

ISSUE

In June 2007, the Board of Directors approved a Metro fare adjustment. As part of that motion the Board also approved the following:

- 1) Budget an additional "safety net" of \$5 million through countywide expansion of the Immediate Needs Transportation Program (INTP) or a similar program targeting social service agencies that work with the neediest segment of the population.
- 2) Staff shall report back on the program that is developed and funding issues within six months to ensure effectiveness and adequate level of funding.

POLICY IMPLICATIONS

Development of this program is consistent with Metro's regional planning and transit service provider roles.

OPTIONS

The Board of Directors may choose to consider rejecting elements of or the entire recommended Program. If all or part of the recommended Program is rejected, we will re-evaluate and modify the program and return to the Board for further consideration. However, we do not recommend this option. Implementing the Program for a trial period would be the best way to identify areas of improvement and modify the Program as needed. The Board can also opt to expand the INTP. We do not recommend this option, as INTP, by

limiting the distribution to tokens, serves the needs of the occasional riders which is not the intent of the Board motion.

FINANCIAL IMPACT

Funds for implementing this Program are included in the FY 08 Budget funded with Proposition C 40% Discretionary. Since this is a multi year program, the Chief Planning Officer will be responsible for budgeting the cost in future years.

BACKGROUND

When the Board of Directors approved the recent Metro fare adjustment, they set aside \$5 million in the FY 08 Budget to mitigate the impact of the fare adjustment for the neediest segment of the transit dependent population in Los Angeles County. Metro staff convened a Working Group that consisted of representatives from the Department of Public Social Services, City of Monterey Park, City of Los Angeles, Department of Transportation, Shelter Partnership, Jewish Family Services, Salvation Army, Antelope Valley HOPE foundation, Los Angeles County University of Southern California Medical Center, California Hispanic Committee of Alcohol and Drug Abuse, Los Angeles Commission on Aging, Los Angeles County Department of Public Works, First African Methodist Church and International Institute of Los Angeles.

Since Metro pass outlets and vending machines do not accept tokens as payment for passes, limiting the subsidy to tokens, similar to the INTP program, would exclude the pass holders from using this subsidy. Distribution of subsidy coupons and tokens will provide flexibility to accommodate pass as well as cash riders. The Working Group felt that the Program described in this report is structured to serve the neediest segment of the transit riders and hence will best implement the Board initiative.

The main elements of the Program are outlined below; the details are described in Attachment A.

Program Outline

A. Eligibility Criteria

- Income levels should be below the Federal HUD Poverty Guidelines for Los Angeles County for Very Low Income Limits, as follows;

Persons in Household					
1	2	3	4	5	6
\$25,900	\$29,600	\$33,300	\$37,000	\$39,950	\$42,900

- Residents of the Cities/County and students of schools and colleges already being subsidized for Metro’s fare media will not be eligible to receive this subsidy (Attachment B & C).

B. Brokers/Administrators of the Program

Staff has done an extensive outreach to seek agencies to administer the program and the following agencies have expressed interest in administering the program (see Attachment E):

- First African Methodist Church (FAME Renaissance)
- Human Services Association
- Jewish Family Services

We will work with these agencies to finalize the details of division of service areas, administration and distribution of subsidies.

C. Distributing Agencies

The Distributing Agencies are non-profit or governmental agencies that can distribute fare subsidies/media to the program's target population. Currently, there are 200 agencies in Metro's Immediate Needs Transportation Program that have clients eligible under this program. More agencies will be added once the brokers are on board.

D. Media

Subsidy coupons (\$2 and \$3) and tokens will be available for distribution to eligible clientele in the following denominations:

- \$5 for the regular riders (reflects 50% of the fare adjustment)
- \$2 for the seniors (reflects 100% of the fare adjustment)
- \$3 for the K-12 students (reflects 50% of the fare adjustment)
- \$2 for the college students (reflects 50% of the fare adjustment)

The success of City of Los Angeles' Scrip Program which started in 1993, serves as the basis for this subsidy coupon as the preferred fare media.

E. Administrative and Other Fees

The administrative fees will not exceed 10%, of which \$40,000 in estimated printing costs will be included.

F. Trial period

The Program will be implemented on a trial basis for the first year, after which the Program will be modified as necessary after Board review and approval. In addition, the Program will be included in our annual consolidated audit program starting with the fiscal year ending 2009.

Fare Subsidy Data Analysis

The Board motion asked us to respond to funding issues related to the proposed program to ensure effectiveness and an adequate level of funding. According to a survey conducted by Metro, 73% or 365,000 of Metro riders do not have access to a car. Of this population, if we deduct those receiving a subsidy from their employer, city, school, college or INTP, 281,087 riders would remain without a car and receiving no subsidies. However, we cannot assume that they are all within the poverty guidelines. Based on three scenarios of low (40% below the poverty line), medium (60% below the poverty line), and high (80% below the poverty

line), and assuming 55% of these riders apply for this subsidy, the funding demand is estimated to be \$3.3 million, \$4.9 million and \$6.6 million, respectively. Based on the medium scenario the funding would be adequate to ensure the effectiveness of the program. This analysis is described in further detail in Attachment D.

NEXT STEPS

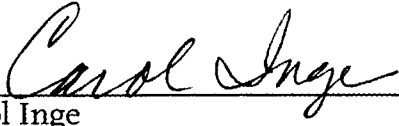
Once the Board of Directors approves our recommendation, we will begin implementing the Program. We will return after a year with an evaluation and program modifications if necessary. We anticipate starting the implementation process in February 2008, with the subsidy fare media distribution in April 2008.

Prepared by: Armineh Saint, Transportation Planning Manager, Local Programming

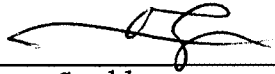
Nalini Ahuja, Director of Local Programming
Programming and Policy Analysis

ATTACHMENTS

- A. Program Guidelines
- B. City/County Subsidy
- C. Southern California Colleges, Pass Subsidy Data
- D. Fare Subsidy Analysis Data
- E. List of Agencies Contacted to Administer the Program



Carol Inge
Chief Planning Officer



Roger Snoble
Chief Executive Officer

RIDER RELIEF TRANSPORTATION PROGRAM

Program Guidelines

This document describes the Guidelines for the Rider Relief Transportation Program (RRTP).

METRO Board allocated \$5 million to this program to assist in mitigating the fare adjustment in Metro fares. The Rider Relief Transportation Program is a countywide transit subsidy program that will assist patrons with limited resources to utilize the transit system.

The first year would be a trial period. The program will be evaluated at the end of the first year and modified if necessary.

A Working Group was formed to assist in the development of the program, the working group includes representatives from Department of Public Social Services, City of Monterey Park, City of Los Angeles, Department of Transportation, Shelter Partnership, Jewish Family Services, Salvation Army, Antelope Valley HOPE foundation, Los Angeles County USC Medical Center, California Hispanic Committee of Alcohol and Drug Abuse, Los Angeles Commission on Aging, Los Angeles County Department of Public Works, First African Methodist Church and International Institute of Los Angeles.

Mission Statement: *To provide transportation assistance to the most economically vulnerable and transit dependent of the population*

A. Program Brokers:

The following agencies have expressed interest in administering the program:

AGENCY NAME

SERVICE AREA

- | | |
|--|-----|
| • First African Methodist Church
(FAME Renaissance) | TBD |
| • Human Services Association | |
| • Jewish Family Services | |

Each broker will be responsible for a specific geographical area. The assignment of the areas will be completed as soon as the brokers assume responsibility.

B. List of Participating Agencies

Currently we are compiling a data base of the agencies that are participating in the Immediate Needs Transportation Program whose scope is consistent with our Mission Statement. At this time, we have about 200 agencies in the data base. Additional Agencies who are able to distribute fare subsidies to the eligible recipients will be able to join the program with the concurrence of the brokers. Once the brokers and their

service areas are identified, the brokers will notify all existing participating agencies and invite other eligible agencies to join the program.

C. Program Subsidy

- The riders who purchase regular monthly or weekly passes will get a \$5 subsidy coupon (\$2+\$3) per month, provided that their city or the county does not provide subsidy
- The senior residents of cities who do not offer any user side Local Return funded subsidy will receive a \$2 subsidy coupon per month (see attachment C)
- The k-12 students will receive a \$2 subsidy –provided that their city or school does not provide any subsidy per month (see attachment C)
- The College-vocational students whose colleges or their city does not offer subsidy will receive a \$3 subsidy (see attachment D)
- The vouchers would be treated as cash/check to pay for a portion of the pass
- All clients will have a choice of receiving the subsidy coupon or a bus tokens equivalent
- A complete list of the cities and colleges that subsidize passes will be given to the brokers and the distributing agencies

D. Eligibility Criteria for the Participating Agencies

The agencies participating in the program should at minimum meet the following criteria;

- Be a not-for-profit 501(c)(3) organization or part of a local jurisdiction (city or county of Los Angeles).
- Be established in Los Angeles County for at least three years.
- Operate out of a fixed structure.
- Have more than 50 people participating in their program.
- Be committed to following all program requirements.

E. Eligibility Criteria for the Individual Users

- Income levels should be below the Federal HUD Poverty Guidelines for Los Angeles County for Very Low Income Limits, as follows;

Persons in Household					
1	2	3	4	5	6
\$25,900	\$29,600	\$33,300	\$37,000	\$39,950	\$42,900

- Residents of the Cities/County and students of schools and colleges already being subsidized for Metro’s fare media will not be eligible to receive this subsidy (Attachment B & C).

D. The Distribution Process

- The brokers will print the subsidy coupons
- The subsidy coupons and bus tokens will be distributed to the agencies by brokers at set times (once a month)
- The agencies will distribute the media to their eligible clients
- Each agency will collect statistical and financial data and submit to the brokers. Brokers in turn will reconcile the data and submit to Metro as required by Metro staff and management

E. Administrative and Other Fees

- The program will offer up to 10% in administrative fees
- The printing cost of the vouchers is estimated at \$40,000 which will be funded by the brokers from the administrative fee

F. Criteria to Identify Eligible Participants

Participants must present any or a combination of the following identification cards;

- Regular riders
 - Medical – Low Income
 - Pay stubs
 - Medicare – regular
 - Lifeline (water and power)
 - Tax returns
 - Any valid documentation showing Proof of Income
 - Any proof of receiving public benefits
- Seniors – In addition to the above listed identification the senior passengers must be at least 62 and show proof of age with following identification cards:
 - DMV senior ID card (or license),
 - METRO senior
- K-12 Students
 - Parent Qualification necessary and;
 - Student ID
- College/Vocational
 - Regular rider criteria and;
 - Student ID

Next Steps

- **Implementation Process**
 - The implementation process will start in February 1, 2008 with the orientation of the brokers and distributing agencies
 - The guidelines, brochures, website and the vouchers will be printed and the distribution to the clients will start on March 1, 2008

Bus Subsidies Offered-LAC Cities/County
Updated as of: 10/23/2007

City / Operator	Regular Subsidy	Senior/Students Subsidy	SERVICE/SUBSIDY SUMMARY
Agoura Hills	No	No	No subsidies towards Metro fare
Alhambra	Yes	Yes	City offers \$5 to seniors/disabled, \$10.00 to low-income, \$7.00 to K-12 students and \$10.50 to college students
Arcadia	No	No	No subsidies towards Metro fare
Artesia	No	No	No subsidies towards Metro fare
Avalon	No	No	No subsidies towards Metro fare
Azusa	No	No	No subsidies towards Metro fare
Baldwin Park	No	No	No subsidies towards Metro fare
Bell	No	Yes	Offers \$ 6 subsidy to seniors and disabled and \$15 to students
Bellflower	No	No	No subsidies towards Metro fare
Bell Gardens	No	Yes	City offers \$8 to seniors and disabled
Beverly Hills	No	Yes	\$7 per month for seniors and disabled
Bradbury	No	No	No subsidies towards Metro fare
Burbank	No	Yes	Burbank offers a subsidy of \$7 to seniors and disabled residents
Calabasas	No	No	No subsidies towards Metro fare
Carson	No	No	No subsidies towards Metro fare
Cerritos	No	No	No subsidies towards Metro fare
Claremont	No	No	No subsidies towards Metro fare
Commerce	No	No	No subsidies towards Metro fare
Compton	No	No	No subsidies towards Metro fare
Cudahy	No	No	No subsidies towards Metro fare
Culver City	No	No	No subsidies towards Metro fare

Covina	No	Yes	Covina offers \$5 subsidy to seniors /disabled
Diamond Bar	No	No	No subsidies towards Metro fare
Downey	No	No	No subsidies towards Metro fare
Duarte	No	Yes	City offers \$7 to senior/disabled
El Monte	No	Yes	City offers \$5 subsidy to their seniors/disabled
El Segundo	No	No	No subsidies towards Metro fare
Gardena	No	No	No subsidies towards Metro fare
Glendale	No	No	No subsidies towards Metro fare
Glendora	No	No	No subsidies towards Metro fare
Hawaiian Gardens	No	No	No subsidies towards Metro fare
Hawthorne	No	Yes	City offers \$9 subsidy to seniors/disabled residents
Hermosa Beach	Yes	Yes	City offers \$4.80 subsidy to seniors and disabled, \$8.80 to students K-12 and \$13.20 to college students
Hidden Hills	No	No	No subsidies towards Metro fare
Huntington Park	No	Yes	City offers \$7 subsidy to seniors/disabled residents
Industry	No	No	No subsidies towards Metro fare
Inglewood	No	No	No subsidies towards Metro fare
Irwindale	No	No	No subsidies towards Metro fare
La Canada-Flintridge	No	No	No subsidies towards Metro fare
La Habra Heights	No	No	No subsidies towards Metro fare
Lakewood	No	No	No subsidies towards Metro fare
La Mirada	No	Yes	City offers \$5 subsidy to seniors/disabled residents
Lancaster	No	No	No subsidies towards Metro fare
La Puente	No	No	No subsidies towards Metro fare
La Verne	No	No	No subsidies towards Metro fare
Lawndale	No	No	No subsidies towards Metro fare

Lomita	No	No	No subsidies towards Metro fare
Long Beach	No	No	No subsidies towards Metro fare
Los Angeles (City)	No	Yes	City offers \$13 subsidy to their seniors and disabled
Los Angeles (County)	Yes	Yes	County offers \$14 subsidy for regular passes for the residents of the 1st, 2nd, 4th & 5th districts, \$6 to seniors, \$8 to K-12 and \$11 to college students
Lynwood	No	Yes	City offers regular riders \$7 subsidy, \$3 for Seniors and disabled
Malibu	No	No	No subsidies towards Metro fare
Manhattan Beach	No	Yes	City offers \$7.25 to seniors and disabled residents
Maywood	No	Yes	City offers \$10 subsidy to seniors and disabled
Monrovia	No	No	No subsidies towards Metro fare
Montebello	No	No	No subsidies towards Metro fare
Monterey Park	No	Yes	City offers \$3 subsidy to seniors/disabled residents
Norwalk	No	No	No subsidies towards Metro fare
Palmdale	No	No	No subsidies towards Metro fare
Palos Verdes Estates	No	No	No subsidies towards Metro fare
Paramount	No	No	No subsidies towards Metro fare
Pasadena	No	Yes	City offers 700 passes at discounted rate of \$10.50 to seniors and disabled residents, after that regular rate applies
Pico Rivera	No	Yes	City offers \$7 subsidy to seniors and \$11 to disabled, \$14 to k-12 students and \$21 to college students
Pomona	No	No	No subsidies towards Metro fare
Rancho Palos Verdes	No	No	No subsidies towards Metro fare
Redondo Beach	Yes	Yes	City offers \$12 subsidy to senior/disabled and \$12 to regular riders, \$12 to K-12 students and \$12 to college students
Rolling Hills	No	No	No subsidies towards Metro fare
Rolling Hills Estates	No	No	No subsidies towards Metro fare
Rosemead	No	Yes	City offers \$6 subsidy to seniors and \$11 to disabled
San Dimas	No	No	No subsidies towards Metro fare
San Fernando	No	Yes	City offers \$7 subsidy to seniors/disabled, \$6 to K-12 students and \$9 to college students

San Gabriel	No	Yes	City offers \$9 subsidy to seniors and disabled
San Marino	No	No	No subsidies towards Metro fare
Santa Clarita	No	No	No subsidies towards Metro fare
Santa Fe Springs	No	No	No subsidies towards Metro fare
Santa Monica	No	No	No subsidies towards Metro fare
Sierra Madre	No	Yes	City offers \$3.50 subsidy to seniors and disabled residents
Signal Hill	No	No	No subsidies towards Metro fare
South El Monte	No	No	No subsidies towards Metro fare
South Gate	No	Yes	City offers \$4 subsidy to seniors/disabled, \$10.00 to K-12 students
South Pasadena	No	Yes	South Pasadena offers \$7 subsidy to Seniors
Temple City	No	Yes	City offers \$3 subsidy to their seniors
Torrance	No	No	No subsidies towards Metro fare
Vernon	No	No	No subsidies towards Metro fare
Walnut	No	No	No subsidies towards Metro fare
West Covina	No	No	No subsidies towards Metro fare
West Hollywood	No	Yes	City offers \$6 to the seniors and disabled
Westlake Village	No	No	No subsidies towards Metro fare
Whittier	Yes	Yes	City offers \$12 to regular riders, \$10 to Senior/Disabled

Summary:

Number of cities offering subsidy to Regular riders: 5

Number of cities offering subsidy to Seniors: 29

Percentage of Population 70%

Southern California Colleges Pass Subsidy Data

School	Transit Subsidy	Notes
Community Colleges	Yes	All community colleges offer subsidy
American Jewish University	No	No subsidy offered
Antioch University - Los Angeles	No	No subsidy offered
Art Center College of Design	Yes	School offers bus tokens to scholarship students
Azusa Pacific University	No	No subsidy offered
Biola University	No	No subsidy offered
California Institute of Technology	Yes	Bus pass subsidy is offered
California Institute of the Arts	No	No subsidy offered
Charles R. Drew University of Medicine and Science	No	No subsidy offered
Claremont Consortium of Colleges	No	No subsidy offered
CSU Long Beach	Yes	Bus pass subsidy is offered
CSU Los Angeles	No	No subsidy offered
CSU Northridge	No	No subsidy offered
DeVry University - Long Beach	No	No subsidy offered
DeVry University - Pomona	No	No subsidy offered
Fuller Theological Sminary	Yes	Offers \$5 discount

Loyola Marymount University	No	No subsidy offered
Marymount College	No	No subsidy offered
Mount St. Mary's College	No	No subsidy offered
Otis College of Art and Design	No	No subsidy offered
Perpperdine University	No	No subsidy offered
Platt College - Los Angeles	No	No subsidy offered
Southern California Institute of Architecture	No	No subsidy offered
Southwestern College of Law	No	No subsidy offered
The Master's College	No	No subsidy offered
The Master's Seminary	No	No subsidy offered
University of California UCLA	Yes	UCLA offers 50% discount for monthly pass
University of La Verne	No	No subsidy offered
University of Southern California	No	No subsidy offered
Western University of Health Sciences	No	No Metro subsidy offered
Whittier College	No	No subsidy offered
William Howard Taft University	No	No subsidy offered
Woodbury University	No	No subsidy offered

Summary: 50% of college students are estimated to be receiving subsidy

Fare Subsidy Data Analysis
Rider Relief Transportation Program (RRTP)

	Passes			Cash/Tokens/		Total
	Regular	Seniors	K-12	College	Day Pass	
Estimated Number Riders	113,000	85,000	45,000	7,000	250,000	500,000
Number of riders without Access to Car (73%)	82,490	62,050	32,850	5,110	182,500	365,000
Riders ineligible to Receive RRTP Subsidies:	(12,374)	(43,435)		(2,555)		(12,374)
Regular riders receiving Employer subsidy (15%)						(43,435)
Seniors receiving city subsidy (70%)						(2,555)
Students receiving school subsidies (50%)						(25,550)
Riders covered by INTP (7% of Total)						
b) No. of riders with no cars and with no subsidies	70,117	18,615	32,850	2,555	156,950	281,087

c) Subsidy Per Rider

New Monthly Pass	\$ 62.00	\$ 14.00	\$ 24.00	\$ 36.00	n/a
Old Monthly Pass	\$ 52.00	\$ 12.00	\$ 20.00	\$ 30.00	n/a
Change in Monthly Pass	\$ 10.00	\$ 2.00	\$ 4.00	\$ 6.00	n/a
Monthly Subsidy	\$ 5.00	\$ 2.00	\$ 2.00	\$ 3.00	\$ 5.00

Monthly Subsidy as a % of Fare Change

50%	100%	50%	50%	n/a
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d) Funding Scenarios

Low: 40% of (b) are Below Poverty Line

Number of Riders to subsidize	28,047	7,446	13,140	1,022	62,780	112,435
Annual Funding	\$ 1,682,796	\$ 178,704	\$ 315,360	\$ 36,792	\$ 3,766,800	\$ 5,980,452
Assuming 55% of Eligible Riders Apply	\$ 925,538	\$ 98,287	\$ 173,448	\$ 20,236	\$ 2,071,740	\$ 3,289,249

Medium: 60% of (b) are Below Poverty Line

Number of Riders to subsidize	42,070	11,169	19,710	1,533	94,170	168,652
Annual Funding	\$ 2,524,194	\$ 268,056	\$ 473,040	\$ 55,188	\$ 5,650,200	\$ 8,970,678
Assuming 55% of Eligible Riders Apply	\$ 1,388,307	\$ 147,431	\$ 260,172	\$ 30,353	\$ 3,107,610	\$ 4,933,873

High: 80% of (b) are Below Poverty Line

Number of Riders to subsidize	56,093	14,892	26,280	2,044	125,560	224,869
Annual Funding	\$ 3,365,592	\$ 357,408	\$ 630,720	\$ 73,584	\$ 7,533,600	\$ 11,960,904
Assuming 55% of Eligible Riders Apply	\$ 1,851,076	\$ 196,574	\$ 346,896	\$ 40,471	\$ 4,143,480	\$ 6,578,497

LIST OF AGENCIES CONTACTED TO ADMINISTER THE PROGRAM								
Name of the Organization	Contact Person	Title	City	Zip	Phone No.	email Address	Response	
United Way	Alicia Lara	VP Community Investment Dept.	Los Angeles	90014	213-808-6510	alara@unitedway.org	No	
Salvation Army Bell Shelter	Eric Castillo	Business Manager	Bell	90201	323-263-1206X236	eric_castillo@usw.salvationarmy.org	No	
Catholic Charities Los Angeles	Carmen Mendivil	Administrative Assistant to CAO	Los Angeles	90015	213-251-3413	cmendivil@ccharities.org	No	
Salvation Army Glendale	Rick White	Director of Social Services	Glendale	91204	818-246-5586		No	
Shelter Partnership	Ruth Schwartz	Executive Director	Los Angeles	90014	213-688-2188X4580	rschwartz@shelterpartnership.org	No	
Jewish Family Services	Susan Alexman	Director of Older Adult Services	Los Angeles	90048	323-761-8800X1235	susan_alexman@ifsla.org	Yes	
City of Long Beach/Public Health Bureau	Theresa Marino	Manager	Long Beach	90815	562-570-4011		No	
Retired and Senior Volunteer Program	Diane Johnson	Director	Long Beach	90815	562-506-2801		No	
City of Long Beach/Human & Social Service Bureau	Susan Price		Long Beach	90815	562-570-4003	susan_price@longbeach.gov	No	
First African Methodist Church	Sharon Hayes	Project Manager	Los Angeles	90018	323-730-7727	Shayes@famechurch.org	Yes	
Neighborhood Services Bureau	Dennis Thys	Bureau Manager	Long Beach	90815	562-570-6843		No	
Human Services Association	Derran Dunaway	Associate Director	Bell		562-806-5400x127	Darren.dunaway@hsala.org	Yes	
Long Beach Non Profit Support Services	Judy Ross	Executive Director	Long Beach	90807	562-290-0081	Jross@lbnp.org	No	