

REPORT
FROM



THE PERSONNEL
DEPARTMENT

TO: City Council	DATE November 27, 2019
REFERENCE:	COUNCIL FILE 07-3435-S1

SUBJECT: **AQMD Compliance and Commute Options & Parking Program Review**

RECOMMENDATION:

That the City Council receive and file this Personnel Department report regarding the City's compliance with the South Coast Air Quality Management District (AQMD) Rule 2202.

SUMMARY:

In a motion (Wesson-Koretz) dated February 27, 2018, the Personnel Department, with assistance from the Office of the City Administrative Officer (CAO), Office of the Chief Legislative Analyst (CLA), and the Los Angeles Department of Transportation (LADOT), was asked to report back on the City's compliance with AQMD Rule 2202, and to provide any recommendations to improve compliance, including to reflect newly available commuting options, transit costs, and incentive programs. This report provides a status update on the Personnel Department's efforts to improve compliance working in conjunction with the City's Joint Labor-Management Committee on Commute Options and Parking (JLMC-COP).

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 JLMC-COP. The JLMC-COP includes four management member representatives – the Personnel Department, General Services Department (GSD), CAO, and LADOT - 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.

The current version of the Special Parking MOU has existed since September 2005. Updating and refining the Special Parking MOU would be beneficial in order to better align its provisions with evolving ridesharing alternatives and technology and with changes in the City's workforce and parking resources. Enhancing this MOU in accord with the renewed focus by City leaders to promote commuting choices that help reduce traffic congestion, improve air quality in the greater Los Angeles area, while offering responsive ridesharing and parking benefits as part of the City's overall benefits package is an important part of recruiting and sustaining a strong workforce.

This report reviews the current status of the City's ridesharing programs in compliance with AQMD Rule 2202. The report also outlines the Personnel Department's and JLMC-COP's project plan for evaluating newly available commuting options, transit costs, and incentive programs in conjunction with revising the City's Special Parking MOU.

A. AQMD Mobile Source Oversight and Compliance Requirements

The AQMD is the air pollution control agency for Orange County and the urban portions of Los Angeles, Riverside, and San Bernardino counties. Among its responsibilities, the AQMD works with employers to reduce emissions from mobile sources of air pollution. In 1995, the AQMD Board adopted "Rule 2202 – On Road Motor Vehicle Options" (Rule 2202) which sets forth certain requirements and compliance options for the purpose of reducing mobile source emissions from employee commuting to regulated worksites. Any worksite with 250 or more employees is subject to Rule 2202.

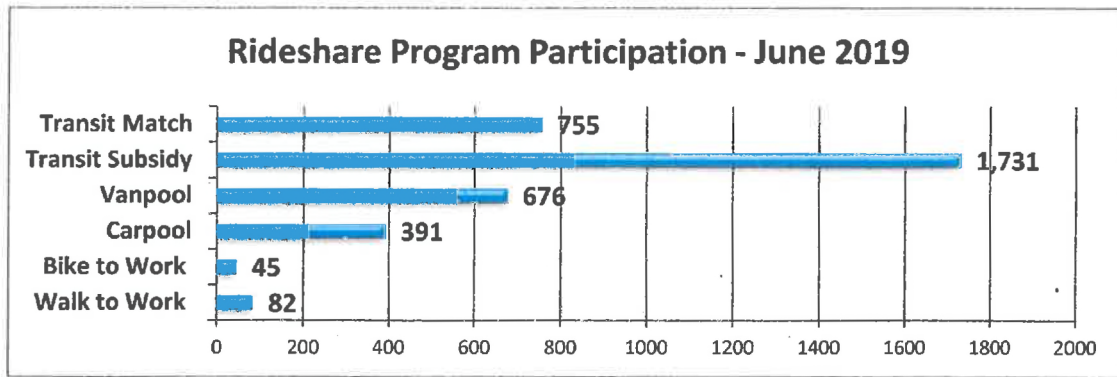
The City's COMMUTEwell Program encompasses twelve regulated worksites, including major sites for the LA Civic Center, Public Works building, and Figueroa Plaza. The AQMD sets certain targets for these worksites with respect to average vehicle ridership (AVR). Employers are required to create Employee Commute Reduction Programs (ECRP) with the AQMD in order to progress toward their AVR targets for covered worksites. The AVR is the number of employees arriving at a given worksite divided by the number of vehicles arriving at the same worksite during the same window of time. Thus, progress in increasing a worksite's AVR means fewer vehicles are commuting to the worksite relative to the number of employees at the worksite. If the employer does not establish an ECRP, or fails to meet its AVR targets, the employer and AQMD work together to employ certain compliance steps as established by the AQMD. COMMUTEwell meets or exceeds the AQMD's AVR targets for seven of its twelve covered worksites, representing 80% of total City of LA employees located in these worksites. COMMUTEwell's success in exceeding AVR targets compares favorably with its regional governmental peers. The City has ECRPs in place for all worksites. Each ECRP includes the full menu of COMMUTEwell transportation benefit programs as detailed in the next section.

B. Ridesharing Transportation Benefits - Status and Participation

COMMUTEwell's ridesharing transportation 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. Rideshare benefits include the following:

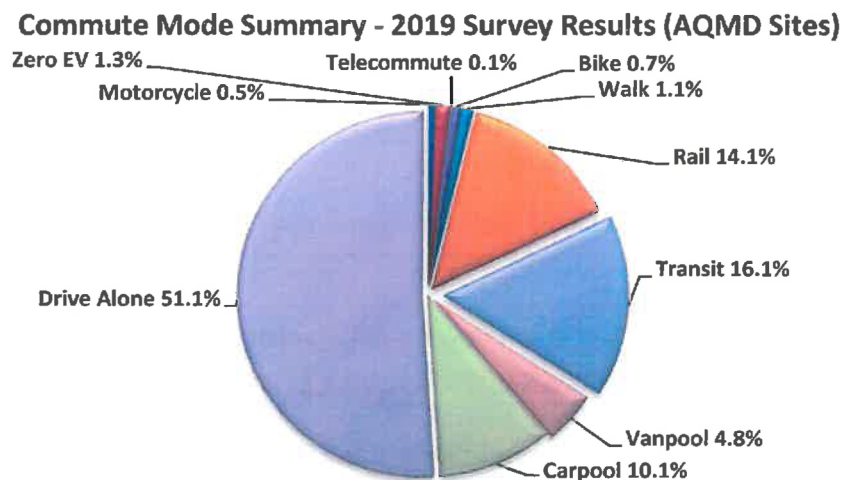
- **Transit Reimbursement Program:** Provides up to \$50 reimbursement per employee per month for those who use public transportation to commute.
- **Transit Spending Account (TSA):** Allows employees to set aside up to \$265 pre-tax dollars per month to pay for transit expenses while also providing a Transit Match of up to \$50 per month.
- **Vanpool Program:** Operates approximately 90 vans commuting from the greater Los Angeles area to common City work locations.
- **Carpool Program:** Assists with matching employees interested in sharing transportation costs and provides reduced parking fees for those who commute by carpool.
- **Bike/Walk to Work Program:** Provides up to \$50 per month to individuals who walk or bike to work.

The following graph summarizes COMMUTEwell program participation as of June 2019. A total of 3,680 City employees participated in the City's various ridesharing programs as of June 2019.



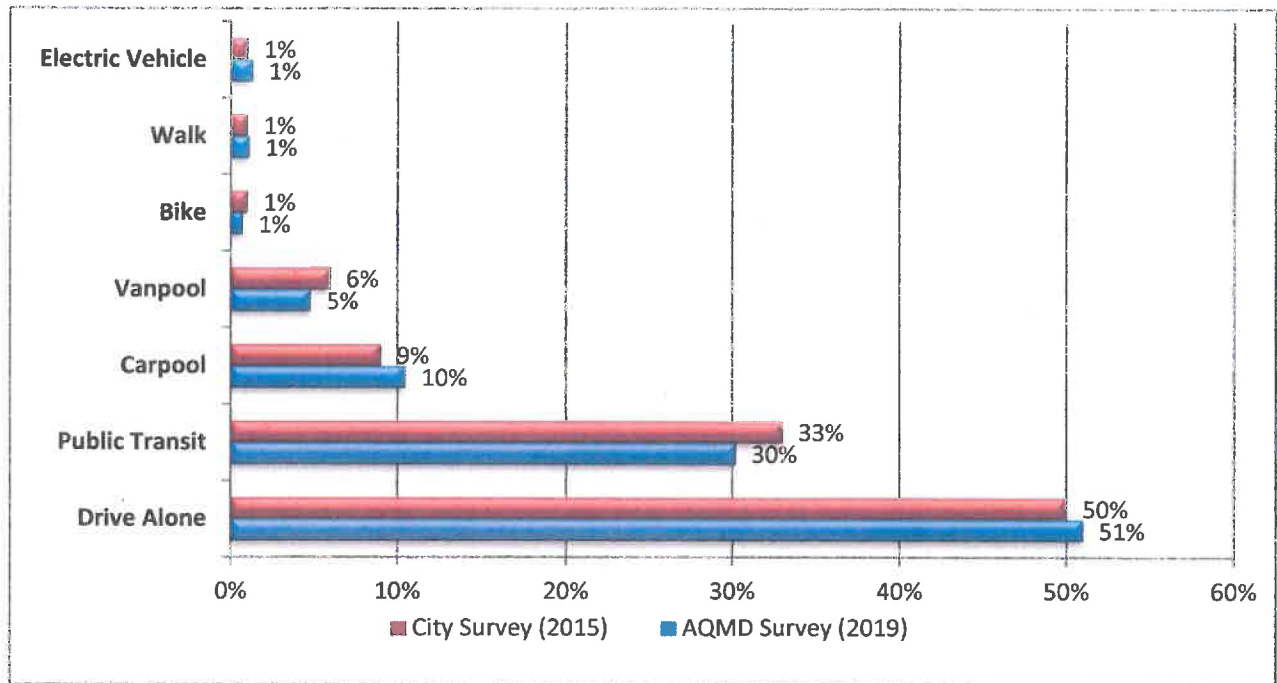
C. Employee Commuting Patterns and Preferences

Utilization of COMMUTEwell programs does not provide a complete picture of employee commuting behaviors. This report section reviews survey data which sheds greater light on employee commuting patterns and preferences. Each year the City is mandated by the AQMD to conduct a survey of employees who commute to one of its twelve regulated worksites. This survey provides important information regarding commuting behaviors at these worksites. The most recent survey was completed in April 2019. Out of 7,788 total employees at these worksites, 5,623 submitted responses for a response rate of 72%. The following chart provides summary results of employee commuting behaviors per the 2019 survey. As the chart indicates, approximately 51% of respondents drive alone, while 49% are engaging in alternate means of commuting to work.



While the AQMD survey reveals important information about commuting patterns, it does not address employee preferences and motivations. For this reason, in 2015 Employee Benefits conducted a separate custom commuting preferences survey. The intent of the survey was to (a) obtain greater insight into what drives employee decision-making to either drive alone to work or use alternative forms of transportation, and (b) identify what factors might influence changes in behavior. A threshold question was whether the City's commuting preferences survey results aligned with and could validate the AQMD survey results with respect to various forms of ridership. The results indicated a high level of correlation between both surveys. The following table compares the 2015 commuting preferences survey results with

the most recent 2019 AQMD survey:



Key findings from that survey are provided as **Attachment A** to this report. A new 2019 Commuting Preferences survey was recently released and closes on December 6, 2019. This survey will provide the City with the ability to update prior results and lay the groundwork for establishing trends and identifying areas of opportunity for influencing employee behaviors.

D. Parking Benefits - Status and Participation

Employee Benefits presently administers the following parking benefits for eligible City employees:

Parking Benefits

- **City Facilities Parking** – Eligible employees may receive parking at various City-owned or leased parking facilities on a space-available basis per the parking priorities established in the Special Parking MOU.
- **Parking Savings Accounts** – Eligible employees may contribute, on a tax-free basis, up to \$265 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 (see **Attachment B**). In total, approximately 6,100 permits are administered at these various parking facilities.

Overall, City employees who wish to receive parking continue to encounter challenges with parking capacity. The following table includes all City parking facilities with waiting lists. As of July 2019, there are 2,435 listed employees awaiting parking.

PARKING FACILITY WAITING LISTS	
Parking Facility	Wait List Total
City Hall East	1,009
Figueroa Plaza	412
Public Works Building (PWB)	275
Spring Street Lot 220	512
LADOT Lot	79
Police Admin Building (PAB)	63
Vignes/MSD Lot	41
Piper Tech	33
Van Nuys Friar Lot	11
Total	2,435

Over the past two years, Employee Benefits conducted audits at 15 parking facilities as part of an ongoing audit plan. The objective of the auditing plan is to continuously remove ineligible and terminated employees who have been issued parking permits or keycards from the list so eligible employees waiting on the lists can receive permits or keycards. As a result of this two-year effort, over 1,000 new permits have been issued, reducing the number of individuals on wait lists at those lots by approximately 10%.

E. Strategic Objectives for Improving Transportation Benefits

Much has changed in the years since the Special Parking MOU was last reviewed. Development in the downtown Los Angeles urban core has resulted in growing demand for a limited pool of parking resources, while new technologies and services are emerging which are enabling new forms of ridesharing. In cooperation with the JLMC-COP, Employee Benefits has developed a set of key strategic objectives for improved outcomes for the City’s workforce in the realm of transportation benefits, including the following:

- Procure and work with an expert transportation benefits consultant to identify a blueprint for best practice transportation benefit design
- Following consideration of the consultant’s analysis, work with the JLMC-COP to revise and update the Special Parking MOU
- Work with management and labor to develop an innovative strategic plan for measurably improving utilization of ridesharing commuting alternatives
- Establish the City as a leading, cutting-edge employer that provides model transportation benefits
- Establish new initiatives in support of the Mayor’s Sustainability Plan and 2025/2035 environmental and economic objectives
- Establish relationships and coordinated programming with regional transit agencies

A priority first step in pursuit of these objectives is securing an outside consulting resource with expertise in the design of employer-sponsored rideshare and parking benefits. The purpose of establishing such a consulting relationship will be to provide assistance to the City and the JLMC-COP in obtaining a long-term relationship with a consulting partner that provides expert support in three primary areas:

- (1) Conducting a comparative study of best practices used by other employers in combination with assessing the City's current program design;
- (2) Providing ongoing feedback and support as the City moves into the finer details of executing revisions to the City's Special Parking MOU in concert with creating strategic objectives and a long-term strategic plan for the COMMUTEwell Program; and
- (3) Supporting the City in ongoing efforts to engage employees on their commuting preferences and behaviors with the objective of achieving measurable improved outcomes.

The RFP was released in November 2019 and responses are due January 31, 2020. The funding source for consulting costs will be the City Employees Ridesharing Fund (Fund) that was created under Los Angeles Administrative Code Division 5, Chapter 31, as a repository for parking fees, vanpool fares, and to pay for program costs (exclusive of salaries).

In addition, Employee Benefits is exploring other transportation benefit initiatives, including establishing a pilot program for the Metro Employer-Pass Program (Metro E-Pass), which provides employers the ability to purchase passes for employees with unlimited ability to ride everything that Metro owns and operates, including Metro local buses, Metro Rapid buses, and Metro rail lines. As the Metro E-Pass Program involves meet and confer considerations, this topic is also being reviewed by the JLMC-COP in the context of the current reimbursement structure embodied within the City's Special Parking MOU.

Employee Benefits has been communicating with LADOT and the Department of City Planning (City Planning) regarding their efforts in connection with Council File (CF) 15-0719-S19. This motion directs LADOT to work with City Planning and the City Attorney's Office to prepare an ordinance updating the City's Transportation Demand Management (TDM) requirements on new development.

TDM is the application of strategies that improve the efficiency of the transportation network by providing incentives, information, and measures that shift travel behavior away from driving alone and reduce vehicular travel demands. Employee Benefits, LADOT, and City Planning will continue to share informational resources which can assist the City in leveraging and coordinating the most effective commute reduction strategies and best practices for employer-sponsored programs and benefits.

Finally, Employee Benefits coordinated with the Mayor's Office to develop a campaign for California Clean Air Day. California Clean Air Day is an initiative of the non-profit Coalition for Clean Air (CCA), a statewide organization founded in 1971 focused exclusively on air quality issues. California Clean Air Day asks individuals and organizations to take a "Clean Air Pledge" with actions that support clean air, including actions related to commuting. California Clean Air Day took place October 2, 2019, immediately before LA Metro's annual Rideshare Week (October 7-11, 2019). Employee Benefits promoted both events to encourage sustainable and environmentally-friendly commuting choices and will continue using events such as these to promote sustainable commuting practices.

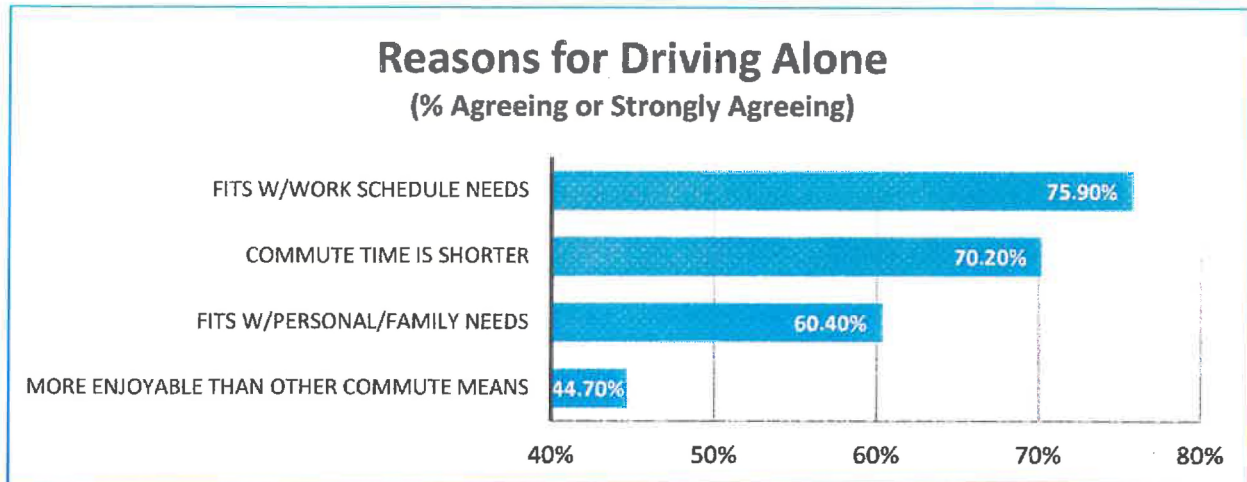


WENDY G. MACY, GENERAL MANAGER
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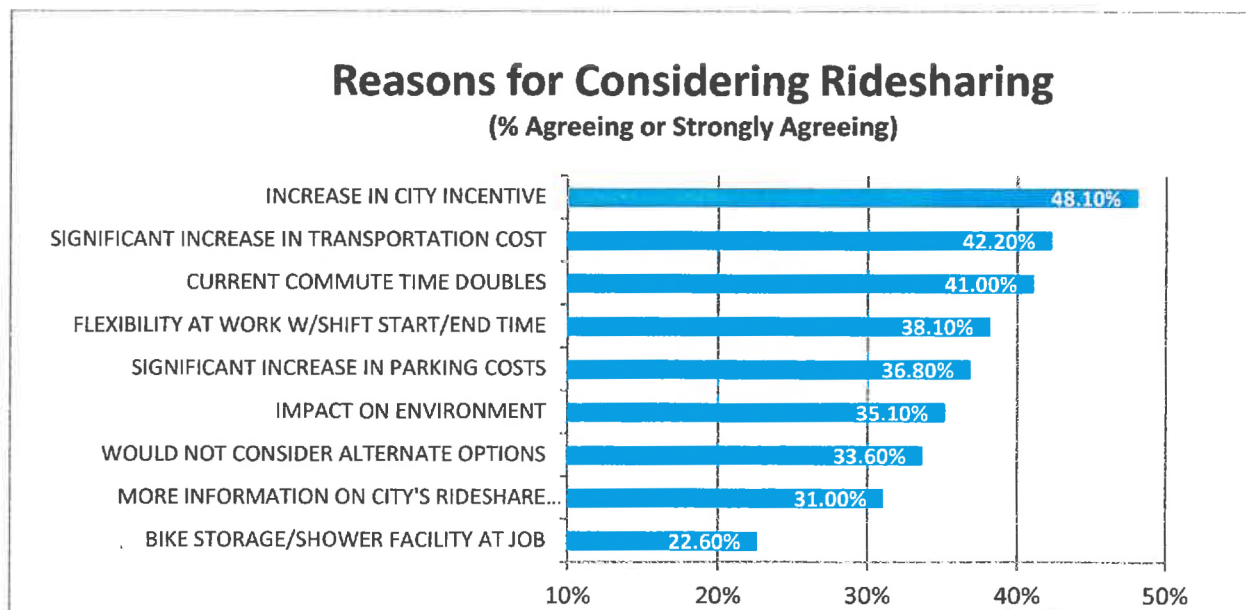
Key Findings

2015 Commuting Preferences Survey

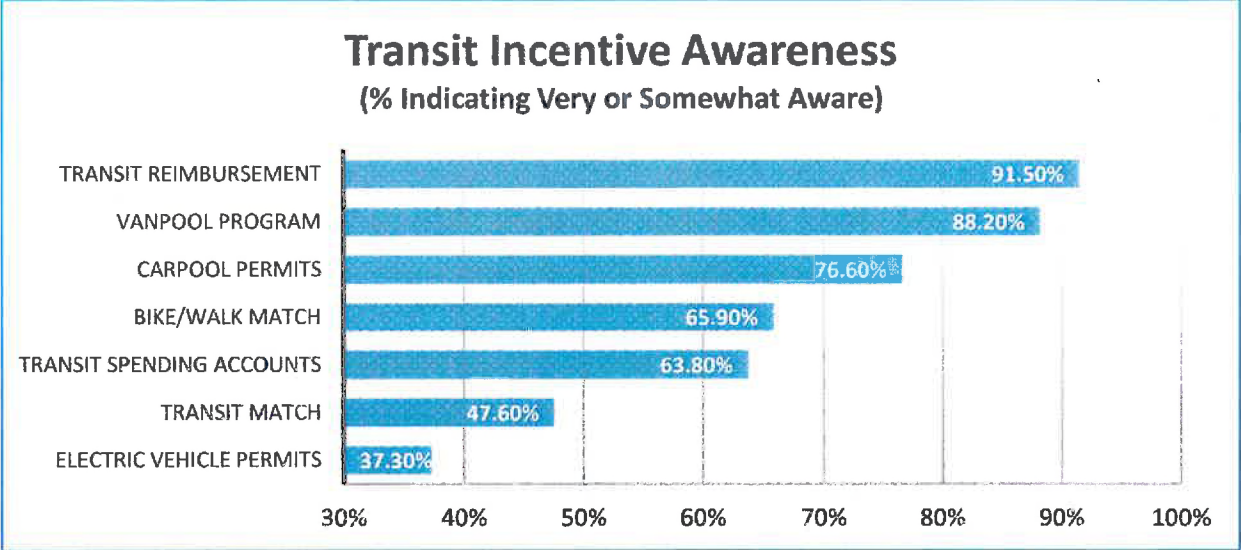
Employees Who Drive Alone – This group of employees was asked to indicate how much they agreed with a list of potential factors that motivated them to drive alone to work. Most respondents indicated that work schedule, personal needs, and shorter commuting times were primary factors.



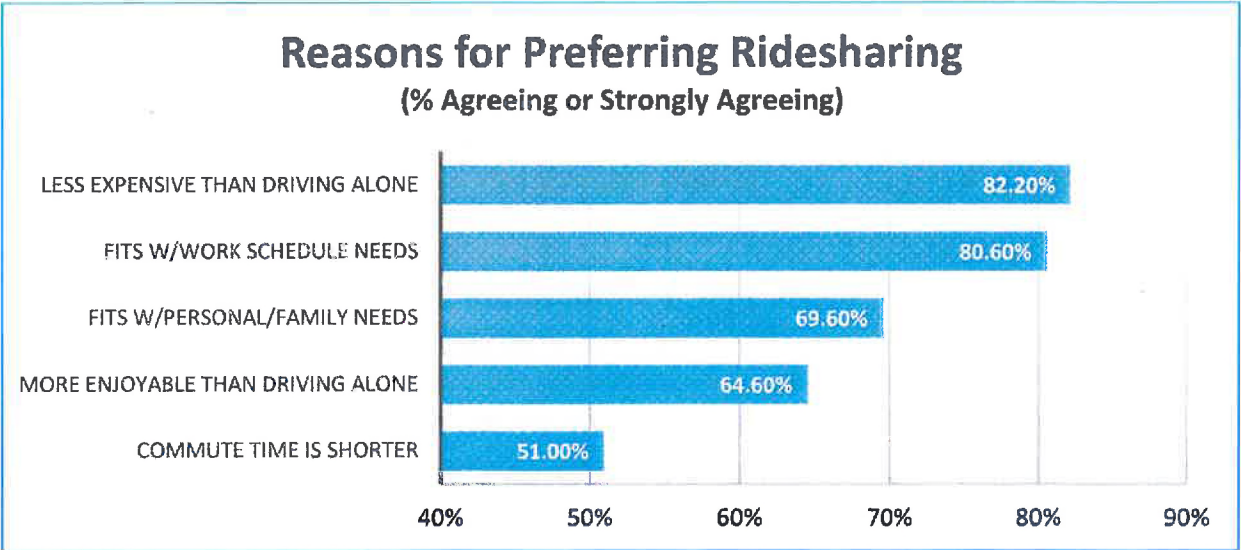
The survey addressed factors that might influence employees presently driving alone to work to consider ridesharing alternatives. The responses indicated that an increase in transit incentives, increases in transportation costs (such as higher fuel prices), and increased transportation time would be the strongest influencing factors.



Transit Incentive Awareness – This survey measured employee awareness of the City’s current transportation incentives. The results indicated generally high levels of awareness for the most heavily utilized programs, but also highlighted areas of opportunity for the City to better promote awareness of less frequently utilized benefits such as electric vehicle permits:



Employees Using Alternative Commuting Methods – This survey inquired about the reasons current ridesharing employees choose that option versus driving alone. Employees were asked to indicate how much they agreed with a list of reasons that motivated their commuting choices. Most respondents indicated that cost, work schedule, personal needs, commute experience, and shorter commuting times were the primary factors.



No.	Parking Lot	Leased (Y/N)	Allocated Spaces
1	City Hall East (all levels)	N	1,140
2	City Hall East - F2 (Fire Only)	N	149
3	Lot 319 E. 2nd Street	Y	45
4	220 So Spring Street	Y	293
5	Police Administration Building (PAB)	N	300
6	701 E Third St (LAFPP)	Y	70
7	221 W 2nd St (LACERS)	Y	25
8	213 S Spring St (LACERS)	Y	50
9	LADOT/CALTRANS	Y	232
10	Vignes	N	132
11	520 E. Temple - MSD	N	202
12	EOC - 500 East Temple	N	149
13	Piper Tech	N	320
14	150 W12th St - PWB	Y	850
15	1200 W. 7th St. - GARLAND	Y	550
16	Library - 630 W Fifth St	Y	50
17	Library - 406 So Olive	Y	205
18	Figueroa Plaza	N	1,204
19	Braude Building	N	152
20	Friar Lot - 14410 Friar St	Y	230
21	West L A - Sawtelle	N	57
22	West L A - Corinth Lot	N	159
	TOTAL		6,564