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TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON 
CHIEF EXECUTIVE OFFICER

FROM: JAMES DE LA LOZA 
CHIEF PLANNING OFFICER

**SUBJECT: METRO VANPOOL PROGRAM RECOVERY PLAN
UPDATE**

ISSUE

This Board Box provides an update of the proposed recovery plan for the Metro Vanpool Program. In response to the COVID-19 pandemic and the Stay-at-Home orders, the Metro Vanpool Program, in coordination with its regional partners, developed a targeted response that addresses the policy and reporting concerns of its participants.

BACKGROUND

The Metro Vanpool Program is an industry leader in providing a mobility option to employers and commuters that significantly reduces traffic congestion while improving air quality throughout Southern California. This program contributes to the reduction of more than 100 million vehicle miles traveled (VMT) annually produced by single-occupancy vehicles (SOV) in Los Angeles County. Thousands of cars would be on the road without this highly successful program. In addition, Metro Vanpool generates approximately \$20 million annually of federal funding for the agency.

Vanpool participants lease the vehicle directly from the vehicle supplier of their choice and then apply to the Metro Vanpool Program to receive a subsidy. Vanpools are composed of five to 15 commuters who regularly travel together to work. Typically, Metro enters into a vanpool subsidy agreement with the vanpool coordinator, in most cases the leaseholder of the vehicle. The program is open to everyone and strictly prohibits discrimination in all its forms. In addition, vehicle suppliers provide vehicles that are compliant with the Americans with Disabilities Act (ADA) upon request.

The Metro Vanpool Program is managed by Metro's Transportation Demand Management (TDM) team in the Countywide Planning and Development Department. The program supports Metro's vision of increasing the usage of transportation modes and reducing solo driving as outlined in the Metro Vision 2028 Strategic Plan.

DISCUSSION

Recognizing the changes in daily schedules and work commutes, Metro implemented flexible occupancy and ridership thresholds for a 120-day period. During this time, Metro continued to provide subsidies for enrolled vanpools that submitted monthly vanpool reports. Due to ongoing concerns related to COVID-19, the 120-day period was extended through July 31, 2020.

Currently, the Metro Vanpool Program provides up to \$500 per month in subsidies to 1,251 registered vans. Of these, two-thirds have been operating normally as many of them offer a transportation option to essential workers. Additionally, 34% (or 428 vans) have continued to receive the subsidy although they have not operated during this time and have been "parked." The program has made an ongoing effort to support commuters and retain vanpool participants, creating stability for the program and securing long-term growth. The recovery plan is intended to continue to encourage vanpool use while also ensuring prudent use of Metro's financial resources.

Staff has developed a plan that will be implemented in phases to assist participants as the program returns to normal operations. The plan has three phases in total. The first phase will continue to allow for flexibility, however "parked" vans will no longer receive subsidies. This means that all vans will be expected to operate for commuting purposes in order to receive a subsidy. Although the second phase continues flexible thresholds, the minimum criteria increases. Normal operations are expected to resume during the third phase. Metro will continue to follow the recommendations from the LA County Department of Public Health and the US Centers for Disease Control and Prevention (CDC) for best practices and evaluation of program policies as needed.

As the Metro Vanpool Program transitions to post COVID-19 operations, the following actions are recommended:

Phase	Duration	Action
Phase 1 – Flexible Thresholds	August 1 - September 30, 2020	Metro will only provide a subsidy to vanpools that operate, meaning the vehicle must be used for commuting purposes to and from work. "Parked" vans will no longer receive a Metro subsidy. Eligible vanpools must also meet the following minimum criteria to receive a full subsidy:

		<ul style="list-style-type: none"> Individual vanpools must operate a minimum of 6 days per month. Individual vanpools must have a minimum of 2 people on board.
Phase 2 – Flexible Thresholds	October 1 - December 31, 2020	<p>Metro will continue to provide a full subsidy to vanpools that operate and meet the following minimum criteria:</p> <ul style="list-style-type: none"> Individual vanpools must operate a minimum of 9 days per month. Individual vanpools must have a minimum of 3 people on board.
Phase 3 – Normal Operations Resume	January 1, 2021 – TBD	<p>Metro will continue to provide a full subsidy to vanpools that operate in accordance to established program policy for normal operations and meet the following criteria:</p> <ul style="list-style-type: none"> Individual vanpools must operate a minimum of 12 days per month. Individual vanpools must have a minimum of 4 people on board. <p>Metro will provide prorated subsidies to vanpools on a case-by-case basis depending on operating days and termination end dates.</p>

Recovery Plan from Other Agencies

Metro staff reached out to other agencies in the region that also operate and manage vanpool programs. Orange County Transportation Authority (OCTA), San Bernardino County Transportation Authority (SBCTA) and Riverside County Transportation Commission (RCTC) have implemented similar flexibility to accommodate the evolving needs of their programs. These agencies have begun transitioning back to normal operations and although flexibility is still being provided in certain aspects, “parked” vans no longer receive subsidies at OCTA and RCTC as of June 2020, and at SBCTA as of August 2020.

Additional Metro Vanpool Program Updates

Although COVID-19 has impacted daily work activities, staff has maintained reporting requirements during this time and has worked closely with participants. Moreover, monthly National Transit Database (NTD) ridership reports have been consistently submitted with assistance from Accounting. The program collects reports from vanpool participants on a monthly basis as a requirement. The report contains specific data for NTD reporting submittal. Although the subsidy to vanpools is funded through Prop C 25%, the submission of data generates a

reimbursement of approximately \$20 million annually to Metro from Section 5307 federal funds. These funds are made available to other departments at Metro including Operations.

In an effort to continuously improve the Metro Vanpool Program, a new software system was launched this month. This software considerably improves all processes related to operating and managing the program. The monthly reporting process by participants will be more user friendly, provide self-service options, and increase accuracy and performance. The submittal of reports by staff to NTD will also be streamlined. In addition, the new software will include a new mobile app for the program's participants. Despite the ongoing pandemic, staff worked diligently to ensure that the launch was successful. Additional outreach and marketing activities are forthcoming.

NEXT STEPS

Staff will work closely with participants and vehicle suppliers to implement the recovery plan. Staff will also monitor recommendations issued at the local, state and federal levels as they pertain to COVID-19 and make adjustments to the plan accordingly.