

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: April 28, 2021

To: The 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: **California Air Resources Board Sustainable Transportation Equity Project Award**

SUMMARY

Council File 20-1041 authorized the Los Angeles Department of Transportation (LADOT) to apply for a grant in an amount up to \$16 million, from the California Air Resources Board (CARB) Sustainable Transportation Equity Project (STEP) grant program. LADOT received a preliminary grant award from CARB under the STEP grant program in the amount of \$7,077,770.53 on November 6, 2020. LADOT now seeks authority to accept the \$7,077,770.53 grant awarded from CARB to implement the STEP program in South Los Angeles, including approval of a grant agreement with CARB to carry out a STEP program for the City of Los Angeles. LADOT also seeks authorization to execute agreements with various implementation partners to execute the funded CARB STEP grant program.

RECOMMENDATIONS

That the City Council, subject to approval of the Mayor:

1. Authorize LADOT, to accept on behalf of the City, a \$7,077,770.53 grant award from the California Air Resources Board (CARB), including authorization to execute a grant agreement with CARB, and potential future grant amendments, to carry out the STEP grant for a performance period effective from the date of execution of the CARB agreement through March 31, 2025; and authorize the Controller to establish an appropriation account within Transportation Grant Fund No. 655, Department 94 in the amount of \$7,077,770.53 to implement the CARB Sustainable Transportation Equity Project.
2. Authorize LADOT to negotiate and execute a memorandum of Understanding (MOU) with the Los Angeles County Metropolitan Transportation Authority (Metro), not to exceed \$756,770, to implement a mobility wallet as part of the STEP grant agreement.
3. Authorize LADOT to negotiate and execute an agreement with Los Angeles Cleantech Incubator (LACI), not to exceed \$1,600,000, to procure electric micromobility devices for a community based micromobility pilot.
4. Authorize LADOT to negotiate and execute an agreement with EVgo, not to exceed \$125,000, derived from the CARB STEP funds to install electric charging infrastructure.
5. Authorize LADOT to negotiate and execute an MOU with the Department of Water and Power (LADWP) to provide funding in the form of electric vehicle rebates for at least \$605,000.

6. Authorize LADOT to negotiate and execute an agreement with the South Los Angeles Transit Empowerment Zone (SLATE-Z), not to exceed \$393,298.53, to conduct and coordinate community engagement activities related to the grant.
7. Authorize LADOT to negotiate and execute an agreement with Los Angeles Trade Technical College (LATTC), not to exceed \$258,504.40 to provide workforce development training and to implement a Youth Ambassador community engagement program.
8. Authorize LADOT to negotiate and execute an agreement with CicLAvia, not to exceed \$175,000, to provide open street events that will serve as testing and onboarding platforms for STEP as well as venues for data collection, community feedback, and outreach and recruitment.
9. Authorize LADOT to negotiate and execute an agreement with Mobility Development Partners (MDP), not to exceed \$258,347, exemption from the Charter Section 1022 Determination, for a performance period effective from May 15, 2021 through March 30, 2025, subject to the compliance with City contracting requirements and approval of the City Attorney as to form and legality.

BACKGROUND

On June 4, 2020, CARB issued a notice of funding availability for the Sustainable Transportation Equity Project (STEP) grant program to address community transportation needs, increase access to key destinations, and reduce greenhouse gas emissions by funding clean transportation.

On August 19, 2020, City Council authorized LADOT to apply for an amount up to \$16 million in CARB STEP grant funding to expand mobility solutions in South Los Angeles. LADOT applied for \$13,843,298 in funds.

On November 6, 2020, LADOT received an award letter stating that CARB preliminarily selected the STEP LADOT proposal for a \$7,077,770 grant. LADOT is partnering with Metro, SLATE-Z, EVgo, Bureau of Street Lighting, Los Angeles Public Library, Los Angeles Trade Technical College, CicLAvia, and Los Angeles Cleantech Incubator to expand the City's BlueLA electric vehicle car share stations and charging facilities throughout South Los Angeles, subsidize micromobility and electric bicycle access, implement an electric vehicle neighborhood shuttle, and develop a Mobility Wallet to distribute sustainable transportation subsidies. The grant requires a minimum 20% funding match that will be secured through a combination of funds including a portion of CARB grant funds (\$3.0 million) for Phase II of the City's BlueLA Electric Vehicle Carshare system, \$855,000 in state Mobile Source Air Pollution Reduction funds provided in the Fiscal Year 2019-2020 and 2020-21 Adopted Budget for contractual services to implement an electric vehicle car share system and other sustainable transportation initiatives, as well as additional funds and in-kind match provided by LADOT, the Los Angeles Department of Water and Power, LACI, Los Angeles Trade Technical College, Ciclavia, and Metro.

DISCUSSION

STEP is a new CARB funding program that takes a community-based approach to overcoming barriers to clean transportation and mobility options. It aims to reduce greenhouse gas emissions, increase access to clean transportation, and address community transportation needs by funding planning, clean transportation, and land use projects. This pilot is part of the Fiscal Year 2019-2020 Low Carbon Transportation Funding Plan, which is part of California Climate Investments.

The LADOT pilot area is within South of Los Angeles, bounded approximately by 10 East Freeway to the north, South Alameda Street to the east, Crenshaw Boulevard to the west, and Florence Avenue to the south. South Los Angeles is home to a population of over 370,000. Based on census tract data for the project area and using the American Community Survey, 29% percent of households are below the poverty level, with over 21,000 households (19%) receiving SNAP (Supplemental Nutrition Assistance Program) benefits. All of the project area qualifies as either an SB 535 Disadvantaged Community or an AB 1550 Low-Income Community, and the vast majority qualify under both. The majority of residents are people of color: two-thirds are Hispanic and a quarter are African-American. Seven percent are senior citizens aged 65 or older. Over 6% of households reported owning no vehicle, 30% owning one vehicle, and 64% owning two or more vehicles. Nearly 7% of workers in the area walk or bike to work and approximately 14% take transit.

The awarded STEP pilot project will provide clean transportation options for short range trips within the project area, including connections to existing transportation services, as well as longer electric vehicle trips. Providing greater access to zero-emission first-last-mile connections will enable higher ridership on trunk transit options such as Metro Light Rail and Bus Rapid Transit, and incentivize multimodal trips linking to active transportation corridors, micromobility, and shared mobility such as Metro Bikeshare and Metro Mobility-On-Demand operating in nearby service areas. Shared mobility options and active transportation improvements will go hand-in-hand with ongoing City initiatives such as the MyFigueroa Corridor Streetscape Project and the Avalon Boulevard Safety Project, as well as curb relocation efforts like Al Fresco dining and People Street, which permits parklets and pedestrian plazas.

Table 1 (Summary of Revenue Sources and Projected Use of Grant Funds) and the draft grant agreement (Attachment A) provide detailed information on project tasks and funding. Below is a summary of the various project elements and implementation partners.

- *BlueLA Expansion:* The STEP project will expand BlueLA carshare services into South LA. The expansion will add 50 additional vehicles into the program through enhanced outreach in conjunction with the Mobility Wallet. As with Phase I of BlueLA, a steering committee composed of Community Based Organizations (CBOs) will guide program design.
- *Electric Chargers:* The STEP project will create a network of approximately 50 public Level 2 (L2) chargers throughout the entire STEP project area, geographically dispersed such that all residents are within minutes of a public charger. The chargers will be open and available to the community at public facilities they already make use of, such as city-owned parking lots and libraries, and will be available at the curbside, affixed to street lights. In addition to the L2 network, LADOT will deploy a high speed direct current (DC) fast charging plaza.
- *Electric Shuttles:* Working closely with Council District 9, LADOT will pilot an on-demand free shuttle to the heart of South LA between Vermont and Central Avenues. The pilot is planned to operate for 12 months. This will augment DASH service in the area, operating on both weekdays and weekends, and adding approximately 250 service hours to Community DASH service. The shuttle will be all-electric, operating with new buses procured by 2022 in coordination with efforts towards transit fleet electrification. The program will fill gaps in the service area, eliminate the need for transfers, and extend service hours into the evening.

- *LADOT Quick Build Street Safety Improvements:* LADOT will collaboratively design, test, and implement low-stress street routes that support other STEP project components and access to key destinations. Key deliverables include safety education programming, community route rides, pop-up safety demonstrations, and implementation of specific routes with quick-build traffic calming, wayfinding, and active mobility infrastructure.
- *Rail to Rail First Mile-Last Mile:* The pilot project includes street enhancements that will facilitate safe and comfortable pedestrian and bicycle connections between the future Rail to Rail Active Transportation Corridor (ATC) and the Crenshaw/LAX Fairview Heights Station. Street enhancements include improved signage and wayfinding markers, paving, striping, sidewalks, ADA ramps, and street lighting among other improvements. This will close an approximately one-half mile gap between the County's first urban rails to trails project and a new light rail station.
- *Los Angeles County Metropolitan Transportation Authority (Metro) Mobility Wallets:* Metro will work with project partners to expand current Transit Access Pass (TAP) integration efforts, ultimately building a Mobility Wallet for low-income, student, senior, and disabled riders throughout the entire STEP project area. The Mobility Wallet consists of both analog and digital components to provide a seamless transportation pass. A mobility pass will include transit and shared mobility credits for a 2,500-person pilot subscriber base for one year as part of a monthly transportation allocation that will also include access to the electric mobility services.
- *Los Angeles CleanTech Incubator (LACI) Electric Micro-Mobility:* A transportation library will provide access to shared electric bikes. Two hundred and fifty electric pedal-assist bikes will be available to South LA residents and throughout the entire STEP project area through library hubs. This project element will be managed with procurement support from LACI and LADOT, which will include an operations contract and guidance oriented towards South LA community-based operators.
- *Los Angeles Trade Technical College (LATTC) and LACI Workforce Development:* Partnering with LATTC and the LACI, the South LA STEP project links several mobility and electrification solutions to technical training, internship opportunities, and direct employment through EVSE (Electric Vehicle Supply Equipment) maintenance and diagnostics. Partnership with LATTC is critical as 43% of LATTC students live within the STEP Community and the college provides workforce development programs with career pathways in the climate and clean transportation sectors. LACI will provide a paid internship program, which is focused on station charger repairs.
- *SLATE-Z and Ciclavia Stakeholder Engagement:* In collaboration with SLATE-Z, stakeholder engagement will include representation from local CBOs, as well as capacity building for area residents to serve an advisory role on the project. Selected residents will receive training and mentorship to support the Resident Advisory Committee (RAC). Duties for residents and CBO representatives will include guidance and input on outreach events, communication of project developments to the community, and recommendations on technical components including site selection or design aspects. CiclAvia open street events serve as testing and onboarding platforms for the STEP Pilot, as well as venues for data collection, community feedback, and outreach and recruitment for the Community Stakeholder Structure.

The STEP Pilot Project aligns with Mayor Garcetti’s Executive Directive on Racial Equity and the 2019 Green New Deal. The various elements of the proposed pilot enable and subsidize clean mobility options for residents and employees of businesses at risk for displacement.

Table 1: Summary of Revenue Sources and Projected Use of Grant Funds

Sustainable Transportation Equity Project - Summary of Revenue Sources and Projected Use of Grant Funds						
Revenue Sources	CARB	LADWP	LADOT	Partners Match	Total	Notes
STEP Grant - CARB Funding	\$7,077,771		\$888,510		\$7,966,280	\$438k: LADOT In-Kind \$450k: Contractual Services Support
BlueLA Phase II - Projected for South LA		\$200,000	\$48,301	\$1,500,000	\$1,748,301	\$800k: LADWP Rebates (\$5k/charge point) - At least 8 stations \$ 48k: LADOT In-Kind \$1.5M: Blink Mobility investment (50 Chevy Bolts)
Mobility Wallet (Reduced Cost Transit)			\$336,000	\$150,700	\$486,700	\$336k: Caltrans Low Carbon Transit Operations Program (LCTOP) \$150k: LA Metro In-kind Match
Additional Public Charging		\$405,000	\$69,838	\$275,000	\$749,838	\$405k: LADWP Rebates \$69k: LADOT In-Kind \$275k: EVgo Match (One Fast Charging Hub)
South LA CicLAvia and Quick-Build Investments			\$350,500	\$150,000	\$500,500	\$150k: CicLAvia In-Kind \$350k: LADOT quick build In-Kind (\$150.5k), City Services (\$200k)
LATTC and LACI Workforce Development				\$60,412	\$60,412	\$30k: LACI Match (CA Workforce Development Board) \$30k: LATTC In-Kind Match
Total Est. Revenue	\$7,077,771	\$605,000	\$1,693,149	\$2,136,112	\$11,512,031	
Project Component	STEP Funding	Summary of Component Scope / Notes				
Grant Implementation	\$258,347	Overall Project Management Efforts across four (4) years estimated at \$1.15 million, including LADOT in-kind				
Mobility Wallet	\$756,770	Metro will integrate TAP with other project components towards Universal Basic Mobility pilot, leveraging LADOT's investment in free-fare transit for K-12 and Community College students (DASH to Class - LCTOP Grant)				
Electric Mobility	\$3,658,355	Will build on existing efforts to expand BlueLA into South LA, adding at least 50 cars and 20 stations in the project area. The e-bike library also build on existing CARB investments, bringing at least 250 e-bikes to the Project Area for check-out by community members. Both of these services will be procured in the first year of the project. Lastly, the program will expand on LADOT's efforts to bring flexible transit services to augment fixed-route community shuttles.				
Charging for All	\$716,000	At least 51 level 2 chargers will be installed at public facilities, such as parks and libraries, in the project area. Additionally, one DC Fast Charger hub with 5 ports will be installed				
Stakeholder Engagement & Outreach	\$688,299	SLATE-Z and CicLAvia will engage community residents through a collaborative stakeholder structure, and will conduct two SouthLA CicLAvia event in 2021 and 2022 and a number of "pop-up" events to provide continuous outreach support				
Quick Build	\$500,000	Quick Build - Active Streets projects will be conducted throughout the project area, building on successful deployments on Avalon Blvd in South LA				
Rail to Rail	\$500,000	Future Rail to Rail Active Transportation Corridor Street enhancements				
Total STEP Grant	\$7,077,771					

FINANCIAL IMPACT

Acceptance of the \$7,077, 770.53 million for Sustainable Transportation Equity Project grant award from CARB will provide funds to support the City's efforts to continue the nation's biggest EV Carsharing program and provide access to transportation options in disadvantaged community in South LA. The grant fund will be utilized for development of mobility wallet, installation of electric chargers, providing electric bikes, providing training and workforce development, and Community Based Organizations' steering committee expenses. Upon execution of the grant agreement, the City anticipates total reimbursement of \$7,077,770.53 million until the completion date of March 31, 2025 performance period. Matching and in-kind resources of at least 3,984,261 million will be available to implement the STEP Pilot Project. LADOT continues to seek state and federal support for associated initiatives. These recommendations are in compliance with City Financial Policies in that grant revenues and anticipated budgeted City funds are available for, to support this program. Further information on these commitments is outlined in the grant application.

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Attachments (STEP draft grant agreement)