

REPORT
FROM



THE PERSONNEL
DEPARTMENT

TO: City Council	DATE March 1, 2022
REFERENCE: City Employee Transportation Benefits	COUNCIL FILE
SUBJECT: Proposed Letter of Agreement Modifying the Special Memorandum of Understanding on Commute Options and Parking – Transit Subsidy Increase	

RECOMMENDATION:

That the City Council approve a proposed Letter of Agreement (LOA) temporarily modifying the Special Memorandum of Understanding on Commute Options and Parking to increase the transit subsidy for City employees.

DISCUSSION:

The City offers a variety of transportation benefits to eligible employees through the Personnel Department/Employee Benefits Division's 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 City's Joint Labor-Management Committee on Commute Options and Parking (JLMC-COP). The JLMC-COP includes four management member representatives - the Personnel Department, General Services Department (GSD), City Administrative Officer (CAO), and Department of Transportation (DOT) - 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 JLMC-COP has agreed to amend the Special Parking MOU through an LOA (**Attachment A**) to temporarily increase the monthly transit subsidy amount from \$50 to \$100 for a one-year period beginning with the effective date of approval of this change. The JLMC-COP is seeking City Council approval for this change to the Special Parking MOU.

(A) Transit Subsidy Overview

Article 6 of the Special Parking MOU provides eligible employees using public transportation, or bicyclists/walkers, a subsidy of up to \$50 per month applied towards the cost of commuting. This subsidy can be provided to employees in two ways: (1) as a credit matched to employee paycheck contributions to a COMMUTEwell Program pre-tax Transportation Spending Account (TSA); or (2) as a reimbursement of employee expenses incurred for use of public transportation in commuting to/from work.

(B) JLMC-COP Initiatives to Support Employees Returning to City Worksites

The JLMC-COP has been working with the Personnel Department and its new transportation benefits consultant, Steer Davies & Gleave, Inc. (Steer), to redesign the City’s transportation benefits as reflected in the Special Parking MOU. This initiative has been impacted by the City’s response to the COVID-19 pandemic and the pandemic’s impact on City employee commuting patterns, needs and preferences.

On March 12, 2020, Los Angeles Mayor Eric Garcetti issued Citywide COVID-19 guidelines to protect the City workforce while ensuring continuity of operations. These guidelines included directing General Managers of City departments to develop emergency COVID-19 telecommuting plans for their employees. A significant percentage of City employees then began working predominantly by telecommuting, and this continues to be the case.

Throughout the pandemic City departments have been contemplating, and in some cases slowly implementing, a greater return of City employees to worksites. Parking demand is growing as employees without permits anticipate a reduction in excess capacity resulting from employees with permits returning to offices. Presently the City’s parking facilities for worksite locations with large concentrations of City employees have extensive parking waiting lists. With limited parking capacity available on the premises of key work facilities, employees are looking for support.

Recognizing these immediate concerns of City employees, in June 2021 the JLMC-COP established an Ad Hoc Interim Commuter Support Subcommittee (Ad Hoc Subcommittee) to work with staff and the COMMUTEwell transportation benefits consultant, Steer, to propose interim changes to COMMUTEwell transportation benefits which would assist the City’s workforce in transitioning to a greater presence at City worksites. To be considered, the measures needed to be capable of being implemented quickly and with minimal staff resources, given current Personnel Department resource challenges.

The Ad Hoc Subcommittee met in July 2021 and developed proposals presented to and approved by the JLMC-COP on September 15, 2021. On December 6, 2021, the JLMC-COP approved proposed specific resources developed by staff and Steer, including new practical tools and informational resources to support employee commuting. Key new resources are summarized as follows:

INTERIM MEASURES	
Measure	Status
Online Parking and Commuting Resources - Develop campaign and online resources to support employees returning to City worksites, with a particular emphasis on promoting online resources for locating available parking at private parking lots.	Completed
Custom Online Carpool Match Tool – In collaboration with LA Metro, create and promote a custom carpool matching tool for City employees to locate other potential City employee carpool matches.	Completed
Relaxed Carpool Rules – Relax residential proximity requirements for forming carpools to support greater carpool formation.	Completed
Carpool Parking Reservation Pilot – Create a pilot carpool parking reservation pilot at a small City facility to test the use of online parking	Implementing

reservation systems (small number of reserved carpool spaces to be set aside for employees who are partially onsite/partially telecommuting).	
Transit Subsidy – Temporary one-year increase of the monthly transit subsidy from \$50 to \$100 to support more use of public transportation.	Implementing

These tools and resources have been published on the LACOMMUTEwell.com website. Additional promotion includes a Citywide email and postcard mailing to employee homes.

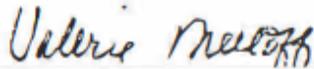
The only measure requiring a modification to the Special Parking MOU is the temporary one-year increase to the monthly transit subsidy from \$50 to \$100. The increase will support greater use of public transportation. In connection with the JLMC-COP’s approval of this measure, the Personnel Department provided the JLMC-COP with a financial review of the impact of the temporary increase to the monthly transit subsidy. The financial review found that, given a 90% pandemic-related reduction in transit subsidy expenditures, there were ample funds available to fund the one-year increase. With current transit subsidy utilization of approximately 200 monthly claims (versus over 2,000 pre-pandemic), it is anticipated transit utilization will take considerable time to return to pre-pandemic levels. However, even if utilization rises more rapidly, the additional costs of the temporary transit increase to \$100 can be absorbed by available surplus amounts.

The draft Letter of Agreement includes a provision allowing the JLMC-COP to take an action to extend the increase in the transit subsidy increase beyond the initial one-year period. This increase, however, would be subject to completion of a future financial review with respect to the financial impact of the extension on the Ridesharing Trust Fund.

(C) CONCLUSION

The City’s workforce is in a transition period. Employee commuting needs and preferences are expected to evolve as the new post-pandemic world of work unfolds. Recognizing that much remains in flux, on February 23, 2022, the JLMC-COP approved a 2022 development plan proposed by the Personnel Department for transportation benefits and Special MOU redesign. This project plan includes the use of an Ad Hoc Subcommittee to work with staff in exploring and implementing policy adaptations in the coming months. Priority will be placed on those areas offering the most potential benefits to City employees.

The JLMC-COP and Personnel Department are committed to supporting employees with information, resources, and a flexible approach to designing and continuing to modify the City’s transportation benefits. As part of its efforts, the JLMC-COP recommends that the City Council approve the proposed LOA modifying the Special Parking MOU to increase the transit subsidy to \$100 for a one-year period following its effective date.



VALERIE MELLOFF, CHAIRPERSON



CHARLES LEONE, VICE CHAIRPERSON

JOINT LABOR-MANAGEMENT COMMITTEE – COMMUTE OPTIONS & PARKING

**JOINT LABOR-MANAGEMENT COMMITTEE ON COMMUTE OPTIONS AND PARKING
LETTER OF AGREEMENT
Transit Subsidy Incentive**

This Letter of Agreement (“LOA”) is entered into between the City of Los Angeles (“City”) management and employee organization representatives of the City’s Joint Labor-Management Committee on Commute Options and Parking (JLMC-COP).

WHEREAS, in accordance with the Special Memorandum of Understanding Regarding City Employee Parking and Commute Options (“Special Parking MOU”), Article 6, City employees using public transportation, or bicyclists/walkers, shall receive reimbursement of fifty dollars (\$50) per month;

WHEREAS, as a consequence of COVID-19 and its related changes to employee commuting preferences and practices, many City employees who are returning from teleworking may be reconsidering public transportation or bicycling/walking as telecommuting modes;

WHEREAS, utilization of public transportation was reduced sharply as a consequence of COVID-19 and remains at low levels;

WHEREAS, the JLMC-COP, in order to best align the transportation reward structure with the needs of City employees, has worked with the Personnel Department to develop a campaign focused on providing educational resources to employees regarding parking and commute option, and finds that increasing the transit reimbursement amount for a temporary period of time would be a valuable component of these engagement efforts;

WHEREAS, the JLMC-COP has determined that the one-year costs of the increased transit reimbursement amount can be absorbed by surplus amounts within the City’s Rideshare Trust Fund;

NOW THEREFORE, the undersigned parties agree to the following provisions:

1. The JLMC-COP agrees to an increase of the transit reimbursement amount from \$50 to \$100 for a one-year period beginning with the effective date of approval of this change within the Special MOU.
2. The JLMC-COP agrees that the \$100 amount may be extended beyond the one-year period by formal approval of the JLMC-COP without further amendment of the Special MOU, subject to consideration of an additional financial review prepared by the Personnel Department with respect to the financial impact of the extension on the Rideshare Trust Fund, and approval of the change consistent with the JLMC-COP’s bylaws.

For Employee Organizations Members: Date

For Management Members: Date

Carmea Hayes-Walker 1/21/2022

American Federation of State, County and Municipal Employees

Charles Leone 1-25-2022

Service Employees International Union

SA 1-25-22

Los Angeles Police Command Officers Association

[Signature] 2/3/22

Laborer's International Union of North America (LIUNA)

Charles M. Minis 2/3/22

Los Angeles Professional Managers' Association (LAPMA)

[Signature] 1/24/2022

Personnel Department

[Signature] 1/24/2022

City Administrative Officer

Valerie Meehan 1/25/2022

General Services Department

Jay Kim 1/23/2022

Department of Transportation

Approved as to Form

Charles Ho 2/23/22

City Attorney's Office