



CITY COUNCIL AGENDA REPORT



DEPARTMENT: City Manager's Office

MEETING DATE: March 19, 2019

PREPARED BY: Brittany Mello, Assistant to the City Manager

AGENDA LOCATION: AR-1

TITLE: Updates to GoMonrovia Service Area to Remove Unincorporated Areas of Los Angeles County, and Consideration of Amendment No. 3 to the General Services Agreement with Lyft, Inc., and Resolution No. 2019-13 to Institute Relevant Program Budget Adjustments

OBJECTIVE: Pursuant to LA County's decision to opt out of the GoMonrovia program, consideration of approval of an amendment with Lyft, Inc., (Lyft) to formally institute a revised GoMonrovia service area effective April 1, 2019, and to make corresponding GoMonrovia program budget adjustments.

BACKGROUND: On March 17, 2018, the City of Monrovia launched an innovative new mobility program called GoMonrovia, which features on-demand, subsidized transportation options through a partnership with the rideshare provider, Lyft, Inc.

GoMonrovia now provides approximately 70,000 convenient and affordable public transportation trips each month powered by Lyft. Furthermore, more than 20,400 people have signed up for the program, making GoMonrovia Lyft's most utilized transportation partnership initiative.

Given the phenomenal success of the program, on December 18, 2018, the City Council approved the GoMonrovia Lyft Stabilization Plan, which directed staff to proceed with multiple program adjustments to stabilize the program financially so that it may serve as Monrovia's long-term public transportation option for our community.

Since the December 2018 meeting, staff has been working to implement the components of the GoMonrovia Lyft Stabilization Plan, and our progress to date is as follows:

1) Instituted \$0.50 Fare Increase

- On February 1, 2019, the \$0.50 fare increase took effect for the general service area, bringing the pricing options to the following:
 - Shared Ride – \$1.00 / ride.
 - Classic Ride – \$3.50 / ride.

2) Maintained \$0.50 Shared Rides for Old Town and the Monrovia Gold Line Station

- To encourage the use of public transportation and help people reach the heart of our community, the Shared Ride price held steady at \$0.50 / ride for trips that start or end at the Gold Line or in Old Town Monrovia. This same low fare has remained available since the inception of the program.

3) Restructured the City's Dial-A-Ride Program to Focus on Passengers with ADA Needs

- To improve service levels for passengers with disabilities, while increasing the efficiency of our dial-a-ride operation, on February 1, 2019, the City began requiring passengers to register in advance to qualify for the program.

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- Concurrently, the City transitioned to a new dial-a-ride operator, Empire Transportation, Inc., to provide these services.

4) Amending Contracts with LA County and Bradbury to Either Capture 100% Cost Reimbursement Rates or Scale Back Services

- Currently, the City has agreements in place whereby the GoMonrovia program has been open to residents of Bradbury and those living in unincorporated LA County adjacent to Monrovia.
- Based on staff negotiations to date, LA County has decided to opt out of the GoMonrovia program, while discussions are progressing with Bradbury keep them included in the overall initiative.

Finally, it should also be noted that the City provides an over-the-phone dispatch service using Lyft's Concierge platform to provide Lyft rides for those individuals without access to a smartphone device. In an effort to collect billing information and combat underage usage (which violates both our GoMonrovia program design and Lyft's terms of service), passengers utilizing the Concierge option are now required to register in advance of being able to access these services.

ANALYSIS: Regarding the inclusion of LA County unincorporated areas within the GoMonrovia service area, during the past several months, staff has been working with LA County representatives to evaluate the ridership levels and associated costs of providing GoMonrovia Lyft services.

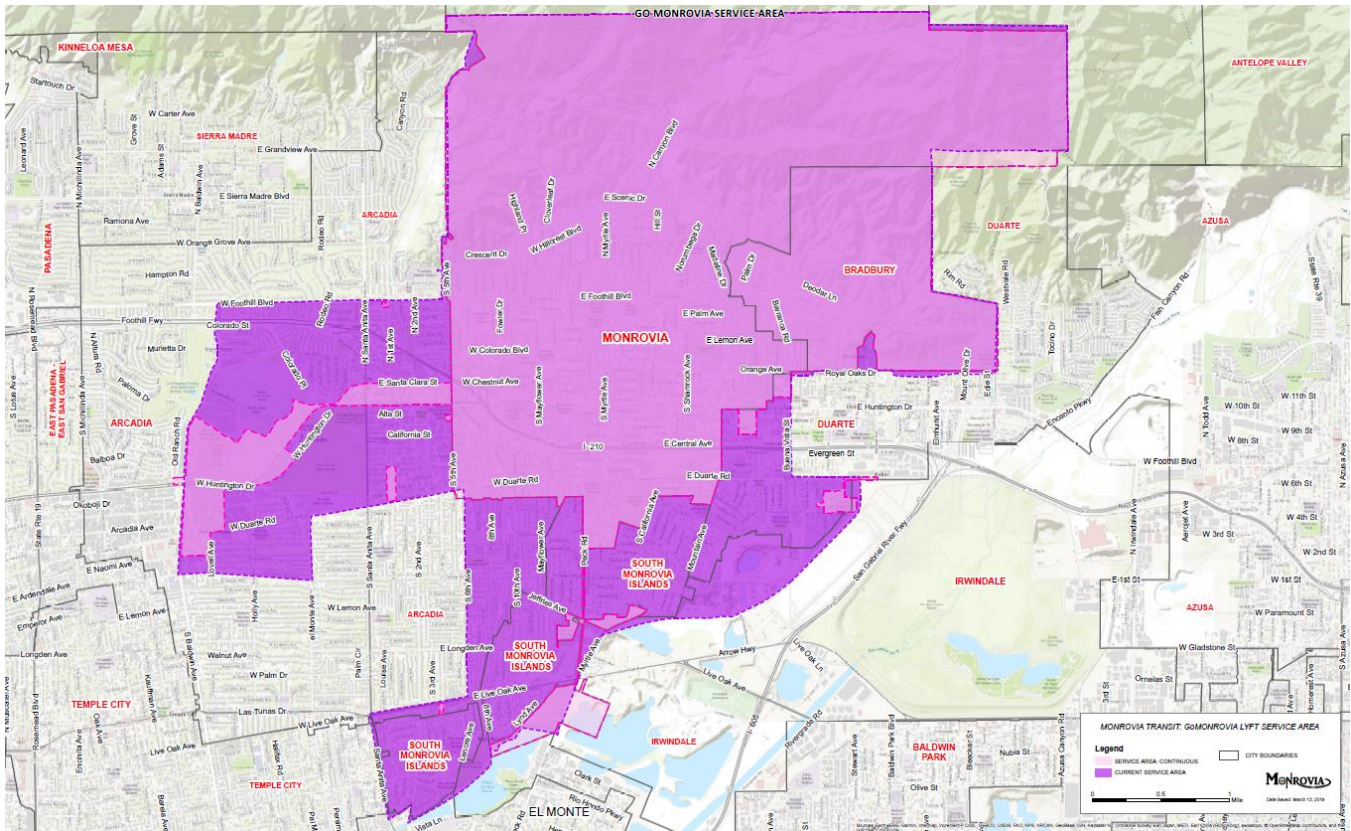
Currently, LA County is providing a maximum reimbursement of \$225,000 on an annual basis for transportation services. However, based on our most current usage projections, the annual cost of providing this service for LA County is estimated to be around \$1 million. Following City Council direction, staff has been working with LA County transportation officials to discuss the options available to address the current funding shortfall.

After several months of discussion, on February 28, 2019, LA County representatives officially notified the City that they had decided to cease their involvement in the GoMonrovia Lyft program. LA County staff cited that they had limited transportation funding for use in LA County's 5th Supervisorial District, which includes 22 cities and 70 unincorporated communities. Given these limited funds, they identified that LA County would be unable to dedicate the necessary monies to continue providing the GoMonrovia service for residents living in the unincorporated LA County areas abutting Monrovia.

However, it is important to note that this decision will not impact passengers with disabilities living in the unincorporated areas of LA County who participate in the City's dial-a-ride program. The City will continue to operate ADA transportation services in the LA County service area.

Given the determination that has been made by LA County, staff is recommending that the City Council approve Amendment No. 3 to our contract with Lyft in order to update our service area to reflect a new GoMonrovia operational area. If approved, the new service area would take effect as of April 1, 2019. Furthermore, pursuant to LA County's decision, coupled with a determination by LA Metro that all of the restricted transportation local return funds received by the City can be utilized to pay for GoMonrovia program costs, staff also recommends that the City Council approve Resolution No. 2019-13 to authorize corresponding GoMonrovia budget adjustments.

If these changes are approved by the City Council, the new GoMonrovia service area will cover an area of 13.3 square miles, which is 31% smaller, than our prior service area (which covered a 19.32 square mile area). A map outlining the service area changes is included below. The light purple outlines the new GoMonrovia service area, while the dark purple areas highlight locations that are being removed.



ENVIRONMENTAL IMPACT: There is no environmental impact associated with approving these actions.

FISCAL IMPACT: Currently, GoMonrovia provides an average of 12,704 monthly Lyft rides for unincorporated LA County, which is equivalent to around 20% of the total ride volume the GoMonrovia platform. Therefore, the proposed service area adjustment should reduce GoMonrovia program costs by at least 20%. However, it is likely that the change being requested will result in an even larger decrease in ridership and costs. This is due to the fact that the updated service area designed by staff reduces the GoMonrovia coverage area by 31%, and also removes a significant number of residential neighborhoods located in Duarte and Arcadia that were previously included in the Lyft coverage area.

Staff will be monitoring ridership data closely throughout the month of April 2019 to more precisely identify ridership reduction levels based on the recommended service area design change, and we will be certain to report our findings back to the City Council in the coming months. Furthermore, Resolution No. 2019-13 has been developed to institute requisite budgetary adjustments that reflect GoMonrovia program changes that have occurred throughout the year. These changes also take into account the determination from Metro that we are allowed to use all restricted transportation funds towards our GoMonrovia program, and the proposed funding shifts are being made to better align available funding with eligible program expense from our existing transportation local return Proposition A Fund, Proposition C Fund, Measure R Fund, and Measure M Fund.

OPTIONS: The following options are presented for City Council consideration:

1. Approve Amendment No. 3 to the City of Monrovia’s General Services Agreement with Lyft, Inc., and Resolution No. 2019-13 to authorize corresponding program budget adjustments, to update the GoMonrovia Service Area
2. Do not approve the amendment, and provide staff with additional direction.

RECOMMENDATION: Staff recommends that the City Council select Option 1.

COUNCIL ACTION REQUIRED: If the City Council concurs, the appropriate action would be a motion to approve Amendment No. 3 to the General Services Agreement with Lyft, Inc., and Resolution No. 2019-13, and authorize the City Manager to execute any related and necessary documents in a form approved by the City Attorney.

**AMENDMENT NO. 2 TO
CONSULTANT SERVICES AGREEMENT**

This Amendment No. 3 (“Third Amendment”) to the February 20, 2018 Consultant Services Agreement (“Agreement”) executed by the City of Monrovia, a California municipal corporation (“City”) and Lyft, Inc., a Delaware corporation (“Consultant”), is dated March 19, 2019 (“Effective Date”) and is between City and Consultant.

RECITALS

A. City and Consultant executed the Agreement to provide for Consultant’s ridesharing platform (“**Lyft Platform**”) and mobile application (“**Lyft App**”), which allows users the opportunity to request a ride from one location to another (each, a “**Ride**”). The transportation services (“**Driving Services**”) are provided by authorized drivers using their own vehicles (“**Drivers**”). Lyft provides enterprise transportation solutions through its Concierge Service, and Lyft Codes programs (collectively, “**Programs**”) to business partners to administer, track and manage its transportation spend for its authorized users (each, a “**User**”). Partner desires to participate in the Programs, and Lyft and Partner agree to launch the Programs in accordance with the terms of this Agreement and as specified in Exhibit A.

B. City and Consultant desire to amend the Agreement to modify Attachment 1 (“Program Map Area”).

The parties therefore agree as follows:

1. Amendment to Attachment 1 (“Program Map Area”)

Attachment 1 (“Program Map Area”) is hereby amended as follows:

2. Preservation of Agreement

Except as expressly modified or supplemented by this Third Amendment, all of the provisions of the Agreement shall remain unaltered and in full force and effect.

[SIGNATURE PAGE FOLLOWS]

The parties, through their duly authorized representatives are signing this Second Amendment on the date stated in the introductory clause.

City:

City of Monrovia,
a California municipal corporation

By: _____
Name: Oliver Chi
Title: City Manager

ATTEST:

By: _____
Name: Alice Atkins
Title: City Clerk

APPROVED AS TO FORM:

By: _____
Name: Craig A. Steele
Title: City Attorney

Consultant:

Lyft, Inc.,
a Delaware corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

(Two signatures of corporate officers required for corporations under Corporations Code Section 313, unless corporate documents authorize only one person to sign this Agreement on behalf of the corporation.)

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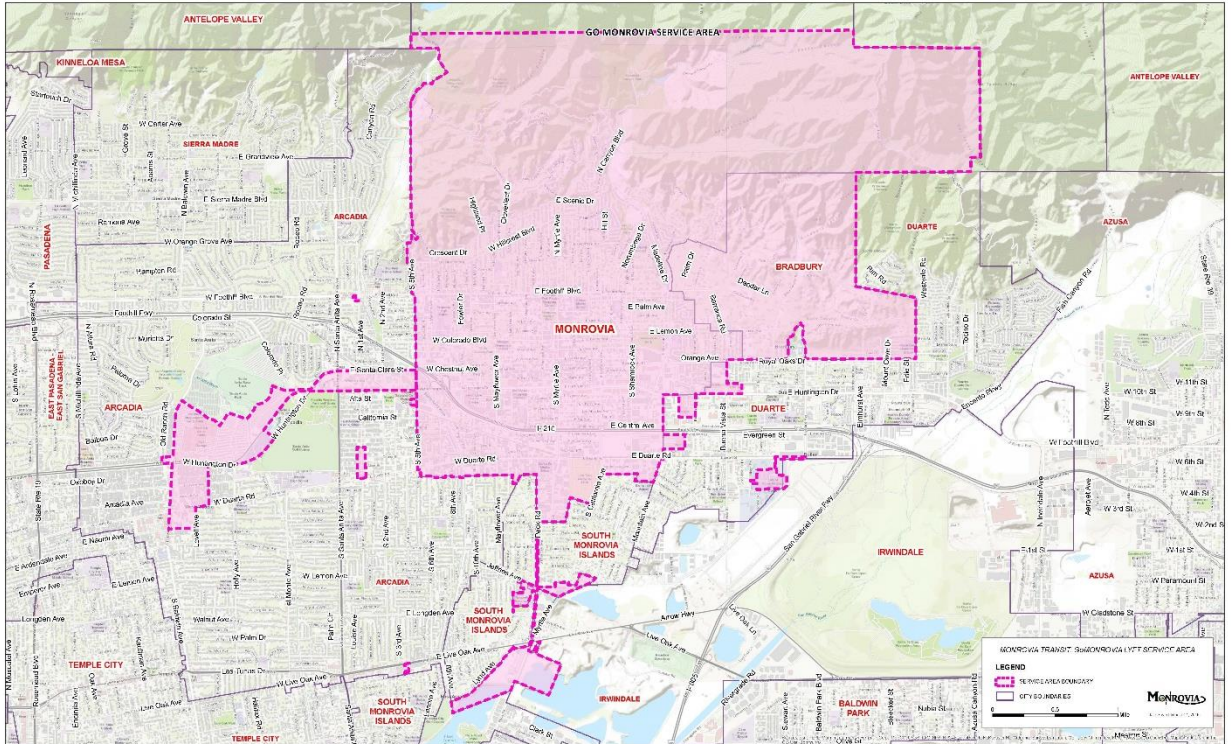
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RESOLUTION NO. 2019-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, AUTHORIZING TRANSPORTATION BUDGET UPDATES PURSUANT TO FUND USAGE DETERMINATIONS MADE BY LA METRO AND BASED ON GOMONROVIA PROGRAM CHANGES.

THE CITY COUNCIL OF THE CITY OF MONROVIA DOES hereby resolve as follows:

WHEREAS, the City of Monrovia receives restricted transportation local return funding through Proposition A, Proposition C, Measure R, and Measure M; and

WHEREAS, LA County Metro has notified the City of Monrovia that all restricted transportation local return funds can be utilized towards GoMonrovia program costs; and

WHEREAS, based on determinations made by LA County Transportation officials, effective April 1, 2019, all unincorporated LA County areas will be removed from the GoMonrovia service area; and

WHEREAS, to better align available and eligible transportation program revenues with GoMonrovia program expenditures, and to institute City Council approved GoMonrovia program adjustments, the requisite transportation budget updates have been developed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROVIA DOES HEREBY FIND, DETERMINE, ORDER AND RESOLVE AS FOLLOWS:

SECTION 1. The following transportation budget adjustments are hereby approved:

Fund:	Proposition A	Proposition C	Measure R	Measure M
Revenue Adjustment	\$109,048	\$70,000	\$0	\$0
Expenditure Adjustment	\$273,654	\$603,414	\$817,187	\$35,683

SECTION 2. The City Manager is authorized to make transfers of budget appropriations between classifications and activities within a fund.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution, and the same shall be effective March 19, 2019.

PASSED, APPROVED and ADOPTED this 19th day of March, 2019.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, CMC, City Clerk
City of Monrovia

Craig A. Steele
City Attorney