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Title: CONSIDER ENTERING INTO DISCUSSIONS WITH LYFT, INC. FOR ON-DEMAND RIDESHARE SERVICES (CITY COUNCIL)

Sponsors:

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Attachments: 1. Exhibit No. 1 - DAR Program Guidelines (pages 4-5)., 2. Exhibit No. 2 - Carson Circuit map (page 6).

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, October 01, 2019

Consent

SUBJECT:

CONSIDER ENTERING INTO DISCUSSIONS WITH LYFT, INC. FOR ON-DEMAND RIDESHARE SERVICES (CITY COUNCIL)

I. SUMMARY

The recommendation stated in this report is from the City Council Transportation Ad Hoc Committee, comprised of Mayor Robles and Councilman Dear, and supported by staff.

The City of Carson currently offers fixed-route bus services, the Carson Circuit, and on-demand Dial-A-Ride (DAR) taxi services as transportation options for traveling within the City and to select satellite locations. Although fixed-route bus services are open to the general public, the DAR program is restricted to residents of Carson who are 60 years of age or older, or disabled residents who are 18 years of age or older. This circumstance presents an opportunity for the City to provide alternative, on-demand rideshare services for residents and visitors using modern smartphone-based technology. Lyft, Inc. is experienced with developing flexible programs and partnerships with local municipalities to provide subsidized rides to participants.

II. RECOMMENDATION

AUTHORIZE staff to enter into discussions with Lyft, Inc. to provide on-demand rideshare

services to the City of Carson.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

Currently, Carson's only on-demand, "curb-to-curb" service is its Dial-A-Ride program, which provides participants with subsidized taxi rides within the City and to select medical or social service facilities (Exhibit No. 1). As Dial-A-Ride is only available to residents 60 years of age or older, or disabled residents 18 years of age or older, not all potential users can be served with this mode of transportation. This circumstance presents an opportunity for Carson to provide a pilot program utilizing the services of Transportation Network Companies (TNCs) such as Lyft. Utilizing a smartphone-based, on-demand transportation operator will permit the City provide subsidized rides for commuters.

Similar pilot programs have taken hold in surroundings communities, with the most notable being the City of Monrovia. Its GoMonrovia program uses the services of Lyft to permit participants to enter a discount code prior to requesting a trip. Upon entering the code, prices are instantly updated to reflect the discounted price of the requested ride. Since its inception in March of 2018, GoMonrovia has earned positive praise for providing its participants with responsive and cost-efficient transportation. Based on the continuous changes and enhancements Monrovia has made to their program, Lyft has proven to be capable of changing specific details and costs with great flexibility. This joint effort between the two parties has led to continuous improvements with the program.

The endeavor is not intended to replace the existing Dial-A-Ride program, nor the City's fixed-route bus service, the Carson Circuit (Exhibit No. 2). Rather, it is viewed as another option to meet the needs of residents and visitors. It is important to note that Lyft and its competitors enforce an age requirement of 18 years of age or older to create their own account and hail their own rides. Though this may impose a limitation to minors for their own safety, they are permitted to ride with someone 18 years-of-age or older.

Funding for this proposed program will come from two sources, the Air Quality Management District (AQMD) and the Los Angeles County Metropolitan Transportation Authority (METRO). Thus, there will be no fiscal impact to the City's General Fund.

Staff received approval from AQMD to utilize funding from the AB 2766 program. Staff has also received the approval Metro to utilize local returns from Proposition C to fund this proposed program. To maintain the original purpose of Proposition C and its usage by transit agencies, Metro has stated that on-demand rides must support the "first mile-last mile" concept and include a public transit connection as a touchpoint during the ride. Examples of public transit connections include, but are not limited to:

- Community Center, Carson City Hall, SouthBay Pavilion Mall, Del Amo Blue Line Station, Harbor Gateway Transit Center, Dignity Health Sports Park, California State University Dominguez Hills, fixed-route transit/bus stops, and more.

Example: A rider can request a ride from any location within Carson and travel to the Carson Community Center, connect to a bus line at the Harbor Gateway Transit Center, or catch a game at the Dignity Health Sports Park. They can also start their trip for one of these locations, and travel back to any location within Carson, such as their home.

Although this provision does not permit true “curb-to-curb” service, residents and visitors would now have a quick and efficient “first mile-last mile” option for getting to or from popular destinations in Carson. Staff met with the City Council Transportation Ad Hoc Committee for their input and direction. It recommended that the City partner with Lyft, based on its expertise and experience in establishing flexible programs for local municipalities. Depending on the results of the program, staff will present City Council with the option to enter into a multi-year agreement with Lyft or utilize competitive bidding for on-demand rideshare services. The proposed contract term for the pilot project is one (1) year for an initial trial period, and return to the City Council with quarterly updates. The City Council is asked to allow staff to enter into discussions with Lyft and develop an agreement for a pilot program for the City Council’s approval.

V. FISCAL IMPACT

None at this time. However, should the City Council elect to move forward with this pilot program, an appropriation of \$300,000 from the following Special Revenue Fund accounts needs to be allocated to the FY2019/20 budget:

1. \$200,000 from Prop C account number 219-90-940-180-6004
2. \$100,000 from AB2766 account number 225-90-830-075-6004

VI. EXHIBITS

1. Dial-A-Ride program guidelines (pages 4 - 5).
2. Carson Circuit map (page 6).

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