Los Angeles County
Metropolitan Transportation
Authority
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Los Angeles, CA

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EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 18, 2021

SUBJECT: EXPANDING METRO'S EAT SHOP PLAY PROGRAM TO SUPPORT ECONOMIC RECOVERY AND RESTORE RIDERSHIP

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE report on the expansion of Metro's Eat, Shop, Play Program.

ISSUE

Small businesses have been disproportionately impacted by the public health measures that have been in place to mitigate the spread of COVID-19 over the last year and a half. With 93 percent of businesses in Los Angeles County having less than 20 employees, Metro has an opportunity to aid with economic recovery by promoting these small businesses along transit corridors in communities that the pandemic has most impacted.

Several plans and programs currently exist to help support recovery efforts. To best leverage resources, Metro's partnership with existing programs serving LA County will be considered. To convey and support the level of urgency for recovery efforts - programs like the Los Angeles County Economic Development Corporation's Together for LA, and funding from State and Federal resources can be used to augment and expand programming that supports small businesses that have been disproportionately devastated by COVID-19.

BACKGROUND

At the July 22, 2021, Regular Board Meeting, the Board approved a motion (Attachment A) to expand the ESP program to support economic recovery and restore ridership. The Board requested for Metro to report back in November 2021 with the following:

A. Focusing on small businesses located near existing major transit stops in communities whom the pandemic has disproportionately impacted. Communities should be identified by referencing factors including, but not limited to, number of COVID-19 cases and deaths, economic impacts, household income, transit dependency, pollution burden, and race/ethnicity, and other resources such as redlining maps;

B. Developing additional strategies to assist small businesses through recovery, including, but not limited to, developing walking maps that showcase destinations near transit lines while leveraging existing funding and programs in LA County.

The motion is also consistent with Metro's Recovery Task Force recommendation to "reimagine" Destination Discounts. The Recovery Task Force recommended reimagining Destination Discounts to help rebuild Metro ridership and keep areas around Metro stops and stations vibrant and healthy. Promoting ridership to local businesses and events can boost sales, employment and sales tax revenue. It can also help promote an equitable economic recovery and increase transit ridership. To make up for the likely loss of peak period ridership due to continued telecommuting after COVID-19 ends, this program could help Metro build off-peak ridership.

DISCUSSION

Eat Shop Play (ESP) is a Metro construction mitigation program for the agency's capital construction projects. The program is managed and implemented by Metro's Community Relations. The program's objective is to mitigate reduced customer traffic by dedicating outreach and resources to promote small businesses during construction. ESP activities follow the path of construction to spotlight impacted businesses using a toolkit customized to each construction impact. Eligible businesses are those located on or near a major Metro transit construction project. Eligible businesses may participate in the program at no cost and may apply free at www.metro.net/eatshopplay. The ESP toolkit includes social media, system-wide advertising, videos, street-level banners and in-store promotions, and other tactics to highlight businesses directly impacted by construction activities. It is one program in our Metro toolbox for partnering with the small business community. The ESP team closely coordinates with Metro's Business Interruption Fund and Metro's Business Solutions Center to complete a menu of mitigation options.

ESP staff produce, organize, and promote participating businesses using a variety of programming and tactics. This programming and tactics are tailored for each business and construction impact and include:

- Organized "Meet ups" and "Mixers" at participating businesses
- Digital media listings (Google, Waze, Yelp, banners, other)
- Eblasts and newsletter blurbs in Metro and affiliate publications
- Photo caption spotlights at Metro facilities and locations (station, bus, train, billboards, collaterals, etc.)
- Print media ads and articles (advertorials)
- Paid social media spotlights (Facebook, Twitter & Instagram)
- TAP card customer promotion
- Video spotlights of participating businesses
- Walking map guides of participating business
- Listing and promotion on Metro's ESP webpage - metro.net/eatshopplay
- Booth space, free (i.e., Vendor Days at Metro's Union Station and Gateway Headquarter Building)
- Catering opportunities at Metro and contractors' events and meetings

In addition to the Community Relations team, Metro's Marketing and Design Studio teams provide support by developing advertising collaterals, and they retain the responsibility for maintaining the program branding for print and web products.

Each project has an ESP Community Relations outreach team that works closely on engagement and establishing a relationship with the businesses. Responsibilities and Activities of the Community Relations team include coordination on outreach and assistance that follow Metro's initiative to bring focused attention to local businesses within the communities. Current businesses engagement is determined by the location and level of impact where Metro's construction is occurring.

The Community Relations teams work closely with impacted businesses to learn about their business practices, products, existing advertising approaches, and serve as a resource for working closely with the contractor to further mitigate construction impacts. This information is then used to develop a high -level communications and marketing approach that incorporates the ESP programming.

Community Relations provides Marketing direction for business promotions based on construction impacts. Marketing creates and maintains the branding for ESP across all neighborhoods. To ensure that objectives and goals are reached, all activities are documented. Program measurements include reviewing the total number of businesses who have been engaged/contacted, businesses that have participated in an ESP program activity, and businesses that request additional marketing activities. Community Relations also tracks businesses that sign up for ESP programming but do not participate (even with documented communications between Metro staff and the business). This information is used to refine or identify additional communication approaches.

Considerations

To implement a successful expansion of the ESP program, Metro staff identified three elements for consideration:

1. Pilot Project Areas
2. ESP Program Elements
3. Partnership Opportunities

Pilot Areas

According to the Los Angeles County Economic Development Corporation, Los Angeles County is home to more than 1.3 million small businesses, including more women and Black, Indigenous, People of Color (BIPOC) owned small businesses than any other county in the nation.

Based on the Board's direction to focus "on small businesses located near existing major transit stops in communities who have been disproportionately impacted by the pandemic", Metro Communications and Metro's Office of Equity and Race used data to identify three potential pilot project areas in Los Angeles County. Data was culled from the Home Owner's Loan Corporation Neighborhood Redlining, Los Angeles County 2020 Median Household Income, Environmental Justice Screening Method, the total Covid-19 cases and deaths, and the Los Angeles County Economic Development Corporation. Screening elements included the following reference factors:

- Small businesses located near existing major transit stops
- Communities impacted by COVID-19 cases and deaths
- Communities with higher hazardous components
- Environmental justice communities
- Redlining maps
- Race and ethnicity

Based on this data, Metro recommends four transportation corridors to initiate a pilot program in early 2022 and conclude at the end of the fiscal year 2023. The communities where the pilot program will be implemented are all unique, with distinct neighborhood character, varied types of businesses, and socio-economic factors that will demand more defined approaches to address the disproportionate impacts. In addition, Metro will link Eat Shop Play to methods to attract riders in line with Metro's overall ridership growth strategy.

The four pilot corridors are:

1. Vermont Boulevard: West Anaheim Street to Los Feliz Boulevard
2. Valley Boulevard: North Mission Road to North East End Avenue
3. Slauson Avenue: Sepulveda Boulevard to Santa Fe Springs Road
4. Sherman Way: Fallbrook Avenue to Vineland Avenue

The four identified corridors have a high number of small businesses located near transit stops and are in neighborhoods that are majority people of color whohave experienced adisproportionate impact by Covid-19 (both in cases and death). Additionally, the four corridors are each identified as Environmental Justice and formerly redlined communities.

The four pilot corridors would be in addition to the ESP programming that would be budgeted and implemented as part of Metro's Construction Mitigation Programming. Other corridors considered include San Fernando Road, Rosemead Boulevard, Sierra Highways, and Central Avenue.

Eat Shop Play Program Elements

Metro staff recommends using select elements of Metro's existing Eat Shop Play program that can be scaled and implemented along the four pilot corridors. These strategies include:

- Walking/Transit Guides of that include participating businesses
- Video Spotlights of participating businesses
- In-kind Media sponsorship and promotion on Metro's Eat Shop Play webpage
- Digital media listings (Google, Waze, Yelp, banners, other)
- Organized "Meet ups" and "Mixers" at participating businesses
- Photo caption spotlights at Metro facilities and locations (station, bus, train, billboards, collaterals, etc.)
- Eblasts and newsletter blurbs in Metro and partner publications
- Print media ads and articles in community 0based publications (advertorials)
- Paid social media spotlights (Facebook, Twitter & Instagram)
- TAP card customer promotion

Community-Based Organization (CBO) Partnering

In the proposed expansion, ESP program elements will be implemented by Metro staff and by partnering with local Community-Based Organizations (CBOs). CBOs will be financially contracted to identify, recruit and enroll businesses, formulate, implement, and evaluate the ESP program. With support and direction from Metro staff, the CBOs will assist with the development of program materials, messages, outreach, and tactics, while coordinating with related local and state small business support and recovery programs. In addition, Metro staff will solicit and implement culturally competent, new and innovative ideas from our CBO partners, based on their experience in each community.

Among the hardest hit of the small business community are arts and cultural venues, with 72% of LA County arts and cultural CBOs reporting severe financial impact because of COVID. As part of the four-area pilot program, Metro Art staff will explore partnership opportunities with community-based arts and cultural organizations to implement innovative programs that accelerate recovery and provide greater and more equitable access to arts and culture for our ridership.

Institutional Partnership

We are not alone in the work of supporting small business recovery in Los Angeles County and this Board motion is a prompt to affirm where Metro leads and where Metro partners. In our effort to align our core mission of transportation and mobility, we seek to leverage our technical expertise while building upon the existing work of our county colleagues.

On a regional level, Metro's expanded ESP Program will partner and coordinate with the Los Angeles County Economic Development Corporation's Together for LA Program. Together for LA is a strategic partnership aimed at strengthening and supporting women and diverse-owned small businesses in LA County, as they recover from the COVID-19 pandemic. While Together for LA provides no-cost technical assistance and connections to small business resources, Metro's ESP Program will provide direct marketing assistance and business promotion to support a more equitable recovery. Metro's Eat, Shop, Play will leverage information and resources to better target businesses along each corridor. Together for LA partners with Los Angeles County Economic Development Corporation (LAEDC), The Los Angeles Area Chamber of Commerce, Local Initiatives Support Corporation Los Angeles (LISC LA), The Dr. Lucy Jones Center for Science and Society, The Institute for Sustainable Development (ISD), Los Angeles area large employers, City of Los Angeles and Los Angeles County.

Metro's expanded ESP Program will seek to partner with individual economic development corporations on each of the proposed corridors on a local community level. These economic development corporations have been conducting outreach to businesses along each corridor before, during and after the Covid-19 pandemic. Partnering with these organizations will provide Metro and our CBO partners with valuable community information, knowledge, and expertise.
These include:

- Los Angeles Economic Development Corporation (LAEDC)

- Vermont-Slauson Economic Development Corporation (VSEDC)
- Valley Economic Development Corporation (VEDC)

When possible, the expanded program will coordinate with existing and new Metro programs including Metro's Business Solutions Center, Metro Art, and Metro's Transit Oriented Communities Small Business Loan Program.

DETERMINATION OF SAFETY IMPACT

This Board action will not have an adverse impact on safety standards for Metro.

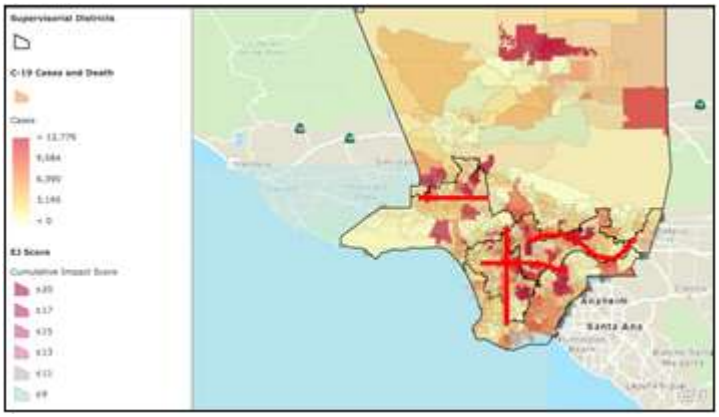
FINANCIAL IMPACT

There is no financial impact to this action at this time. A staffing plan and proposed budget will be prepared for board consideration in February 2022.

Impact to Budget

A staffing plan and proposed budget will be prepared for board consideration at a later date.

EQUITY PLATFORM



Covid-19 has disproportionately impacted the initial corridors identified for the recommended pilot in cases and deaths, are areas with low household median incomes, high levels of pollution burden, and are in marginalized or disadvantaged communities. Metro Communications worked closely with the Office of Equity and Race (OER) and used similar data sources being used to update Metro's Equity Focused Communities (EFCs) definition.

By focusing on areas with higher transit access, we are working to connect transit riders with adjacent businesses.

The intention is also to help educate and support businesses as they access services. Many of the businesses the program seeks to engage may need technical assistance to access a government program. The nature of this program is very grassroots and will require a large amount of one-on-one

relationship building, which is time intensive. Working with CBOs will be essential to the success of the pilot. Should this pilot move forward, it is the intention to partner with and financially compensate CBOs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The project supports the following strategic goals:

3.2 Metro will leverage its transit investments to catalyze transit-oriented communities and help stabilize neighborhoods where these investments are made.

4.1 Metro will work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.

5.5 Metro will expand opportunities for businesses and external organizations to work with us.

ALTERNATIVES CONSIDERED

The Board may direct staff to pursue a program that is wholly designed and implemented by Metro staff. Staff does not recommend this approach, as it is our belief that community-based organizations (CBO's) have expertise and capacity to assist with program development and implementation. Further, staff believes that pursuing CBO partners is consist with Metro's CBO Partnering strategy and will positively engage the private industry.

NEXT STEPS

Staff will create a Statement of Work (SOW) and solicit input from community-based organizations for the implementation of the program. Following development of the SOW and response from CBO's a complete project budget including labor and non-labor costs, and a staffing plan will be presented to the Board for review and adoption. Staff anticipates the following next steps:

- December: Engage CBO's, develop workplan, and budget
- February 2021: Board Review and Authorization of Budget and Staffing
- Potential April 2022: Launch Pilot Program

ATTACHMENTS

Attachment A - Eat Shop Play Board Motion

Prepared by: Anthony Crump, Deputy Executive Officer, (213) 418-3292

Reviewed by: Yvette Rapose, Chief Communications Officer, (213) 418-3154

Stephanie N. Wiggins
Chief Executive Officer

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

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REGULAR BOARD MEETING
JULY 22, 2021

Motion by:

DIRECTORS SOLIS, BUTTS, NAJARIAN, DUPONT-WALKER, AND SANDOVAL

Expanding Metro's Eat Shop Play Program to Support Economic Recovery and Restore Ridership

Small businesses have been disproportionately impacted by the public health measures that were put in place to mitigate the spread of COVID-19 over the last year. Thousands of small businesses in California have closed either temporarily or permanently. Many small businesses that rely on in-person services to sustain themselves have low cash reserves and lack the online presence possessed by more sophisticated businesses, especially in disadvantaged communities of color. This is of particular concern in Los Angeles County where 93 percent of businesses have less than 20 employees.

With an $8 billion annual budget, Metro has the resources to accelerate recovery within the small business community while pursuing the goal of restoring ridership. Metro already has existing programs that support businesses during construction of megaprojects. Programs such as "Eat Shop Play" can be expanded to support businesses through recovery and to encourage those businesses' visitors to take transit. Eat Shop Play can be extended to existing rail and high-quality transit corridors in communities that have been most impacted by the pandemic, which are also often communities with many transit-dependent households. Metro can explore strategies such as enhancing businesses' internet presence, developing walking maps that feature businesses and how to access them via transit, and launching social media and email marketing promotions which will activate station areas and encourage transit ridership. Low-income communities need targeted assistance as they continue to experience higher unemployment as a direct result of the pandemic relative to high-income communities. Expansion of Eat Shop Play will not only assist local businesses in hard-hit communities, but it will also rebuild Metro ridership by activating Metro station areas and attracting more riders.

SUBJECT: EXPANDING METRO'S EAT SHOP PLAY PROGRAM TO SUPPORT ECONOMIC RECOVERY AND RESTORE RIDERSHIP

RECOMMENDATION

APPROVE Motion by Directors Solis, Butts, Najarian, Dupont-Walker, and Sandoval that the Board of

Directors direct the Chief Executive Officer or her designee to provide a report back in November 2021 that includes recommendations to expand the Eat Shop Play program to support small businesses in communities that have been most impacted by the COVID-19 pandemic. The report should consider the following:

A. Focusing on small businesses located near existing major transit stops in communities who have been disproportionately impacted by the pandemic. Communities should be identified by referencing factors including, but not limited to, number of COVID-19 cases and deaths, economic impacts, household income, transit dependency, pollution burden, and race/ethnicity, and other resources such as redlining maps;

B. Developing additional strategies to assist small businesses through recovery including, but not limited to, developing walking maps that showcase destinations near transit lines, creating promotional videos for businesses, and supporting businesses' online presence; and

C. Potential funding sources such as American Rescue Plan Act funding.

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