

**Board Report**

File #: 2022-0279, **File Type:** Motion / Motion Response**Agenda Number:** 40.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 15, 2022****SUBJECT: EXPANDING METRO'S EAT SHOP PLAY PROGRAM TO SUPPORT ECONOMIC RECOVERY AND RESTORE RIDERSHIP****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

APPROVE five pilot transit corridors to expand Metro's Eat Shop Play (ESP) Program and launch the first pilot program in the East Los Angeles Area in response to Motion 40, ESP Expansion.

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 have been most impacted by the pandemic.

BACKGROUND

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 that are 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. These are tailored for each business and construction impact and may 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

Metro Community Relations, Marketing and Design Studio teams provide support by way of developing advertising collaterals, and they retain the responsibility for maintaining the program branding for print and web products. Each project area has an ESP outreach team that works closely on engagement and establishing a relationship with the businesses. Responsibilities and activities of the ESP team include coordination on outreach materials, production of materials and enrollment of local businesses.

The ESP team works closely with impacted businesses to learn about their business practices, products, existing advertising approaches, and to 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 partners with Marketing for the development of 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.

At its July 22, 2021 meeting, the Board approved Motion 40 by Directors Solis, Butts, Najarian, Dupont-Walker, and Sandoval (Attachment A) to expand the ESP program to support economic recovery and restore ridership. Staff provided a receive and file update in November 2021.

DISCUSSION

Pilot Expansion 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 used data to identify five potential pilot project areas in Los Angeles County. Staff coordinated with Metro's Office of Equity and Race (OER) to identify aligned mapping criteria with OER's 2022 update of the agency's Equity Focus Communities (EFC) map.

Data from the Homeowner'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 was used to identify the five proposed project areas. 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, staff recommends five transportation corridors to initiate a one-year pilot program beginning immediately after board adoption of the recommendation and concluding 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 five pilot corridors are:

- Whittier Boulevard: Los Angeles River to Rio Hondo Bike Path
- Vermont Boulevard: West Anaheim Street to Los Feliz Boulevard
- Valley Boulevard: North Mission Road to North East End Avenue
- Slauson Avenue: Sepulveda Boulevard to Santa Fe Springs Road
- Sherman Way: Fallbrook Avenue to Vineland Avenue

The five proposed pilot corridors have high rates of small businesses located near transit stops, are in corridors that have experienced a disproportionate impact by COVID-19 (both in cases and death), identified Environmental Justice Community, are formerly redlined communities, and in areas that are majority people of color.

Other jurisdictions including the City and County of Los Angeles are actively seeking to implement a small business recovery program as part of the recovery effort from the COVID-19 pandemic. Metro staff will be working to identify government and community partners to support the launch of the first pilot area expansion in the unincorporated East Los Angeles Community. The combined resources of Metro, other government agencies, and community partners may yield a stronger and more successful program than if Metro were to launch the program by itself.

Eat Shop Play Program Elements

Metro staff recommends using existing elements of Metro's existing Eat Shop Play program and scaling them to the needs of each corridor. In addition, additional strategies can be developed based on input from community-based organizations in each area. The existing strategies may include:

- Walking/Transit Guides that include participating businesses
- Video Spotlights of participating businesses
- In-kind Media sponsorship
- 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-based publications (advertorials)
- Paid social media spotlights (Facebook, Twitter & Instagram)
- TAP card customer promotion

Community-Based Organization (CBO) and Institutional Partners

The expansion of the ESP program will be implemented by Metro staff, a consultant team procured from Metro's Communications Support Services Bench and partnerships with local Community-Based Organizations (CBOs). CBOs will be financially compensated to assist with the identification and recruitment of small business participants and the implementation and evaluation of ESP program elements identified above.

Metro's expanded ESP Program will seek to partner with economic development corporations on each of the proposed corridors. These economic development corporations have been working with and conducting outreach to businesses along each corridor before, during and after the Covid-19 pandemic. These partners include:

- Los Angeles Economic Development Corporation (LAEDC)
- Vermont-Slauson Economic Development Corporation (VSEDC)
- Valley Economic Development Corporation (VEDC)

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. Metro staff will work with each CBO partner to identify and implement culturally competent, new and innovative ideas based on their experience in each community

The proposed expansion of the ESP Program will include partnering with 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. Partnering with Together for LA provides a complementary support network for small business and furthers the goals of each organization. Together for LA provides no cost technical assistance and connections to small business resources,

while Metro's ESP Program will provide direct marketing assistance and business promotion to support a more equitable recovery.

Metro's expanded ESP 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, as appropriate.

DETERMINATION OF SAFETY IMPACT

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

FINANCIAL IMPACT

The proposed budget and staffing plan for a one-year expansion of the ESP Program to five pilot areas is currently being developed. Metro staff is currently exploring partnership opportunities with other government agencies and community partners in the East Los Angeles Expansion Area. This partnership may result in lower costs for Metro compared to if Metro were to establish a new program on its own. It is anticipated that if additional budget or staffing is needed, staff will report back in October 2022.

EQUITY PLATFORM

The initial corridors identified for the recommended pilot areas have been disproportionately impacted by COVID-19 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) on its update to Metro's Equity Focused Communities (EFCs) definition and utilizing similar data sources.

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

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 the expertise and capacity to assist with program development and implementation. Further, staff believes that pursuing CBO partners is consistent with Metro's CBO Partnering strategy and will engage the private industry in a positive way.

NEXT STEPS

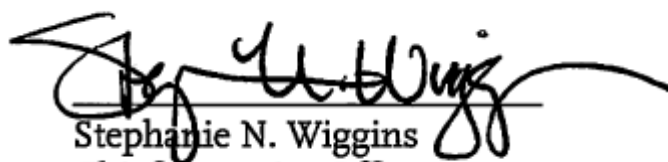
Staff will begin the launch of the program immediately following the adoption of the staff recommendation. Staff will report back quarterly on the status of the program.

ATTACHMENTS

Attachment A - Eat Shop Play Board Motion
Attachment B - Eat Shop Play Expansion Areas

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**Board Report**

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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.

ESP Expansion Pilot Areas

- > Vermont Boulevard: West Anaheim Street to Los Feliz Boulevard
- > Valley Boulevard: North Mission Road to North East End Avenue
- > Slauson Avenue: Sepulveda Boulevard to Santa Fe Springs Road
- > Sherman Way: Fallbrook Avenue to Vineland Avenue
- > Whittier Boulevard: Los Angeles River to Rio Hondo Bike Path

