South Bay Cities Council of Governments

April 25, 2019

TO: SBCCOG Board of Directors

FROM: Steve Lantz, SBCCOG Transportation Director

RE: SBCCOG Transportation Update Covering March 2019

Adherence to Strategic Plan:
Goal A: Environment, Transportation and Economic Development. Facilitate, implement and/or educate members and others about environmental, transportation and economic development programs that benefit the South Bay.

FEDERAL

Redirecting Federal Funds For California High-Speed Rail Project Under Debate

The state has already spent roughly $5.2 billion for the high-speed rail project, including the $2.5 billion in federal funds received during the Obama administration. But the 2018 business plan projecting the baseline cost of the nearly 520-mile rail system soared to nearly $100 billion from its original 2008 cost estimate of $33 billion.

The Trump administration in February demanded its $2.5 billion in federal funds back from California's high-speed rail project for what the Federal Railway Administration terms "this now-defunct project." The U.S. government also announced it intends to terminate the grant of another $929 million in funding, claiming the state's high-speed rail agency has failed to stay in compliance under terms of the Obama-era grant agreement.

California Governor Gavin Newsom responded by calling for new transparency measures and approved going ahead with a 119-mile stretch in the Central Valley between Merced and Bakersfield. A group of mostly California Democratic members of Congress supported the governor by sending a letter to Transportation Secretary Elaine Chao that warned "attempting to claw back funding already lawfully spent would be unjustified and harmful."

Then, in mid-March, federal GOP lawmakers from California responded with two federal bills that propose differing uses for any redirected money. Under one bill, about $3.5 billion worth of federal funds would be redirected to water infrastructure projects to help the state cope with future droughts. A second bill would require that federal rail funds go instead to "important freight and highway projects."

US DOT Announces New Transportation Technology Council

The U. S. Department of Transportation is creating a council of transportation innovators to address oversight gaps created by emerging technologies that fall within the jurisdiction of multiple Department of Transportation agencies.

Eleven district administrations currently oversee different modal areas of the Transportation Department, including highways, air travel, and pipelines and hazardous materials. Emerging technologies often fall under the jurisdictions of several of the regional agencies.

The Non-Traditional and Emerging Transportation Technology Council will centralize the discussion of emerging transportation technologies, streamlining the review processes for emergent technologies like hyperloop tunnel that need pressurization and autonomous vehicles regulations that must be integrated into public communications infrastructure.

US DOT believes the new council will improve DOT's role in addressing legitimate public concerns about safety, security and privacy without hampering private sector innovation.

Trump Administration Proposes $5 Billion Reduction In 2020 DOT Budget

The leadership of the Transportation and Infrastructure Committee met with the House Ways and Means Committee on March 6 to discuss incorporating changes in the Highway Trust Fund into the 2020 budget. In conjunction with the budget and reauthorization discussions, the Trump Administration wants to cut funding for new transit projects by 39 percent, cut AMTRAK funding by $1 billion, and change how it wants to spend the $200 billion federal contribution within its previous $1 trillion infrastructure request. In prior years, Congress has ignored President Trump's requests to slash transit funding, and the White House proposal is merely advisory.

The prior infrastructure initiative used $200 billion to leverage a $1 trillion program by attracting outside investments to the federal projects. The White House renewed its proposed request for $200 billion in immediate mandatory budget authority in the 2020 budget. But the Office of Management and Budget fact sheet for the 2020 budget redirects the $200 billion budget authority for forms of infrastructure not covered by the $1 trillion surface reauthorization bill. The fact sheet noted that the President had previously called upon the Congress to pass legislation that generates at least $1 trillion in infrastructure investment.

But in a sleight of hand, the fact sheet notes the 2020 Budget supports spending the $200 billion for other infrastructure priorities across a range of sectors that were not specified in the administration's initial infrastructure initiative, including water infrastructure and technologies that can strengthen U. S. economic competitiveness, including 5G wireless communications, rural broadband, advanced manufacturing, and artificial intelligence.

The Ways and Means Committee is on an aggressive schedule for having a budget bill drafted by May. Just ahead of the meeting, the US Department of Transportation requested a 2020 budget of $21.4 billion in discretionary spending, down from $26.5 billion in FY 2019. The proposal calls for cutting funds for long-distance Amtrak routes and shifting responsibly for them to states, "while providing robust intercity bus service to currently underserved rural areas via a partnership between Amtrak and bus operators." Separate grants to Amtrak for the heavily traveled Northeast Corridor, stretching from Washington to Boston, would be cut in half, dropping from $650 million in 2019 to $325.5 million in 2020. More than $1 billion would be cut from the Capital Investment Grants program, which goes toward funding major rail, commuter rail and other transit projects.

The T&I Committee's Highway Trust Fund Reauthorization bill would have to be completed no later than August to be included in the 2020 budget. The trust fund is used to assist states with big-ticket construction and maintenance projects, and analysts are projecting its insolvency likely is going to occur in two years. House Republicans are also looking to adopt President Donald Trump's regulatory streamlining vision. And, provisions that would address the Administration's focus on technological advancements, such as autonomous vehicles, will need to be addressed.

Federal Bill Would Reinstate Tax Benefit For Bike Commuters
The Bicycle Commuter Act of 2019 (H.R. 1507) was introduced on March 5th to reinstate the bicycle commuter benefit that was repealed under the 2017 federal tax reform law known as the Tax Cuts and Jobs Act (H.R. 1). The new bill would reinstate and modify the prior federal pre-tax benefit, allow employees to receive a bicycle benefit of up to 20% of the parking benefit paid by employers, permit the bicycle benefit to be used in conjunction with other parking and transit benefits, and would clarify that bikeshare and electric bikeshare programs are eligible.

STATE

Governor Proposes Tying Gas Tax Subventions To New Housing; Would Start In 2023
Governor Gavin Newsom unveiled a controversial proposal on March 11th to penalize cities and counties that don't plan enough housing by withholding funding from California's recent gas tax increase. The legislative proposal is in response to a pledge he made on the campaign trail to build 3.5 million new homes by 2025 to ease soaring prices and rents.

If approved, the legislation would set up a process for withholding money for road repairs and public transit from communities that fall short of their state mandates for planning and permitting housing projects. Newsom's plan also includes $1 billion to expand a tax credit and loan program for low- and middle-income housing projects, and $750 million to help local governments with planning and to reward them for increasing construction. But it also attempts to ramp up development in the meantime by raising the existing goals for communities over the next two years.

Because Newsom wants to let state officials spend the next four years revising their process for setting regional housing goals and then tie those new targets to the gas tax funding, his legislation proposes the linkage of housing and transportation funding subventions wouldn't take effect until July 2023.

A 50-year-old law gives state officials authority to establish regional goals for housing construction based on factors such as population and job growth, and local governments in each of those regions then divvy up the targets and set their own development benchmarks.

Local officials argue that even when they set aside enough land to meet their housing goals, market forces beyond their control often prevent actual construction. Some are suggesting the incentives could be better spent on affordable housing subsidies rather than transportation penalties.

REGION

Could Congestion Pricing Come to the South Bay?
The Southern California Association of Governments released a study on March 28th evaluating charging drivers in West L. A. to use congested streets. Charging drivers a fee to reduce traffic jams has worked in London, Milan and Stockholm, and the idea is gaining ground in New York.

L. A. Metro CEO Phillip Washington called for a study of congestion pricing in January to generate increased transit operating subsidies that would be needed if Metro were to offer free transit. But Metro board members expressed caution by asking the CEO for more information on scope, schedule and budget before proceeding with a study of congestion pricing options.

The SCAG study suggested charging drivers a $4 fee to drive into a 4.3-square-mile "mobility go" zone during weekday rush hour. The study area covered parts of Sawtelle, Brentwood, and Santa Monica. The area covers most of the space between the 405 freeway and 20th Street, and from the 10 freeway to Sunset Boulevard (though the northern boundary in Santa Monica is Montana Street), by the I-405 on the east, the I-10 on the South, Santa Monica boundary on the west and Sunset Boulevard on the North. Vehicles driving in and out multiple times during the peak traffic period would be charged only once. Leaving the area would be free. The study assumed that residents within the zone would pay 40 cents — a 90% discount — and low-income commuters could qualify for half-price tolls.

Conventional thinking might have placed the cordon around downtown L.A., as central cities are most typical for cordon pricing programs around the world, including Stockholm and London. SCAG researchers found that the transportation corridors on the Westside experience more traffic congestion than does central L.A., hence Westside road pricing would result in greater reductions to car congestion.

Curiously, the study focused on an area that is principally residential rather than a city-center like adjacent Westwood, UCLA and nearby Century City. Mike Bonin, City Councilman for the area and a Metro Board member, cautioned that the SCAG study was to create a planning model, not a project. Before such a fee could be assessed, officials would need to find an agency to plan and implement the pricing strategy, evaluate the negative effects of traffic diverting through Santa Monica to avoid the fee, complete the Purple Line to Westwood, significantly improve transit within the zone, change state law to allow tolling on surface streets, and conduct extensive public outreach.

SCAG had initially considered studying tolling in downtown Los Angeles, Santa Monica, Hollywood, West Hollywood, Warner Center and Los Angeles International Airport (including Inglewood?), but focused on the Westside because the traffic is worst there, so congestion pricing could have the greatest effect.

The study concluded that such a cordon pricing scheme could almost immediately reduce traffic delays and miles driven there by more than 20% in rush hours. Such a drop in driving would generate a 9% increase in transit ridership, a 7% increase in biking and a 7% increase in walking inside the zone.

The study found that some drivers would reduce the number of trips they took while others would shift their travel to other times. That would result in an increase in miles driven in the early afternoon and after evening rush hour. But overall, trips would be expected to fall by nearly 8%. Allowing three-person carpools to enter the tolled zone for free would increase the rate of carpooling by 51%. The fees would generate an annual average of $69 million in net revenue that could be spent on projects that could include protected bicycle lanes and express bus service for commuters from Torrance and Encino. For those who continue to drive, time spent behind the wheel in the tolled area would drop by nearly one-fourth because there would be less congestion within the zone.

L.A. City Provides Data On Venice Boulevard's 'Road Diet'; Activists Threaten To Sue
Eighteen months after implementing a controversial bike lane on Venice Boulevard in Mar Vista, L. A. City Transportation Department staff provided data to the City Council on March 8th which then rejected an appeal from neighborhood advocates to prevent making the 0.8-mile protected bicycle lane permanent. The evaluation may prove useful to other local jurisdictions that are contemplating road diets.

The city spent $1.8 million to add four traffic signals, sidewalk mosaics, curb ramps, more visible crosswalks and a bike lane with a buffer zone to separate drivers from cyclists. The project removed one vehicle travel lane in each direction. In December, the city moved to extend the road diet beyond its pilot program and exempted it from environmental review.

In its appeal, a local anti-bike lane group said the road diet had caused an increase in traffic by reducing the number of lanes by 33%. LADOT opined that none of the issues the group raised would require further review since under state law, traffic congestion on its own is no longer considered an issue that requires further environmental study. In addition, because Venice Boulevard previously had a painted bike lane with no protective buffer from traffic, the project qualified as a modification of an existing route, which exempts it from environmental review.

City officials commissioned a 39-page consultant study which concluded that the road diet made the corridor safer and more popular with residents. During morning and afternoon rush hour, the number of people walking and riding scooters rose but the number of bicyclists fell 16%, for reasons that were not clear. The study also validated complaints that traffic had grown worse. Eastbound evening drive times along the 0.8-mile corridor initially increased by more than four minutes but by the time the road diet had been in place for a year, the evening travel time had fallen to 3 minutes, 56 seconds, approximately pre-bike lane levels, a decline the city attributed to modifications to the road diet's design, including new turn lanes. Side streets near Venice Boulevard saw an increase in cut-through traffic during rush hour, adding one to three cars a minute on each street, the city said. Despite rents at record highs, taxable revenue rose during the road diet and more businesses opened than closed.

LAWA Breaks Ground On People Mover Project
Los Angeles World Airports broke ground March 14th on its Automated People Mover, an elevated train designed to carry 85.1 million passengers per year between stations within the terminal loop and Metro's Crenshaw/LAX Light Rail Line Aviation and 96th Street Station and an adjacent consolidated car rental center that is being built to serve more than 20 car rental agencies. The people mover will serve six stations; three inside the airport terminal loop and three outside the airport. Electric-powered trains carrying up to 200 people will operate every two minutes.

The People Mover has a targeted opening date of 2023. Last year, City Council approved a $4.9 billion contract with LAX Integrated Express Solutions for the design and construction of the project.

Move L.A. Proposes Vision 2020 – A New Four-County, Half-Cent Clean Air Sales Tax
Move L.A., the non-profit organization that led the effort that passed L. A. County Measures R and M, has a new sales tax proposal for the 2020 General Election ballot. The organization envisions that its "Vision 2020: The Southern California Clean Air, Climate Health, and Transit Enhancement Measure" would be a four-county half-cent sales tax administered by the South Coast Air Quality Management District, which includes the counties of Los Angeles, Orange, Riverside, and San Bernardino.

If approved, the new sales tax would generate about $1.5 billion per year. The current draft expenditure plan calls for accelerating zero and near-zero trucks, electrifying and enhancing Metrolink service, funding clean air investments and active transportation projects in each of the four counties, and implementing truck-only ExpressLanes.

State legislation (SB 732, Allen) would be needed to enable air districts to levy taxes. In addition, the clean air sales tax measure would likely require two-thirds voter approval across the entire AQMD four-county district.

TRENDS

AAA Survey Finds Most Still Fear Self-Driving Vehicles
According to the American Automobile Association's latest survey, 71% of Americans don't want to go anywhere near self-driving cars. And that anxiety has only fallen 2% compared to AAA's last annual survey.

The latest AAA survey lands at a moment when self-driving businesses are starting to engage with the public. In January, Waymo joined with Cruise Automation and 22 other organizations to form a coalition aimed at easing consumer concerns about autonomy known as The Partnership for Automated Vehicle Education, or PAVE. The organization will conduct self-driving test rides for consumers and policymakers, as well as conduct educational workshops and develop informational materials for lawmakers, consumers and educators.

Familiarity appears to be key to easing anxiety. The AAA survey of 1,008 Americans found that drivers of cars with lane-keeping software, automatic emergency braking and other forms of automated driver assistance are far more comfortable with these features. Use of driver-assist technology make drivers 68% more likely to trust semi-autonomous cars, the study found. However, only 19% of those surveyed would be comfortable putting children or family members into a fully self-driving car.

But all the general wariness still isn't translating into doubt that the self-driving future may be inevitable. More than half of those surveyed — 55% — believe that by 2029, most cars will have the ability to drive themselves.

Want To Help EV Adoption In Your City?
A working group of EV charging and EV manufacturers has produced a free report titled "Electric Vehicle Charging Infrastructure: Guidelines for Cities." The report contains a list of potential EV subsidies and incentives cities can use to stimulate and support electric vehicle adoption including parking incentives, EV access, infrastructure/permitting support, direct incentives for vehicles and public information and encouragement.

The report is available at: http://eepurl.com/dsfR3T .