

South Bay Cities Council of Governments

December 1, 2013

TO: Jacki Bacharach, SBCCOG Executive Director

FROM: Steve Lantz, SBCCOG Transportation Consultant

RE: SBCCOG Transportation Update – December 2013

Federal Update

President Obama travelled to the Port of New Orleans on November 8th to spur infrastructure investments, jobs and exports. He is seeking \$50 billion for a “Fix it First” initiative for roads, bridges and ports, and federal tax breaks and loans to attract private investors to join with state and local governments on projects. He also has proposed to seed an infrastructure bank to promote public-private partnerships

While Obama’s big economic-stimulus package when he took office led to the largest investment in public works since the Depression, it has waned since 2011, and the President’s subsequent proposals for public funds to be leveraged with private money have been stalled by Republicans.

Still, the President has expressed hope for some compromise as part of the budget negotiations that are underway in Congress. He is seeking support from businesses and potentially from some Republican lawmakers, in particular those from Southern districts whose ports need upgrades to handle supertankers that could begin arriving in about 2015 after completion of the Panama Canal expansion. At New Orleans’ port, President Obama argued for funds to modernize such facilities for more efficient loading and storage. According to the administration, the port system in New Orleans, South Louisiana and along the Mississippi River is the largest bulk cargo port area in the Western Hemisphere; about 60 percent of grain exports from the United States are shipped through the Mississippi River.

A delegation led by Vice President Biden visited the Panama Canal and met with Panamanian President Ricardo Martinelli on November 19th. Consistent with President Obama’s strategy, the U.S. delegation lacked any west coast representation; it included: Secretary of Transportation Anthony Foxx; Georgia Senator Isakson; Florida Congresswoman Debbie Wasserman-Shultz; Atlanta Mayor Kasim Reed; Baltimore Mayor Stephanie Rollins-Blake; and Philadelphia Mayor Michael Nutter. In a November 29th LA Times article, the Obama administration explained the lack of west coast delegates to the fact that the west coast ports already have harbor depths sufficient to handle the larger ships that will be able to traverse the Panama Canal after the expansion project is complete. Gulf and East Coast ports need to be dredged and modernized to accept the new oceanic cargo ships which can carry 18,000 containers. In addition, the ocean-going segment of the trip is a week shorter from Asia to the San Pedro ports than to Houston or Savannah. And, while no one is sure how much diversion will occur, both the Port of Long Beach and Los Angeles are investing hundreds of millions of dollars to

expand and improve efficiency at their ports in order to hold on to their global logistical advantages and retain their global market share.

State Update

Ridesharing Firms Change CA. Pricing from “Donations” to Fares; Add Peak Pricing

Sidecar announced on November 15th that the company will end its current payment system where riders in California made a donation to the driver rather than pay a fare or fee for a ride. Instead, riders must now pay a minimum amount as determined by Sidecar. The move comes as Sidecar is fiercely competing against Uber and Lyft for customers in California. In response, Lyft announced that it too will dispense with the "donation" method and obligate riders to pay a minimum charge. Rival Uber already uses a fare system. Sidecar believes that drivers will be more willing to drive farther and more frequently if they can be assured they would receive reimbursement for their related expenses.

Lyft also announced Friday that it will begin testing a new peak-period pricing system in Los Angeles called Prime Time Tips, requiring that riders pay drivers a 25% tip during certain times. The system is being tested as a way to make it easier for users to find drivers during times when the number of riders requesting Lyft rides "far outnumber drivers on the road." Prime Time Tips is similar to Uber's surge pricing system, which kicks in during times of heavy demand.

The changes will apply only for California customers.

Southern California Update

OCTA Delays Approving HOT Lanes on I-405; Might Also Affect Metro’s ExpressLanes

A new issue is emerging in the contentious Orange County debate about whether to approve a high occupancy toll (HOT) lane as an element of the widening of the I-405 from State Route 55 to Interstate 605. OCTA staff are recommending toll lanes as part of the freeway’s \$1 billion-plus widening project but a coalition of Orange County cities along I-405 opposes the alternative to add toll lanes. The OCTA Board voted on November 8th to delay the decision until its December 9th meeting.

Adding to the general disagreement within the OCTA Board is a new concern that Caltrans, which owns the freeway, will divert the toll revenues for its statewide maintenance needs. Metro will face a similar threat in Spring 2014 when it must decide whether to continue the ExpressLanes on the I-10 and I-110 freeways and to seek approval of required state legislation that will make the federal demonstration project permanent. Although OCTA staff assured the OCTA Board that existing law already requires that the extra toll lane revenues — beyond paying off their construction and operational costs — be invested in the local communities around the freeway, some board members continue to express concerns that the legislation could be changed and the funds diverted.

Adding toll lanes was included in one of three alternatives for the I-405 Improvement Project considered by the OCTA board in 2012. That alternative would have converted an existing carpool lane to a toll lane. The OCTA board voted in 2012 to approve a widening alternative without the toll lanes that would widen I-405 by adding one general purpose lane in each direction between Euclid Street and I-605. OCTA staff said it's considering the toll lanes

again partly because MAP-21, the 2012 federal transportation bill, requires cars in carpool lanes to travel at 45 mph or more 90 percent of the time. The agency said that's not happening in the carpool lanes along I-405 in Orange County.

New Warner Center Plan Includes Slow Vehicle Lanes

The Los Angeles City Council recently voted on a new growth plan for Warner Center, which would guide the transformation of the mainly auto-centric business hub into a transit village. The Warner Center 2035 Plan would focus on pedestrian-oriented design and environmentally sound transportation options. Unique to Los Angeles, this new plan calls for the installation of "slow vehicle lanes", which offer dedicated travel lanes for vehicles slower than bicycles. The success of the Orange Line bolsters the notion that transit-oriented development will fuel future growth in the area, according to proponents. The plan also calls for "activity nodes" that encourage public gatherings.

What Happened To Bike sharing In Los Angeles? Metro Studies Countywide Approach

The LA City Council voted last December to move forward with a bike sharing plan, but nothing has come of it yet. Much of the delay has stemmed from permit issues and the vendor's advertising plan. BikeNation had promised to bring bike sharing at no cost to the city. The firm initially banked on the idea that the concept could be funded through advertising revenues which caused conflicts with previous advertising agreements between the city and ad purveyors. The Metro Board at its October 24th Meeting approved a motion to:

- A. adopt as policy MTA's support of bicycles as a formal transportation mode;
- B. convene a bicycle share industry review in November 2013 in order to advise on procuring a regional bicycle share vendor for Los Angeles County;
- C. report back to the Board at the January 2014 meeting with the results of the industry review, including a business case analysis and recommendations on proceeding with a Request for Proposals (RFP) to implement a regional bicycle share program; and
- D. include in the analysis a phased approach for implementing this program based on area readiness, including, but not limited to, an examination of existing bicycle infrastructure, existing advertising policies, current ridership trends, and transit station locations.

Implementing bike sharing countywide may have its own challenges, particularly when it comes to working with municipalities on installing bike stations, complying with local outdoor advertising regulations and ordinances, and hiring operators.

All I-405 / Wilshire Blvd. Ramps Have Been Re-configured And Are OPEN

"Ramp Jam" came to an end on November 7th when the final ramp from Wilshire Boulevard to the San Diego (405) Freeway was opened at about 6 a.m. The new ramp is wider and almost three times longer than the original, and acts as a "flyover" that will carry motorists above the northbound freeway off-ramp to westbound Wilshire. The new configuration does away with the traffic-slowing weave of motorists trying to exit or enter the freeway using a single lane. The wider, 3,129-foot-long ramp is also expected to accommodate almost twice as many vehicles trying to enter the northbound freeway.

All of the other ramps at the interchange were also lengthened as part of the construction project, allowing them to accommodate more vehicles. Construction at the interchange forced the closure of the Wilshire interchange ramps beginning in late July. The ramp work was part of the three-year, \$1 billion widening and reconstruction of 10 miles of the 405 through the Sepulveda Pass.

Metro Board Committee Discusses Need For Fare Restructuring

Metro fare restructuring discussions were kicked off on November 20th by the Metro Board of Directors' Finance, Budget & Audit Committee. Metro staff discussed preliminary fare restructuring options that will likely be released to the public in early 2014 for inclusion in the FY 2014-15 Metro budget. There have only been three fare increases in the past 18 years, the most recent on July 1, 2010, when fares were raised for regular riders. At that time, fares for seniors, students, the disabled and Medicare recipients were not changed thanks to Measure R.

According to Metro, The primary objectives of the restructuring are to improve Metro's financial condition and improve efficiency. Metro's farebox recovery rate is 26% whereas the agency's Long Range Transportation Plan, released in 2009, calls for getting that number to 33% (farebox recovery is the percent of fares that covers operating costs). That farebox recovery rate is the lowest among peer transit agencies around the world. If nothing is changed, Metro would be faced with a \$36.8-million deficit in 2017 that would grow in subsequent years as well as more deferred maintenance, the evaluation of reduced service levels and the potential loss of federal grants.

Beyond avoiding a budget deficit, Metro staff is seeking to make fare policy and service policy consistent. For example, the service policy encourages transfers between bus and rail and between bus lines that allow the rider to efficiently complete their one-way trip. However, several years ago Metro eliminated discounted transfers and now charges the full fare for each boarding. As a result, riders take longer routes to avoid multiple transfers which, in turn, doesn't promote efficient use of the system, drives up operating costs and requires riders to spend more time and money on transit than they should.

Among options likely to be looked at are offering unlimited rides on a single fare for a certain time period (for example, an hour or 90 minutes), different fares for peak and off-peak hours and a simplified zone structure and/or offering flat fares for zoned buses. Once approved by the Metro Board, three to six months would be needed to implement a fare change.

South Bay Cycling Explored In New Book

Seth Davidson, a South Bay attorney who has been writing a cycling blog for several years, has compiled the posts into "Cycling in the South Bay" a new book. Since his arrival to California, he's come to the conclusion that Los Angeles, especially the South Bay, is the "best place on planet Earth to ride a bicycle." His reasons include the strong cycling community in the area, the variety of rides in the region, the good weather throughout the year and the strong global competition that comes to Los Angeles to ride. His book covers popular South Bay attractions for local amateur enthusiasts and pro riders such as the New Pier Ride that attracts more than 100 riders every Tuesday and Thursday and leaves at 6:40 a.m. from the Manhattan Beach Pier and arrives at the Westchester Parkway, as well as the 40-year old Donut Ride, a 30-plus mile trek that begins in Redondo Beach every Saturday and travels up through Palos Verdes. He also

describes rides to areas outside the South Bay including downtown LA and Pacific Palisades and San Diego.

Metro Considers New Sales Tax Ballot Measure Timing; LA Times Urges Caution

The SBCCOG submitted a letter to Metro on October 4th seeking a collaborative process to design a new ballot measure to be placed on the ballot no earlier than November 2016.

On November 20th Metro's Planning and Programming Committee received and filed an initial summary of 2014 or 2016 ballot measure development processes and schedules in which Metro Staff expressed strong reservations about the feasibility of a 2014 measure. Assuming a 2016 schedule, staff projected returning to the Board with a work scope and budget request in February 2014.

The Los Angeles Times editorial board published an opinion on November 24th concerning the two options for the 2014 or 2016 Metro sales tax ballot measure that would either extend the current Measure R (similar to Measure J that would have extended Measure R to 2069 and was narrowly defeated last year), or propose a new sales tax on top of the existing L. A. County sales taxes. After praising the transit progress made possible by the current sales taxes and acknowledging that there is not much state or federal funding available for major transportation projects, the editorial board expressed the following core editorial opinions:

1. "This page backed Measure J, but voters narrowly rejected it — in part because the Metro board itself were split. Some saw Measure J as too L.A. city-centric. In considering a new sales tax proposal, Metro leaders must consider transportation needs throughout the county, but in the end they should select the projects that deliver the greatest impact, even if they are concentrated in the city.
2. A 2014 ballot measure should be off the table, and 2016 would be a better target. Metro leaders would need to adopt a package of projects by April in order to get something on next November's ballot. That's too little time. These are tough political decisions that involve planning for the next generation of Los Angeles County residents. There's no need to rush."

L. A. Creates Website To Show Where Parking Violations Will Not Be Enforced Each Day

L.A. City launched a new parking enforcement beta web site on November 20th which lists, on a daily basis, areas where parking tickets won't be handed out, such as when street sweeping services have been canceled and residents won't have to move their cars. The live site can be viewed at: http://bss.lacity.org/restricted_parking_sweeping_routes.cfm.

Acknowledging the site's initial failure to recognize numerous locations, City staff also acknowledged the city has "a long way to go" before offering a more comprehensive site. The City also noted that tickets are not supposed to be issued when the street cleaning is not done. However, officials contend the site will allow residents to more easily fight street-sweeping tickets issued in error. About 5 percent of the streets marked for sweeping each day are not cleaned because of scheduling or staffing issues.