

# South Bay Cities Council of Governments

November 14, 2016

TO: SBCCOG Steering Committee

FROM: Steve Lantz, SBCCOG Transportation Director

RE: SBCCOG Transportation Update –November 2016

## **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**

### **U. S. DOT Awards \$65 million in Advanced Technology Transportation Grants**

U.S. Transportation Secretary Anthony Foxx announced at the October 13<sup>th</sup> White House Frontiers Conference the award of \$65 million in advanced technology transportation grants. The grants were made from two federal programs; \$56.6 million was awarded to 8 agencies in the first round of the new Federal Highway Administration's Advanced Transportation and Congestion Management Technologies Deployment Program (ATCMTD) and \$8 million was announced from the Federal Transit Administration's Mobility on Demand (MOD) Sandbox program.

The ATCMTD program's grants are designed to help communities use technology to enhance mobility and expand access to opportunity. Projects funded by these grants will improve the efficiency of the highway system and make the most use of existing capacity for commuters, businesses, and freight shippers. LA Metro received \$3 million for a large-scale deployment of the Freight Advanced Traveler Information System (FRATIS) Project using automated optimized dispatching and traffic signal- vehicle speed coordination to reduce truck congestion and fuel usage.

Los Angeles DOT received \$3 million to implement advanced technologies to improve safety and mobility within the City's Promise Zone to allow the signal system to detect red light-violating vehicles and adjust timing, and to allow personal wireless devices to prioritize pedestrian travel and safety at intersections. The Promise Zone serves five culturally diverse Los Angeles neighborhoods: Hollywood, East Hollywood, Koreatown, Westlake, and Pico-Union.

The \$8 million MOD Sandbox Program is part of a larger research effort at U.S. DOT that supports transit agencies and communities as they integrate new mobility tools like private sector smart phone apps, bike- and car-sharing, and demand-responsive bus and van. FTA sought projects with partnerships between transit providers, local governments, technology companies, and others that demonstrate solutions in real-world settings. L. A. Metro was granted \$1,350,000 lead on-demand car-sharing partnerships with Lyft in L. A. and in Seattle.

## **U. S. DOT And State Legislature Tangle Over Self-Driving Car Regulations**

U. S. DOT staked out its initial role in regulation of autonomous vehicles on September 20<sup>th</sup> by issuing the first-ever federal regulatory guidelines for driverless cars. The National Highway Traffic Safety Administration (NHTSA) regulatory guidance is intended to be flexible in that it includes a 15-point safety assessment that the federal government is asking automakers to use to address issues such as privacy concerns and ethical issues. Although the guidelines do not have the full weight of a government regulation, the federal government has said its first step in overseeing the design and marketing of autonomous vehicles has a goal of dramatically improving roadway travel safety by eliminating distracted and impaired driving.

The federal guidance envisions the federal government having primary control over the actual automation software, as well as being responsible for setting vehicle safety standards, carrying out enforcement and handling recalls. The federal framework also recommends that states be responsible for licensing human drivers, enacting and enforcing traffic laws, regulating motor insurance and liability, and establishing requirements for autonomous vehicle testing on public roads.

California regulators are weighing draft rules for driverless vehicles that may go further than the federal guidelines. The California Department of Motor Vehicles (DMV) held a public hearing on October 19<sup>th</sup> with members of the auto industry and safety advocates. The California DMV proposal would require manufacturers to submit their responses to the 15-point federal checklist before testing or deploying automated vehicles in the state, which would effectively codify NHTSA's voluntary guidance in California.

Industry advocates are urging Congress to "slap down" California by explicitly preempting states when it comes to the safety performance and testing of self-driving cars. Consumer Watchdog urged the DMV to prohibit driverless cars on California roads until there are mandatory and enforceable federal standards in place. The group expressed fears that proposed DMV rules would let robot cars without a driver on California roads if the manufacturer simply answers yes, no or maybe to each point on NHTSA's 15-point safety checklist.

## **U. S. DOT Creates Advisory Committee For Self-driving Cars**

The U. S. Department of Transportation (U. S. DOT) announced on October 19<sup>th</sup> that it is establishing an advisory committee for automated vehicles that will serve as a critical resource for the agency as it continues its push to put self-driving cars on U.S. roads. The panel will be responsible for assessing the U. S. DOT's research and policies related to the safe development and deployment of autonomous vehicles.

U. S. DOT is looking for 15 individuals with "cross-modal perspectives" on issues including intelligent transportation systems, robotics, enhanced freight movement, air traffic control, next-generation technology and advanced transportation technology deployment. Committee members will serve two-year terms and may not serve more than two consecutive term reappointments, the DOT said.

## **STATE**

### **Local Roads in California Are 'At Risk' Due to Lack of Funding; No Fix From State Legislature**

A coalition of local governmental agencies and advocates released their 2016 California Statewide Local Streets and Roads Needs Assessment of the condition of local streets and roads in California on

October 27<sup>th</sup>. The report, which has been released biennially since 2008, is managed by the Metropolitan Transportation Commission.

According to the report, California's 143,000 miles of local streets and roads are deteriorating rapidly, and the average local thoroughfare across the state is rated 'at risk' because of its poor physical condition. Only \$2 billion is available annually from all federal, state and local sources. The study estimated that a \$3.5 billion investment is needed annually to minimally maintain local streets in the state. To fix the roads to an optimum level of repair and maintenance would cost about \$70 billion or more over the next 10 years.

Recognizing the severity of California's transportation funding crisis, Governor Jerry Brown on July 16, 2015 called for the state legislature to convene a special legislative session to address the state's transportation infrastructure needs, and proposed that the Legislature enact pay-as-you-go, permanent and sustainable funding to: adequately and responsibly maintain and repair the state's transportation and critical infrastructure; improve the state's key trade corridors; and complement local infrastructure efforts. The Governor also proposed legislation necessary to establish clear performance objectives measured by the percentage of pavement, bridges, and culverts in good conditions; and incorporate project development efficiencies to expedite project delivery or reduce project costs. The Legislature responded to the Governor's call by convening an Extraordinary Session 1 three days later, However no legislation has emerged. The deadline for legislation to pass a bill from the special session is November 30<sup>th</sup>.

## **REGION**

### **Sluggish Alameda Corridor Traffic Increases ACTA Debt to \$4 Billion**

Sluggish trade from Asia through the ports of Los Angeles and Long Beach has created a concern about the need for growing debt to subsidize a public-private-partnership that created the Alameda Corridor, the 20-mile train expressway designed to separate freight trains from street traffic and speed goods from the ports to the national rail network in downtown Los Angeles.

The Alameda Corridor Transportation Authority was created in 1989 as a public/private partnership between Union Pacific, Burlington Northern Santa Fe and the ports of Long Beach and Los Angeles, funded in part with \$5.9 billion in bonds issued by ACTA to be repaid by fees from railroads for each container they move through the corridor.

According to UP at the time, each train that used the corridor would take an average of 260 trucks off the streets and eliminate around 650 truck trips from local roadways between the ports and Downtown L. A. Port authorities estimated that rail traffic is two to four times as fuel efficient and emits two to three times less emission than diesel truck traffic on a ton-per-mile basis. And a trip that used to take several hours would now completed in 45 minutes.

When it opened on time and on budget in 2002, the project was estimated to have cost \$2.4 billion to construct. However, the joint powers structure and revenue-bond-heavy financing plan for the rail project assumed import volume would continue to rise at 6 percent as Americans devoured Asian imports that were shipped through the twin ports, and the beneficiary would be Alameda Corridor Transportation Authority (ACTA), whose revenue stream would be funded exclusively by user fees from the railroads.

14 years after it opened, Alameda Corridor operations have not met their assumed growth projections and debt service has become a significant burden on port revenues. ACTA has run into trouble paying for itself and is still saddled with \$4 billion in debt. When imports lagged during the recession, the authority had to borrow \$5.9 million from the ports of Los Angeles and Long Beach in 2011 and another \$5.9 million in 2012 to meet its debt obligations. Worrying debt would pile up, the authority reissued nontraditional “scoop and toss” bonds last spring that push back the steepest payments, giving the authority some breathing room.

But the borrowing could continue if cargo volumes at the ports don’t grow at a 4 percent rate through 2040, as officials have estimated they must to pay for ACTA’s growing debt. The corridor is at 25 percent capacity now, moving about 2.3 million 40 foot-cargo boxes every year. The railroads currently pay \$47 per container for the 20-mile trip. Traffic on the corridor or the railroad fees would need to more than double that by 2035 to cover most of ACTA’s debt.

### **Metro Receives 8 Unsolicited Proposals For Measure M Projects**

L. A. Metro announced on October 27<sup>th</sup> that it has received eight unsolicited proposals from private sector firms that wish to partner with the agency to deliver rail and highway projects that could be funded with Measure M revenues. The rail corridors are included in the Measure M expenditure plan, but could be accelerated with innovative financing proposals. So far, the private sector has expressed interest in financing the following projects:

- Sepulveda Pass projects (two proposals)
- West Santa Ana Branch rail project (two proposals)
- Phase 3 Purple Line extension from Century City to Westwood/UCLA/VA
- High Desert Multipurpose Corridor
- Route 710 South Corridor
- High Occupancy Toll Lanes

All of these proposals are dependent on Metro having an additional permanent funding stream to repay private financing, either through Measure M or some future funding that is identified.

### **LADOT’s New Urban Mobility Vision Views Mobility As A Service Utility**

Seleta Reynolds, General Manager of the Los Angeles Department of Transportation (LADOT), was interviewed for the October issue of The Transportation Report on the future of transportation in the city. LADOT’s new report, “Urban Mobility in the Digital Age”, looks at three major trends: the infrastructure needed to support electric vehicles, shared mobility, and the emergence of autonomous vehicles on city streets. The key idea of the report was that, eventually, LADOT wants local mobility and transportation to become a utility in which you pay as you use it with pricing tied to real-time demand for road capacity, demand, and parking availability.

Reynolds is also critical of local taxi regulation. She believes the artificial cap on the number of cabs on the street in each city’s franchise agreements has suppressed the demand for taxi trips, whereas Uber and Lyft don’t have that same cap. This has created a situation where you can reliably get one in under five minutes almost anywhere in LA County. She believes the right level for regulation of all vehicles-for-hire (taxis, transportation network companies, limousines, and even non-emergency medical transportation) is at the county or regional level to replace the patchwork of 88 different sets of regulations in LA County.

To keep up with the blistering pace of transportation technology, the L. A. City plan focuses on steps city government can take over the next two years to start moving everyone in this direction. Although Reynolds acknowledges there's a strong possibility that market forces may end up defining the future of the city in the same way the automobile re-defined Los Angeles 75 years ago, she thinks that prediction doesn't give enough credence to the role of government and the public sector, and the powers and tools that public agencies have to create opportunities for shared mobility, maintaining high-capacity, efficient public transit, and freeing up surface parking space to improve the design in our cities. That kind of model would help L. A. get to what she calls "autonomous urbanism."

### **Fewer Than A Quarter of L. A. Residents Live Close To Transit Stops**

Los Angeles residents probably won't be too surprised to hear that the city still lags far behind the rest of the world in terms of transit accessibility. The report, "People Near Transit: Improving Accessibility and Rapid Transit Coverage in Large Cities" was released in October 2016 by the Institute for Transportation and Development Policy. It shows that only 24 percent of Los Angeles residents live within a kilometer of a Metro, light rail, or rapid bus stop. In the broader LA metropolitan area, only 11 percent of residents live near transit stops. That's the second-lowest number for the 25 major cities studied around the world.

By comparison, in the top four cities on the list—all in Europe—more than 90 percent of residents lived near transit stops. In fact, in Paris, stations are easily accessed by a full 100 percent of residents. The most transit-accessible US city analyzed was New York, where 77 % have convenient access to public transit. The bottom spot went to Johannesburg, where under 10 percent of residents are within close proximity to stations.

### **Metro To Expand Bike Share To San Pedro By Summer 2017**

L. A. Metro's Board of Directors on October 27<sup>th</sup> approved expanding its bike share system to Venice, Pasadena and San Pedro/Wilmington by July 2017. Phase II of Metro's bike share program will add a total of 60 more stations to the system that's currently confined to areas in and around downtown Los Angeles. Eleven stations will be added in and around the port neighborhoods of San Pedro and Wilmington.

The Metro's bike share network currently includes 51 kiosks and about 760 bikes in Downtown Los Angeles. *Los Angeles Times* analyzed Metro data from the program's first three months in downtown Los Angeles and found bike share users took more than 55,400 rides through the end of September.

The cost of the Phase II expansion is approximately \$42 million, allocated to cover the cost of the bicycles, the stations, as well as six years of maintenance and upkeep. Each station will hold anywhere from 10 to 20 bicycles, depending on available space. Metro's system is the only government owned and operated bike share system in the United States. Systems in other cities, like N.Y.C.'s CitiBike and D.C.'s Capital Bikeshare, are all privately owned and operated.