

South Bay Cities Council of Governments

January 22, 2015

TO: SBCCOG Board of Directors

FROM: Steve Lantz, SBCCOG Transportation Director

RE: SBCCOG Transportation Update – January 2015

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.

FOLLOW THE MONEY...

FEDERAL

Congress Passes, President Signs FY 2014-15 Federal Transportation Funding Bill

The House narrowly passed a \$1.01 trillion spending package on Thursday, December 11th, to fund most government operations through the federal fiscal year that ends September 30, 2015. The package was negotiated on a bipartisan basis in anticipation that there probably would have been greater concessions once the Republicans control both houses of congress in mid-January 2015.

The bill freezes highway and transit spending at \$40 billion and \$8.6 billion respectively. The TIGER program, which supports innovative local multimodal projects, is reduced from \$600 million in the 2014-15 fiscal year to \$500 million. Amtrak funding was frozen at \$1.390 billion with operating subsidies reduced by \$90 million to allow a comparable increase in capital funding. Like last year, no federal funds were allocated to high speed rail. The spending deal funds the Department of Homeland Security — the agency primarily assigned to carry out the president's immigration policy — only through February.

In addition to funding marks, FHWA is directed to establish separate, non-motorized safety performance measures for the highway safety improvement program, define performance measures for fatalities and serious injuries from pedestrian and bicycle crashes, and publish its final rule on safety performance measures no later than September 30, 2015.

Posturing Begins for Reauthorization of Federal Highway Trust Fund

The Federal Highway Trust Fund expires on May 31st. The reauthorization is a key goal that could be addressed in the initial three months of the session or could be extended for several months so that it can be incorporated into a larger federal budget overhaul desired by President Obama that could postpone the final reauthorization until Fall 2015.

According to a report issued in early December by the Eno Foundation, the Federal Highway Trust Fund (HTF) is irretrievably broken and should be eliminated in favor of a new system of sustainable revenue streams or by dedicating a portion of the federal income tax to pay for transportation. The report notes that the U.S. ranks 19th among countries in ranking of its

infrastructure. The United States spends \$52 billion in national surface transportation spending, but Eno believes the nation should spend much more. Since 2008, Congress has transferred a total of \$65.3 billion from General Treasury funds to offset HTF shortfalls. The Eno report describes these funds a HTF “bailouts” and concludes the current “pay-as-you-go” principle of user fees paying for transportation infrastructure no longer effectively exists.

Trying to pass a viable option to reauthorize the fund, Bud Shuster, chairman of the House Transportation Committee, favors a switch to a vehicle-miles-travelled fee rather than a gasoline tax increase or motorist user fees. In a dispute that has been percolating since 2009, former Transportation Secretary Ray LaHood in recent weeks has renewed calls for a gas tax increase but the president has continued to rule out a gas tax increase. Rep. Peter DeFazio, D-Ore., who will be the new ranking member on the committee, supports taxing oil at the wholesale level but says he's open to options.

The Eno report identifies three potential solutions:

- Adjust spending to reflect lower revenue;
- Adopt a hybrid approach that combines general funds and fuel tax revenue; and
- Eliminate the HTF and pay for surface transportation through the General Fund.

The Eno report concludes that eliminating the Highway Trust Fund altogether and moving toward funding the federal highway and transit programs directly from the General Fund might be the most workable of the three options. To implement such a model, the federal budget would have to be adjusted to include additional fees needed for transport projects. This could be done by creating new revenue streams or dedicating a portion of the federal income tax for transport needs.

Federal Transit Subsidy Increase Extended Through December 31, 2014

President Obama signed H.R.5771 into law on December 19th that retroactively increased the monthly mass-transit subsidy to \$250 per month for the entire calendar year 2014. The action was included in bill that extended 54 tax programs to be effective for the entire calendar year. In October, Internal Revenue Service Commissioner John Koskinen had urged Congress to decide quickly on whether it would pass the package of temporary tax breaks.

STATE

California Legislature Opens 2015-16 Legislative Session By Introducing 100 Bills

A new California legislative session started the first week of December with the swearing-in of ten new Senators and 27 new Assembly members and the introduction of a hundred new bills between the two houses. These first-out-of-the-gate bills can be discussed in hearings as soon as the legislature reconvenes on January 5th, since by then they will have been “in print” for 30 days. Some of the new bills are identical to bills from last year’s session; others are likely placeholders that will be available for “gut and amend” strategies during the 2015-16 session.

Early transportation-related bills that are eligible for action beginning January 5, 2015 include:

- A.B. 8 would create a statewide Yellow Alert system to inform law enforcement and the public about vehicles involved in hit-and-run crimes. It is exactly the same bill as last year’s A.B. 47 which was vetoed by Governor Brown.
- A.B. 28 would require people biking at night to use a white flashing light instead of their red rear reflector.
- A.B. 40 would ban any attempt by local toll authorities to impose a toll on bicyclists on the Golden Gate Bridge.

- S.B. 32 would update the 2006 California climate change legislation, A.B. 32, setting greenhouse gas emission targets beyond the current 2020 goals.
- S.B. 40 would limit rebates for purchasing zero-emission passenger vehicles to vehicles priced at \$40,000 or less.
- S.B. 1, S.B. 5, and A.B. 32 would exempt fuel distributors from A.B. 32, the California climate change law. Fuel *refiners* have been subject to California's cap-and-trade system for several years, and have been paying for the greenhouse gases they emit. Fuel *distributors* had been granted extra time before they came under the cap. Distributors are subject to the cap on January 1, 2015.

CTC Seeks Input on Round 2 Active Transportation Program Guidelines

The California Transportation Commission (CTC) is seeking input on revised guidelines for the Active Transportation Program (ATP). The ATP is the main source of state funding for bicycle and pedestrian projects, mostly through federal transportation grants to local cities. The proposed changes to the ATP guidelines are mostly minor, but include eliminating the requirement for matching funds and de-emphasizing bike plans.

In the second funding cycle, for which applications will be due sometime around June 1, 2015, CTC staff will administer the application process, taking over some duties from Caltrans. The CTC plans to revise the guidelines based on comments from a December workshop and a second one, which will be held from 1 to 4 p.m. on January 8 at the Southern California Association of Governments (SCAG) offices, on the 12th floor of 818 West 7th Street, in downtown Los Angeles. The guidelines are scheduled for adoption by the CTC in March, and the Round Two call for projects would then go out immediately.

San Diego's Climate Change Plans Headed to State Supreme Court

In late November 2014, a California Appeals Court upheld an earlier California Superior Court decision that undermined San Diego's massive, \$214 billion plan for regional mobility through the year 2050. The court ruled that San Diego failed to adequately address the effects of climate change on 2050 mobility projections. If upheld on appeal, the ruling is expected to create a precedent that would dramatically affect climate policy in California cities.

By 2050, the state has a goal of cutting greenhouse gas levels by 80 percent of their 1990 levels as spelled out in an executive order signed in 2005 by then-Governor Arnold Schwarzenegger. In contrast, emissions resulting from new land-use and transportation changes projected in the San Diego Association of Government's 2050 Regional Transportation Plan / Sustainability Communities Plan adopted in October 2011 show that greenhouse gases fall 14 percent by 2020 from current levels, and 13 percent by 2035. But by 2050, the plan estimates that emissions will have fallen just 10 percent, almost seven times higher than state climate change targets and far short of the 80% state GHG reduction goal.

In late 2011, SANDAG opponents (including the state attorney general) filed suit over the 2050 plan. They claim that San Diego's transportation plan stood in "dramatic conflict" the 2020 and 2035 emissions targets (outlined in SB 375), and that it didn't have the same obligation to meet the 2050 target (outlined in the executive order). But Judge Timothy B. Taylor of the superior court disagreed. He found SANDAG "impermissibly dismissive" of the Executive Order. For example, highway expansions will increase pollution in nearby neighborhoods, but the SANDAG plan failed to connect the dots between that pollution and its public health impacts. The court also ruled that SANDAG failed to consider alternatives that could help reduce driving.

SANDAG is appealing to the California Supreme Court to obtain further clarity for cities and planning agencies throughout the state on the standards to apply and the regulations to follow.

One immediate mobility improvement is being challenged in court pending the outcome of the Supreme Court decision. Construction is reportedly scheduled to begin next year on one facet of the 2050 plan, a \$6.5 billion suite of projects that begins with an expansion of Interstate 5 in San Diego County.

REGIONAL

LAX Board of Airport Commissioners Approves \$4 Billion Plan For New LAX Train System

The Los Angeles Board of Airport Commissioners on December 18th approved moving forward with a \$4 billion plan to transform LAX's ground transportation and arrival and departure experience. The Board's vote sets the groundwork for the LAX Landside Access Modernization Program to begin the environmental review process in January 2015. Construction is expected to begin in 2017.

The future Landside Access Modernization Program includes a new LAX Automated People Mover (APM) that will connect passengers to the airline terminals from new facilities at the airport including a consolidated Rental Car Center and Metro's planned Crenshaw Line station at 96th Street/Aviation Boulevard. There will be three APM stations in the Central Terminal Area connecting to the airline terminals with a convenient pedestrian walkway system. The consolidated car rental center will eliminate the need for rental car shuttles in the central terminal.

Los Angeles County Bicycle Coalition Selects New Executive Director, Tamika Butler

The Board of Directors for the Los Angeles County Bicycle Coalition on December 17th approved the appointment of their new executive director, Tamika Butler. She currently works as the first Director of Social Change Strategies for the Liberty Hill Foundation and has served as employment lawyer at the Legal Aid Society-Employment Law Center and as California Director of the Young Invincibles, an advocacy organization aimed at improving the lives and opportunities for young Americans entering the workforce.

TRANSPORTATION STARTS AND STOPS ...

TRANSIT / RIDESHARING / CARSHARING

Torrance Regional Transit Center to Include 2-acre Endangered Plant Preserve

The city will set aside two acres on the 15-acre property at 465 Crenshaw Blvd., site of its proposed Torrance Regional Transit Center, as a preserve for a seldom-seen native plant. The native plant, an herb called the southern tarplant, is listed as rare and endangered by the California Native Plant Society. It exists on two acres of the 15-acre property, as well as at the city-owned Madrona Marsh Nature Preserve.

In addition to the preserve, Torrance cleaned up contaminated soils left by former industrial uses on the site. No other significant environmental problems were identified in the initial environmental study for the project. The design is almost complete for the 17,800-square-foot transit center that will occupy seven acres of the site on the west side of Crenshaw between Del Amo Boulevard and Maricopa Street. The new \$21 million transit center is partly funded with

\$18.1 million from the Metro Measure R South Bay Highway Program. Construction is scheduled to start next summer, with a targeted completion date of December 2016. The city has been without a transit center since the one at Del Amo Fashion Center closed in 2005.

Metro to Stop Arresting Riders for Using Station Outlets To Charge Cell Phones

Three people were arrested at Metro stations during 2014 after using electrical outlets at Metro rail stations to charge their phones. Metro Board Chair Eric Garcetti instructed Metro officials in early December to allow bus and rail riders to use electrical outlets at bus and trains stations to charge their cell phones unless it disrupts Metro's maintenance work.

TRANSFORMATIVE TRANSPORTATION PLANNING ...

Metro Vanpools Increase as an Alternative to Solo Driving

Driving solo to work continues to define L.A.'s entrenched car culture. But commuters across the county are increasingly turning to alternatives such as a van pool. At Metro, which administers the largest public van pool operation in North America, participation has more than doubled in the last six years, with a total of 1,375 van groups operating today. Officials expect that figure to grow by at least 8% in 2015. The annual Metro budget to pay for subsidies and administration has grown steadily to about \$7.5 million.

Metro, which began its program in 2007, offers eligible van pools a monthly subsidy of up to \$400 to help cover the cost of vehicle leases or other expenses. Participants must travel at least 15 miles one way, have a minimum of five people and agree that the van pool will commute to workplaces in Los Angeles County. Private companies, public institutions and local governments also provide financial incentives to assist their employees and other commuters interested in Metro's program.

L.A. City Seeks To Make Taxis Competitive with Car Sharing Operators

Uber, Lyft and Sidecar have been operating in Southern California for two years using application-based ride sharing services. The effect on taxis has been swift and costly. Los Angeles' nine licensed cab companies reported a 21% drop in trips in the first half of 2014 compared to the same period the previous year, the steepest decline on record.

L. A. City regulators are trying to help city-franchised cab companies compete with the new application-based model without sacrificing important protections for consumers. The first step is to put to a vote by the L. A. City Board of Taxi Commissioners in January a proposed regulation that would require all franchise taxi drivers to use carshare-style mobile applications that would allow customers to hail a cab from their phones. The new applications would also allow fares and tips to be paid via cellphone; per-mile rates could be flexible, or discounts could be applied; cab availability across the city could easily be tracked in real time; and passengers and drivers could easily review one another.

The 2,361 licensed cabs in Los Angeles City charge one rate: \$2.85 when a ride begins, and \$2.70 for each subsequent mile. Nearly 10% of the fleet is wheelchair accessible, and nearly three-quarters of the cars are hybrids. In Los Angeles, Uber and Lyft charge a minimum 80-cent base fare, plus \$1.10 per mile or \$0.21 per minute, with a minimum fee of \$4. But during high-demand periods, both firms sometimes double, triple or quadruple their fares.



San Pedro Great Street Debuts

Last summer, L. A. City Mayor Eric Garcetti announced the 15 lucky roads that would be at the front of the line to get makeovers under his new Great Streets program. The very first of those projects got underway in San Pedro with the lighting of the San Pedro pedestrian bridge sign on December 10th.