

# South Bay Cities Council of Governments

July 22, 2021

TO: SBCCOG Board of Directors  
FROM: Steve Lantz, SBCCOG Transportation Director  
RE: SBCCOG Transportation Update Covering June 2021

## **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**

### **Infrastructure Bill Caught Up In Democratic And Republican Mid-Term Election Posturing**

Senate Democrats want to pass a \$1.2 trillion infrastructure bill for roads, bridges, airports, ports, passenger rail and broadband as a cornerstone of their mid-term 2022 election campaigns. In addition, Senate Democratic leaders have linked the infrastructure measure to a much broader bill containing a diverse package of health, social and climate programs that President Biden wants to enact using the budget reconciliation process later this year, a goal that could be achieved without any Republican votes.

The bi-partisan infrastructure that Biden supports comes to \$1.2 trillion over eight years, with \$579 billion in new spending for infrastructure. To offset that new spending, negotiators propose to cobble together a laundry list of various fees, unspent federal funds from the \$1.9 trillion coronavirus relief law, \$100 billion in projected revenue using IRS enforcement — but no new corporate taxes (opposed by Republicans) and no gas tax hikes (opposed by Democrats and Biden).

The House Transportation & Infrastructure Committee's proposal for long-term transportation policy makes repair, safety, climate change, and access to jobs and services core goals for the bill's spending.

Senate Minority Leader Mitch McConnell on June 28<sup>th</sup> called on Senate Majority Leader Charles Schumer (D-N.Y.) and Speaker Nancy Pelosi (D-Calif.) to follow his lead and de-link support for the infrastructure deal from the Democratic-only blueprint. However, President Biden seemed willing to support Schumer and Pelosi who said they were unwilling to send the infrastructure bill to the President until the broader blueprint measure is approved by Congress. Their strategy would leave the bipartisan deal in limbo, likely for months, including a long August recess when Republicans would certainly launch attacks that Democrats were obstructing a popular public works package.

The White House is mounting an all-out effort to sell the bipartisan infrastructure deal. President Biden and a group of senators agreed to last week, deploying top administration officials to states and engaging lawmakers to help build support inside and outside Washington for the package. Expect many more twists and turns in the coming weeks, especially with the Senate out

of town until July 9<sup>th</sup>. Senate Democrats plan to vote in July on both the bipartisan plan and a budget resolution that includes the instructions for a separate Democratic-only infrastructure bill. But then they will leave town until mid-September, returning to an immediate government funding fight that will dominate their schedule until October.

## **State**

### **More Than \$32 Million Allocated For LA County Transportation Projects**

More than \$32 million was allocated in June to Los Angeles County transportation projects by the California Transportation Commission, which programmed a total of \$1.18 billion for projects to fix and improve transportation infrastructure throughout California.

None of the projects are in the South Bay. The L A. County allocation includes:

- \$5 million to the Transforming California: Bus Electrification Service Expansion & Rail Integration Project. This project includes the procurement of 20 zero-emission hydrogen fuel cell buses and will improve service frequency and create a transit corridor between the Pomona Metrolink station and El Monte station
- \$5.6 million for the Union Street Cycle Track Project, which will install a 1.5-mile, two-way, protected cycle track on Union Street from Hill Avenue to Arroyo Parkway, in Pasadena. The project includes signal modifications and a bicycle boulevard that will connect Union Street along Holliston Avenue to Cordova Street's bicycle lanes
- \$1.6 million for a project on Las Flores Canyon Road in Malibu that will install protected left-turn signal phases for southbound traffic, extend the left-turn lane, upgrade facilities to Americans with Disabilities Act standards, and upgrade signal poles, mast arms and hardware
- \$20.4 million for a project on state Route 2 in the Angeles National Forest, from Bay Tree Road to Big Pines Highway. The funding will upgrade existing guardrail, install new guardrail and install stormwater treatment to reduce the number and severity of collisions. More than half of the total \$1.18 billion allocated Thursday for transportation infrastructure projects was

### **Housing Near Transit Bill Clears California Assembly Committee**

SB 10, a measure aimed at increasing density near transit centers in cities and counties throughout California was approved by the California Assembly Housing and Community Development Committee on June 22<sup>nd</sup>. The bill would provide cities and counties a voluntary opportunity to reform their zoning in transit-rich areas of their jurisdictions in an attempt to deemphasize single-family homes in favor of multi-unit homes and apartment complexes.

After several versions of a housing bill have been rejected the past two years, the authors sought to make the law more of a tool for local governments interested in addressing the housing problem in California and less of a hammer to punish them.

Bill Brand, Redondo Beach Mayor, argued SB 10 at the hearing that would not create more affordable housing and allows jurisdictions to circumvent the California Environmental Quality Act. Ultimately, most of the committee members said the bill encouraged responsible housing creation without sacrificing local control and that relaxing low-density laws that have been in place for decades is the fastest way to making a real dent in the state's housing shortage. They also argue it would also have the added benefit of slowing urban sprawl and that building near transit would cut down on greenhouse gas emissions.

## **Region**

## **LA Metro Breaks Ground On Airport Connector Project**

L.A. Metro held a groundbreaking ceremony on June 21<sup>st</sup> to mark the start of construction on the Airport Metro Connector (AMC) station project that will connect L.A. Metro's Crenshaw/LAX line to Los Angeles International Airport (LAX) terminals.

The AMC project includes platforms to access L.A. Metro light-rail trains, and a 16-bay bus plaza for L.A. Metro and other municipal bus operators. The rail station portion of the project includes two light-rail platforms that can be accessed via escalators and elevators, new ADA-compliant swing door fare gates and a full roof covering. In addition, the station will feature a bike hub, a private vehicle drop-off zone, interactive information kiosks, public restrooms and commercial space for tenants. AMC is the ninth station along the Crenshaw/LAX Line that's under construction.

## **Can L.A. Metro Fund Its Fareless Transit Program?**

The L. A. Metro Board approved a 23-month fareless transit pilot program for K-12 and community college students and low-income riders that will be funded by federal one-time stimulus grants.

A Metro task force has been studying the issue since September 2020. The agency's CEO Phil Washington, who stepped down from his role in June, promoted free transit as a moral obligation of the agency. With 70 percent of Metro riders qualifying as low-income or students, eliminating fares in these categories would test making the county's bus and rail system free for all riders.

The pilot program should begin by August for students and January 2022 for low-income riders. It would end in June 2023. Metro officials estimate rider fares account for 13% of the agency's operating budget with roughly one-third of those expenses going toward expenses related to fare collection, such as fare enforcement, revenue collection and accounting, and some sort of fare system will still need to be maintained.

Metro estimates the pilot program will cost \$250 million over the next two fiscal years. While the pilot program is underway, the agency will need to secure an ongoing source of incremental operations and maintenance funding to replace foregone fare revenues before a permanent program can be approved.

## **Opening Date Pushed Back Again For Metro's Crenshaw-LAX Line**

Metro's 8.5-mile, \$2.14 billion Crenshaw-LAX light rail line, which was originally set to open in fall 2019, has faced a string of delays. Now comes word that the rail line is unlikely to open until November 2022. Although the construction is nearly complete, there are hundreds of system integration tests that must be completed before the contractors can turn the line over to Metro staff to initiate pre-revenue-service tests and training. Consultants reported in June that the pass/fail rate for initial tests has been below 50% range, which is abnormally low. The number of tests per week and acceptance need to increase dramatically to avoid significant additional schedule impacts.

## **Trends**

### **Changing Our Work Life After The Pandemic**

According to an LA Times article by Joel Kotkin, the post-COVID period may well see a transformative, long-lasting effect on employers. While the unemployment rate is over 6% and the country had 8 million fewer positions in March than before the pandemic, there's still a growing shortage of workers and 7.4 million unfilled jobs.

Some of this is due to demographic shifts caused by lower birthrates; U.S. population growth for ages between 16 and 64 has dropped from 20% in the 1980s to less than 5% in the last decade. The tighter labor market gives workers more leverage with employers, allowing even lower-end service workers to demand signing bonuses, higher wages and more humane working conditions.

White-collar workers also face a new reality. Stanford's economist Nicholas Bloom suggests 20% of work will be done from home even after the pandemic ends, up from 5% in 2019. A recent survey of 5,000 employed adults found that 4 out of 10 expected some remote work flexibility after the pandemic.

The pandemic has also altered the geography of jobs. One recent report from Upwork suggests that between 14 million and 23 million Americans are seeking to move to a less expensive and less crowded place. Between September 2019 and September 2020, the biggest job losses — nearly 10 % — have been in big cities, followed by their close-in suburbs, according to the American Communities Project and based on federal data. Job losses in rural areas and exurbs were far less severe.

Overall, there are an estimated 500,000 manufacturing jobs unfilled right now. The current shortage of welders alone is expected to grow to 400,000 by 2024. Much the same can be said about logistics and shipping, which kept the country running during the pandemic lockdowns. A shortage of tank truck drivers could restrict gas deliveries this summer. The shortfall is now so severe that Amazon has set up its own incubator for new trucking companies.

Although the pandemic was more devastating than the depression, the post-pandemic economy could produce shifts helpful to workers. The resurgent economy may push up wages for workers with skills — not just for programmers, but cooks, machinists, truck drivers, electricians and carpenters.

The labor shortage also offers a chance to improve work structures, particularly for people of color, who by 2032 will constitute half the U.S. working class, and for the entire beleaguered middle class.

### **What if Remote Work Didn't Mean Working from Home?**

Professional authors are, in some sense, the original work-from-home knowledge workers. Authors have known for generations that working from a home office (bedroom) isn't ideal. Peter Benchley didn't actually write "Jaws" in his bucolic Pennington home. Instead, he wrote daily in a "rented space in the back of a furnace factory. Maya Angelou rented a hotel room in which to write, asking the staff to remove all artwork from the walls and enter each day only to empty the wastebaskets. David McCullough preferred to write in a glorified garden shed in his back yard. John Steinbeck wrote on his fishing boat, balancing a notebook on a portable desk.

As we approach a post-pandemic world in which telecommuting will be more common, we've learned that performing useful cognitive work is a fragile endeavor, one in which environment matters. Angelou has found that a spartan work space outside the home allows her to suspend all her beliefs which is not possible at home. The home is filled with the familiar, and the familiar snares our attention, destabilizing the subtle neuronal dance required to think clearly. When we pass the laundry basket outside our home office (a.k.a. our bedroom), our brain shifts toward a household-chores context, even when we would like to maintain focus on our e-mail, or an upcoming Zoom meeting, or whatever else that needs to get done.

This phenomenon is a consequence of the associative nature of our brains. Because the laundry basket is embedded in a thick, stress-inducing matrix of under-attended household tasks, it creates what the neuroscientist Daniel Levitin describes as "a traffic jam of neural nodes trying to get through to consciousness." Angelou, by shifting her work to a hotel room with bare walls, was cultivating an effective mental space to compose poetry by calming her relational-memory system.

Working near home may revive shared office operations like WeWork or new office use policies. In example, the County of Los Angeles human resources department is pioneering in flexible work accommodations. The department has modified its remote work policies and is eliminating dedicated offices in leased facilities saving the County millions of dollars per year with a policy known as hoteling. Remote workers will now make a reservation to work at an "office" in a County-owned facility that has printers, high-speed internet connections, and other technology not available at home.

Rather than having a dedicated work space, a worker that is authorized to work remotely simply reserves a work space at any available facility in the County the night before they need to use it, saving the employee commute time and costs.

### **Bird And Spin Release New Electric Vehicles Amid Pressure To Catch Up To Lime**

Two of the top shared electric scooter companies in the US, Bird and Spin, introduced new vehicles on June 21<sup>st</sup>. Spin is revealing a new, more rugged electric scooter and Bird is showing off a new electric bicycle with a baby blue paint scheme. Both companies are under increasing pressure to catch up to Lime, which is the number one micro mobility provider in the world with over 200 million riders last year globally.

Whether the new scooters will be enough to solve the companies' financial challenges will depend largely on the durability and life span of the new vehicles. The more trips and miles a single scooter can cover, the better it is for scooter companies that have to recoup the cost of each vehicle before they can start making money. In the early days of scooter sharing, the off-the-shelf Chinese-made models would last less than a month, as many weren't built to withstand sustained fleet use. New models that can last on the street for up to 24 months are helping improve the unit economics of scooter sharing.

Bird's decision to add e-bikes to its product lineup coincides with Lime's recent moves to add electric mopeds to its fleet. Bird says its new bike, with a rear-hub motor and a top speed of 15.5mph (25kmh), will be available in "select cities throughout North America, Italy, Spain, Germany, Ireland and France this year." Bird says the bike will have a range of 56 miles (90km), dual handbrakes, onboard diagnostic capabilities to help identify possible problems, and an "aerospace-grade" aluminum alloy frame that should stand up to the demands of shared use. A geofence mechanism will automatically slow or stop the bike in areas where motorized vehicles aren't allowed.

Spin, a division of Ford, made management changes after reports surfaced that Ford was looking to divest itself from Spin, either by selling it or as a spinoff. Against this backdrop, Spin announced a new flagship electric scooter. The company is touting the scooter as its most rugged model yet. The scooter has a number of safety features, including three independent brakes and the industry's first stomp brake. The new scooter also will have a swappable battery "to create a more efficient and sustainable charging procedure".