



# MONTHLY SBCCOG TRANSPORTATION REPORT

COVERING OCTOBER 2022

Edited by Steve Lantz

SBCCOG Transportation Director

# FEDERAL

## **USDOT Increases TIFIA Lending Limit For Transit Projects**

The U.S. Department of Transportation announced in early October that it is increasing the loan limit under its Transportation Infrastructure Finance and Innovation Act or TIFIA credit program specifically for transit and Transit-oriented Development or TOD projects.

This new initiative, “*TIFIA 49*,” allows borrowing up to 49 percent of eligible project costs specifically for transit projects that meet certain eligibility requirements. Although federal law allows all eligible highway and transit projects to receive up to 49 percent of project costs, USDOT in recent years have limited TIFIA loans to only cover up to 33 percent of project costs. This initiative would apply to transit projects but would not apply to highway projects.

## **Rising Prices, Labor Shortages Threaten IJIA Implementation**

The U.S. Department of Transportation needs to recruit, develop and retain an expanded staff to oversee the implementation of \$660 billion in funding for programs authorized under the Infrastructure Investment and Jobs Act (IIJA), while dealing with supply chain issues, rising prices and a shortage of the skilled labor required to build the many capital projects the IIJA will enable, according to an October 5<sup>th</sup> report by the federal Office of the Inspector General.

Over the next year, states, territories, tribes and local governments will begin work to improve 65,000 miles of road and 1,500 bridges; invest in 600 airport infrastructure projects; purchase 15,000 new buses, ferries and subway cars; and buy 75 new locomotives and 73 intercity train sets for Amtrak. On top of that, the administration’s five-year goal is to build half a million electric vehicle charging stations.

The transportation department is actively hiring to meet the demands of the infrastructure law, with a goal of adding 1,700 employees over the next five years. But state and local governments, which apply for and receive IIJA funds, “are facing historic shortages of workers with expertise in important areas, such as auditing, procurement, and acquisitions,” the report says.

Labor shortages also extend to the construction industry, particularly in skilled trades. That could affect the ability of grant recipients to complete projects on time and on budget. Administrative issues and inflation will also challenge the DOT, with the report noting that the infrastructure law appropriated funds for 15 new discretionary grant programs and made significant changes to existing programs.

## **Public Transit Ridership Hits 70% of Pre-Pandemic Levels**

Continuing an upward trend, the public transportation industry saw ridership rebound to more than 70% of pre-pandemic levels in September, according to APTA’s Ridership Trends Dashboard. Since July, Metro average weekday ridership rose from 743,000 to 841,000. Today Metro’s overall ridership is at 70 percent of what it was in 2019.

## **Supreme Court Leaves TSA Mask Requirement Ruling In Place**

The Supreme Court on October 31<sup>st</sup> let stand a ruling that allows the Transportation Security Administration (TSA) to require mask-wearing on planes, trains and other forms of transport. California lawyer Jonathan Corbett had argued that the TSA did not have the authority to mandate masks on airlines and surface transportation, like buses and trains, when it did so during the COVID-19 pandemic.

The TSA stopped enforcing a mask mandate in April of this year after the Centers for Disease Control and Preventions' mask mandate was struck down by a federal judge in Florida. The U.S. Court of Appeals for the D.C. Circuit found no merit in Corbett's claim and affirmed the TSA did have the agency to maintain security and safety within the transportation system, including imposing the masking requirement. The Supreme Court's decision leaves the precedent in place, denying Corbett's request to consider "the D.C. Circuit's broad expansion of agency authority."

## **STATE**

### **Did California Just Kill Shared E-Scooter Companies?**

California is undermining its own stated goals to shift to sustainable transportation with the passage of A.B. 371, which imposes new insurance and tracking requirements on shared mobility devices.

Although the bill exempts bikeshare companies, it imposes insurance requirements on shared e-scooter companies far beyond what the state currently requires of private car owners or even car rental companies. The bill would require a shared mobility service provider to affix to each shared mobility device a tactile sign containing raised characters and accompanying Braille to identify the device for the purpose of reporting illegal or negligent activity. It also makes the e-scooter companies liable for the behavior of anyone using their service.

### **California Approves CEQA Exemptions for Active Transportation Projects**

Governor Gavin Newsom has signed into law Senate Bill 922 that expands provisions of SB 288 (Wiener, 2020) by extending statutory exemptions to The California Environmental Quality Act (CEQA) for transportation projects that "significantly advance the state's climate, public safety, and public health goals".

### **Bill To Give Free Transit To Students Vetoed By Governor Newsom**

Gov. Gavin Newsom vetoed a bill in September that would have allowed many California students to ride public transit for free. The proposed Assembly Bill 1919 would have allocated funds for transit agencies to provide students attending K-12 schools, California community colleges, California State Universities or University of California campuses with free transit passes.

In the bill's veto decision, Newsom said that although he agrees with the bill's goal of supporting public transit, there is not an allocation of funding in the current state budget to finance the proposed grant

program. He also wrote that California should emphasize other priorities in the state budget such as education and public safety.

## **California Forms Statewide Alliance to Apply for Federal Hydrogen Grants**

Governor Gavin Newsom has established a broad statewide alliance to apply for a stake of \$7 billion in federal grants earmarked for national hydrogen hubs. The Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) is a nonprofit public-private partnership recently launched by Newsom's Office of Business and Economic Development (GO-Biz), the president's office of the University of California, state and local officials and others.

The US Department of Energy (DOE) will solicit proposals for each of the program's four phases in establishing hydrogen hubs. The first phase will involve initial planning and analysis to ensure projects are technologically and financially viable. The second phase calls for finalizing engineering designs and business development, site access, labor agreements, permitting and community engagement to prepare for construction activities in Phase 3. The final phase will deal with full operations and data collection to analyze hub operations, performance and financial viability.

ARCHES will be governed by a board and key advisory committees, including environmental justice groups, organized labor, cities, public sector projects and private industry representatives. Members include the state transportation agency, energy commission and air resources board as well as the Port of Long Beach and cities of Carson, Lancaster, Long Beach and Lodi. Private sector participants represent such companies as ABS, Acumen Building Enterprise Inc., Crowley and West Coast Biofuel.

## **REGION**

### **Metro To Hold Public Hearing Re.: Proposed Fare Changes**

Metro will hold a public hearing on Monday, November 14<sup>th</sup> at 5pm to get community input on potential fare changes and a simplified fare structure. Learn more about the significant restructuring and simplification of fare categories, fare capping, proposed new low-income fares, and Senior/Disabled fares, at: <https://www.metro.net/about/simplefares/>.

Submit written testimony by email to [SimpleFares@metro.net](mailto:SimpleFares@metro.net),  
Subject: Public Hearing on Metro Fares,  
or by mail, postmarked by November 14, 2022, to:  
Metro Board Clerk  
RE: Public Hearing on Metro Fare Changes  
1 Gateway Plaza, 99-3-1  
Los Angeles, CA 90012

### **\$2.1 Billion Metro K Line Connects E (Expo) Line To Inglewood**

The \$2.1 billion Metro K Line, previously known as the Crenshaw/LAX Project, has officially opened seven stations to serve Southwestern Los Angeles and Inglewood. The northern-most point of the line is at the E Line Expo/Crenshaw station at the intersection of Crenshaw and Exposition boulevards. The line heads

south along Crenshaw Boulevard, with stations at Martin Luther King Jr. Boulevard, in Leimert Park and Hyde Park. The southern half of the line uses the Harbor Subdivision right-of-way, with stations on Florence Avenue in Fairview Heights and downtown Inglewood, ending at the Westchester/Veterans Station, near La Cienega Boulevard and Florence Avenue.

An eighth station is scheduled to connect the K Line with the Green Line Aviation and Century in late 2023 while a ninth station will open connecting to the LAX people mover at 96<sup>th</sup> Street / Aviation in 2024.

### **Carson Celebrates Reopening Of 189th St. Pedestrian Bridge**

The City of Carson held a ribbon-cutting ceremony for the 189th St. Pedestrian Bridge in Carson on October 6<sup>th</sup>. The repaired bridge will provide a safe means of passage to the pedestrians and bicyclists who use the bridge as their daily access to Victoria Community Regional Park and Towne Avenue Elementary School from the neighborhood to the northwest. The project cost \$471,711.82 and was completed using a combination of money from the city’s Utility User’s Tax, the South Coast Air Quality Management District and Caltrans.

## **FEDERAL, STATE & LOCAL TRENDS / INNOVATION**

### **Building EV charging through public-private partnerships**

For cities to enable widespread electric vehicle adoption, they must make charging accessible to people living in multifamily housing or condos. For residents that lack a garage or carport where they can charge vehicles overnight, there is a need for city leaders to partner with private companies to install chargers curbside in the public right of way.

Cities need to evaluate their growing need for more chargers to keep up with the forecasted increase in EVs locally. They should reference commitments laid out in their climate and clean air plans, then enter into a public-private partnership in which chargers are installed at some city-owned sites such as libraries, parks and parking garages, and curbside.

For city officials that are unsure about whether to invest in charging infrastructure for a specific area, letting a private company come in and take ownership of the effort can help the city “get their feet wet” in that area. To install curbside charging, EV charging companies need to work with cities and utilities to understand where the power’s coming from and determine where they can “pull more in.” It’s also not possible for companies to install chargers along the public right of way without working with the local government and their local neighborhood or community councils.

Federal funds can help expand the charger networks in underserved areas through the bipartisan infrastructure law that was passed last year. Additional support will come from the Inflation Reduction Act that was passed in August. There are also technology companies that allow people to rent out private EV chargers — it’s similar to the Airbnb model.

## **What We Do With The Time Freed up by Working From Home**

The COVID-19 pandemic has dramatically changed the way Americans spend their time. One of the most enduring shifts has occurred in the workplace, with millions of employees making the switch to work from home. Even as the pandemic has waned, more than 15 percent of full-time employees remain fully remote and an additional 30 percent work in hybrid arrangements; in the aggregate, Americans now spend 60 million fewer hours traveling to work each day.

The biggest changes from substantially reduced time spent commuting to work is a decrease in time spent working. Second, researchers found younger workers had notable increases in leisure time at social events, eating at restaurants or bars, exercising and sleeping. Older age groups, on the other hand, tended to allocate more time to nonmarket work, such as activities related to childcare, the maintenance of the household, repairs, and meal preparation.

## **9 in 10 Companies Will Require Return To Office By 2023**

Ninety percent of companies said they will require employees to return to the office at least part of the week in 2023, according to a Sept. 26<sup>th</sup> report from Resume Builder. A fifth said they will fire workers who do not return. And in Monster survey results released Sept. 26, 40% of workers surveyed said they would quit if they were forced to return to the office even one day a week.

For companies currently functioning under a hybrid work policy, 77% said that policy will change in the next year. 40% said they will require workers to come in four days a week and 31% said three days a week. Notably, nearly three-quarters of companies surveyed said they still intend to hire remote workers in the future.

## **Gas Stations and Electric Cars: How Do They Change Cities**

Climate change concerns have led governments in California, Canada and the EU to demand the end of gasoline car sales by 2035. By 2030, there could be 26 million electric cars in the U.S., which means that more than 10 times the number of electric vehicle chargers that exist today will be needed.

In 2021, Petaluma, California became the first city in the world to ban new gas stations. Since then, at least four more cities have permanently banned new gas stations, and at least six more (including Los Angeles) are developing policies accordingly.

Starbucks, with its 15,000 locations across the country, thinks it could help fill some of the gap. In a pilot launched this year, the company is partnering with Volvo and Chargepoint to install EV chargers in their parking lots along a 1,350-mile route from Denver to Seattle, with stops available every 100 miles or so.