South Bay Cities Council of Governments

South Bay Transit Operators Working Group

AGENDA

Thursday, January 7, 2020
3:30 p.m. - 4:30 p.m.

Register in advance for this meeting:
https://scag.zoom.us/meeting/register/tJArc-urqDwiHtZboDXD5fxAGj3SE5gFe_ff

After registering, you will receive a confirmation email containing information to join the meeting.

3:30 p.m. Self-Introductions and Approval of November 12, 2020 Meeting Notes (Attachment A)

3:35 p.m. Transit Operator Issues and Concerns Including COVID-19 Impacts

3:45 p.m. Measure R SBHP Decennial Transfer Update & Metro Budget Request Update

3:50 p.m. Updates on Metro Issues, Initiatives & Studies
- Metro Recovery Task Force Recommendations (Attachment B)
- SBCCOG Draft Letter to Metro re. Recovery Task Force Recommendations (Attachment C)
- Metro Free-Fare Service Initiative

4:15 p.m. Inglewood Special Event Service Coordination Update

4:20 p.m. January 2021 Transportation Update (Attachment D)

4:25 p.m. Three Month Look-Ahead (Attachment E)

4:30 p.m. Announcements / Adjournment

Next Transit Operators Working Group meeting date –February 4th?
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South Bay Cities Council of Governments
Transit Operators’ Working Group
November 12, 2020
Meeting Notes

Attendees: Joyce Rooney, Leslie Scott & Diane Amaya (Beach Cities Transit); Jason Jo (Carson Circuit); Dana Pynn (GTrans); Martin Gombert (PVPTA); Scott Greene (Metro); Steve Lantz, Wally Siembab & David Leger (SBCCOG)

1) Self-Introductions & Acceptance of the November 12, 2020 Meeting Notes
The virtual meeting was called to order at 3:05 p.m. Meeting notes were accepted as presented.

Mr. Siembab introduced himself and explained that he is hoping to get transit trip data from the operators that solely focuses on trips within the South Bay. The operators discussed the availability of this data. Mr. Greene noted that he will coordinate with Mr. Siembab to try and get him the data he needs from Metro TAP data.

2) Transit Operator Issues and Concerns Including COVID-19 Impacts
Mr. Lantz opened discussion for the agencies to share pandemic and general issues and concerns.

Ms. Pynn reported that not much has changed at GTrans since the last meeting regarding COVID-19.

Ms. Rooney shared that Beach Cities Transit is also operating relatively similar to last month. Line 109 will revert back to a weekday service after operating on a weekend schedule since the pandemic started.

Mr. Gombert reported that ridership is slowly coming back but is still about 1/3 of what it was a year ago. The PVPUSD is considering opening some campuses later in November which will require additional service.

Mr. Greene announced that Metro ridership on both rail and bus remain below normal. Ridership is approximately 50% of pre-pandemic levels.

3) Measure R SBHP Decennial Transfer Update & Metro Budget Request Update
- City of Torrance Request for Additional Funds Using Measure M Sub-Regional Funds
  Mr. Lantz explained that this item is an information item regarding Torrance’s request for additional funding for the Park and Ride facility on Crenshaw Blvd.

  Mr. Lantz then noted that the Metro Budget Request process is underway. SBCCOG and Metro staff are working with lead agency staff to discuss project statuses, potential project funding shortfalls, and new project requests. Due to the current financial constraints of the Measure R SBHP and Measure M MSPs, priority will be given to projects in or entering the construction phase. Following that, priority will be given to projects in design and environmental phases. Third priority will be given to new project requests.

4) Updates on Metro Issues, Initiatives & Studies
- NextGen Bus Plan Implementation: Overview of December 2020 South Bay service changes
  Mr. Greene provided a brief presentation on the first round of NextGen Bus Plan service changes. The changes begin December 13th and will consolidate 8 Metro Rapid Lines with partner local lines; add capacity by increasing weekday and weekend service; replace some lines with Metro Microtransit; and discontinue low use lines. For more specific details, the presentation is available online here: https://www.southbaycities.org/sites/default/files/transit_operators/meeting/PRESENTATION_NextGen%20Phase%201%20Implementation.pdf

- Metro Free-Fare Service Initiative
  Mr. Greene explained that Metro staff is still looking into options. He cautioned that fare elimination would require an additional $300M in annual operating subsidy funding identified to replace the lost farebox revenue. Mr. Lantz added that staff is considering a fare capping structure instead of complete fare elimination.

5) Inglewood Special Event Service Coordination Update
No updates were given.
6) November 2020 Transportation Update: Item was received and filed.

7) Announcements/Adjournment – Next Transit Operators Working Group meeting
   The meeting was adjourned at 3:50 p.m. to January 7, 2021 at 3 p.m.
South Bay Cities Council of Governments

December 30, 2020

To: SBCCOG Transit Operators Working Group (January 7, 2021 meeting)
    SBCCOG Transportation Committee (January 11, 2021 meeting)
    SBCCOG Board of Directors (January 28, 2021 meeting)

From: Jacki Bacharach, Executive Director
      Steve Lantz, Transportation Director

Subject: L. A. Metro COVID 19 Recovery Program

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. Strategy 5 – Actively pursue opportunities for infrastructure funding for member agencies.

BACKGROUND
The L.A. Metro Board of Directors directed its Office of Extraordinary Innovation (OEI) to prepare COVID 19 Recovery Plan recommendations to address continuing reduced ridership and revenue. Attachment D, Exhibit 1 contains a matrix of the Metro staff’s draft final recommended actions with annotations by SBCCOG staff. A draft SBCCOG comment letter is in Attachment E. Since Metro has extended the comment deadline to February 8, 2021, a letter needs to be approved by the SBCCOG Board of Directors at its January 28, 2021 meeting.

The Recovery Plan outlines the set of transit ridership recovery challenges that are facing Los Angeles County, including COVID 19 not being under control, and recurrent stay at home orders, continuance of racial and economic inequities, record unemployment, loss of sales tax revenue and resultant negative impacts on regional and local budgets, increased traffic and increased vehicle ownership. The recommendations incorporate Metro actions described in its recently completed NextGen Transit Study in addition to short- and long-term strategies to generate new revenue and attract previous and new riders to the L. A. County transit system.

Beyond the short-term impacts of COVID 19, the report asserts a positive correlation between an increase in auto ownership and reduction in transit usage. However, transit usage was on the decline before the emergence of the pandemic, therefore SBCCOG staff believes that more analysis is needed before a causal relationship between a decline in transit usage and an increase in auto ownership should be assumed.

In addition, there may be other factors beyond auto ownership to be considered, such as:
1. Concerns are not reduced significantly about health and security risks with transit use;
2. Reductions in convenient and reliable transit availability in the suburbs as Metro and other operators focus on their service to improve transit equity and access to opportunity;
3. The potential impact of a long-term continuation of remote-work business models and technology innovations that may create a “new normal” reduction in work-related vehicle trips and vehicle miles travelled; and
4. The continued growth of e-commerce and e-services as customers continue to shop and obtain services on-line after the COVID 19 threat lessens.
5. The emergence of public and private shared-ride mobility-as-a-service (MAAS) options and smart multi-modal payment systems (e.g., Metro’s new Microtransit pilot program in the LAX / Inglewood area; Metro’s new TAPForce multi-modal smart wallet payment system)

RECOMMENDATION
After hearing Metro’s presentation, review the policies and make a recommendation to the SBCCOG Board on the attached matrix and comment letter.

Exhibits:
1. SBCCOG Matrix of Metro Recovery Task Force Recommendations
<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Costs</th>
<th>Timeframe</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Survey riders on current travel patterns, modes, future plans and customer experience</td>
<td>negligible</td>
<td>completed</td>
<td>Survey sent to 11,000 previous on-board survey respondents. 23% response rate. Effort was entirely in house.</td>
</tr>
<tr>
<td>2. Fund Safe Streets</td>
<td>no new cost</td>
<td>completed</td>
<td>Metro in May allowed Cities that received 2020 Open Streets grants to repurpose $ on safe / slow streets programs.</td>
</tr>
<tr>
<td>3. Expand and Innovate cleaning – on high touch areas of infrastructure</td>
<td>$8.8 million / yr.</td>
<td>immediate, ongoing</td>
<td>Staff is exploring a range of technology and chemical treatment options.</td>
</tr>
<tr>
<td>4. Distribute masks to riders</td>
<td>$1.3 million / yr.</td>
<td>immediate</td>
<td>Reduces conflicts with bus drivers. Funded through December 2020.</td>
</tr>
<tr>
<td>5. Allow mask and personal sanitizer vending</td>
<td>new cost</td>
<td>potentially no</td>
<td>Metro is testing 3 locations (2nd St, 6th St, and Alvarado St).</td>
</tr>
<tr>
<td>6. Implement contactless fare payment</td>
<td>revenue positive</td>
<td>completed for Apple phones, immediate for Android phones</td>
<td>Enables new fare revenue with rear door boarding by using contactless and/or mobile phone applications.</td>
</tr>
<tr>
<td>7. Improve on-line public meeting protocols</td>
<td>negligible</td>
<td>immediate</td>
<td>Minor cost for Zoom licenses and WiFi hot spots for each meeting.</td>
</tr>
<tr>
<td>8. Improve HVAC filtration systems</td>
<td>unknown</td>
<td>1-3 years</td>
<td>HVAC filtration system for future.</td>
</tr>
<tr>
<td>9. Increase ventilation on buses, enhance HVAC filtration systems</td>
<td>unknown</td>
<td>immediate</td>
<td>Metro is testing 3-stage HVAC filtration system for future.</td>
</tr>
<tr>
<td>10. Support employee parents that cannot work from home</td>
<td>neutral</td>
<td>immediate</td>
<td>Metro is implementing creative HR policies, childcare matching, TOWP donations, Metro villages at key stations for distance learning / telecommuting. SBCCOG is concerned that aggregate annual costs do not significantly impact operating and maintenance budgets.</td>
</tr>
<tr>
<td>11. Restore service to stay ahead of demand</td>
<td>unknown</td>
<td>immediate, ongoing</td>
<td>Revenue is near zero (down 52% in May) and continues to fall at current rates. Service hours are lower than revenue hours (55% of 2019). Revenue is set to fall (down 52% in May) and continues to fall at current rates. Service hours are lower than revenue hours (55% of 2019). Service hours are lower than revenue hours (55% of 2019). Metro monitors need subsidies.</td>
</tr>
<tr>
<td>12. Study New Bike Share Models</td>
<td>unknown</td>
<td>1-3 years</td>
<td>Re-bid contract or bring ops/maintenance in house to be performed.</td>
</tr>
</tbody>
</table>

SBCCOG Staff Notes

SBCCOG estimates.
<table>
<thead>
<tr>
<th>#</th>
<th>Initiative</th>
<th>Cost</th>
<th>Time Frame</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Promote Metro Active Transportation (MAT) - walking and biking with</td>
<td>$120,000</td>
<td>Immediate</td>
<td>More bike infrastructure and more Metro bikes.</td>
</tr>
<tr>
<td></td>
<td>more bike infrastructure and more Metro bikes ..................................</td>
<td></td>
<td></td>
<td>Immediate funding to fully fund MAT Cycle 1, pilot to distribute bikes, Adopt-A-Bike program using abandoned bikes.</td>
</tr>
<tr>
<td>13</td>
<td>Allow and promote telework - new telework policy in January 2021 ...........</td>
<td>unknown</td>
<td>1-3 years</td>
<td>14% of Metro staff is currently telecommuting. Cost: $2,000/participating employee for laptops, software, training offset by $13 million reduction in non-hq rent and reduced turnover ($10K - $30K per employee).</td>
</tr>
<tr>
<td>14</td>
<td>Install more Bus Lanes at congestion hot spots - on streets ..................</td>
<td>negligible</td>
<td>1-5 years</td>
<td>Planning and installation of bus lanes are in current budget and included in NextGen capital program. Budget: $16.3 million.</td>
</tr>
<tr>
<td>15</td>
<td>&quot;We're Here for You.&quot; marketing and communications campaign ..................</td>
<td>$500,000</td>
<td>Immediate</td>
<td>Themes: Travel Safer, Clean Air, Service Disruptions, Fare Door.</td>
</tr>
<tr>
<td>16</td>
<td>Increase Customer Ambassadors - non security staff ...........................</td>
<td>$7.4 million</td>
<td>1-3 years</td>
<td>Annual cost: $550,000 to $2 million.</td>
</tr>
<tr>
<td>17</td>
<td>Explore new mobility solutions - on-demand ........................................</td>
<td>negligible</td>
<td>1-3 years</td>
<td>In FY 12, flew the idea to the transit demand.</td>
</tr>
<tr>
<td>18</td>
<td>Reimagine capital projects - within Ordonez constraints ....................</td>
<td>negligible</td>
<td>1-3 years</td>
<td>Recovery TF developed project assessment matrix tool to analyze projects based on enhanced mobility and health, equity and Title VI compliance.</td>
</tr>
<tr>
<td>19</td>
<td>Run Express Buses on Improved HOV and Express Lanes - on freeways ........</td>
<td>negligible</td>
<td>1-3 years</td>
<td>Advocates raising min. vehicle occupancy requirement and expansion of Express Lanes.</td>
</tr>
<tr>
<td>20</td>
<td>Better Address Homelessness ....................................................................</td>
<td>unknown</td>
<td>1-5 years</td>
<td>Immediate: Homelessness outreach and support on Metro system with services connected.</td>
</tr>
<tr>
<td>21</td>
<td>Use budget to advance recovery - for Metro short-term operating and capital priorities</td>
<td>$1.5 million to $130 million</td>
<td>1-5 years</td>
<td>Implement Next Gen speed/reliability improvements ($7 million), station and bus plaza expansion ($16.3 million), enhanced service on BRT and other routes ($107 million). Needs budget amendment for balance of FY 20-21 and beyond.</td>
</tr>
<tr>
<td>Category</td>
<td>Timeframe</td>
<td>Funding</td>
<td>Notes</td>
<td></td>
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<td>-------------------------------------------------------------------------</td>
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<tr>
<td>Accelerate Networks of complete streets</td>
<td>3-5 years</td>
<td>tbd</td>
<td>Recommends creation of an internal Metro Complete Streets Plan. Not included in Metro budget.</td>
<td></td>
</tr>
<tr>
<td>Fully Integrate Transit in LA Region</td>
<td>5+ years</td>
<td>tbd</td>
<td>tbd</td>
<td></td>
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<tr>
<td>Gather more data on equitau and travel patterns</td>
<td>Immediate</td>
<td>tbd</td>
<td>tbd</td>
<td></td>
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<tr>
<td>Improve Public Engagement and strengthen rider voices</td>
<td>Immediate</td>
<td>tbd</td>
<td>tbd</td>
<td></td>
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<tr>
<td>Offer incentives to reduce car ownership and use transit</td>
<td>1-3 years</td>
<td>tbd</td>
<td>$15 million per 10,000 conversions</td>
<td></td>
</tr>
<tr>
<td>Improve station amenities</td>
<td>1-5+ years</td>
<td>tbd</td>
<td>tbd</td>
<td></td>
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<tr>
<td>Collect and use data on travel patterns</td>
<td>Immediate</td>
<td>tbd</td>
<td>tbd</td>
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<tr>
<td>Page</td>
<td>Title</td>
<td>Funding</td>
<td>Description</td>
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<tr>
<td>28</td>
<td>Share data and information internally more openly and effectively</td>
<td>TBD</td>
<td>tbd, potential cost savings, immediate, ongoing, potential. Develop internal data management policies on data access, security, and use. Deploy a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Expand revenue - optimize commercial opportunities</td>
<td>TBD</td>
<td>Revenue opportunity, immediate revenue from new and existing sources such as variable license fee, traffic, and parking. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Use Measure M and Q Amendments</td>
<td>TBD</td>
<td>Immediate, potential revenue, 25% potential savings, unknown. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Build staff capacity</td>
<td>TBD</td>
<td>Immediate, negligible costs, pending capital cost. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Study how Metro can reduce capital costs</td>
<td>TBD</td>
<td>Immediate, potential savings. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Reimagine “Destination Discounts”</td>
<td>TBD</td>
<td>1-3 years, TDB, analysis. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Create green jobs and green infrastructure</td>
<td>TBD</td>
<td>3-5 years, depending on funding. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Expand Region’s broadband infrastructure</td>
<td>TBD</td>
<td>3-5 years, potential savings. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Accelerate Joint Development and Transit-Oriented Communities</td>
<td>TBD</td>
<td>Immediate, revenue. Update joint development and transit-oriented communities. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Increase funding for incentives to reduce car ownership and increased transit ridership</td>
<td>TBD</td>
<td>Immediate, potential savings. Implement a digital asset management system, open data policy and procedure. Implement a digital asset management system, open data policy and procedure.</td>
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</table>
Dear Chairman Garcetti:

The South Bay Cities Council of Governments would like to take the opportunity to comment on Metro’s Recovery Task Force – Draft Final Recommendations. Attached is a matrix summarizing the 37 recommendations and the SBCCOG’s related comments.

SBCCOG understands the urgency of mobility and fiscal challenges that are facing Los Angeles County transit operators and local jurisdictions, including: COVID 19 not being under control, continuance of racial and economic inequities, record unemployment, loss of sales tax revenue and resultant negative impacts on regional and local budgets, increased traffic and increased vehicle ownership. COVID continues to be a catastrophic event which, similar to a major earthquake or other region-wide disruption, requires recalculation of previous assumptions and plans, not just for Metro, but for all of the stakeholders that coordinate with Metro.

The Recovery Task Force recommendations provide an excellent starting point for a thoughtful reconsideration of L. A. County’s mobility priorities. SBCCOG agrees with and supports in concept many of the recommendations and we appreciate the effort required by the Metro Recovery Task Force to compile a conceptual set of investments. However, we believe It’s time to step back and determine what can reasonably be implemented over the next decade before any specific initiatives are considered in isolation as stand-alone actions.

We are concerned that the Board will take the entire list of 37 recommendations and consider approving most or all of them in one Board motion. Or alternatively, we would be concerned if the Board would be asked to approve each recommendation in isolation. We strongly encourage the Metro Board to adopt an implementation strategy that fully considers the inter-related mobility and financial aspects of the aggregated individual recommendations in light of current mandatory obligations and current commitments.

A comprehensive Recovery Implementation Strategy would identify:
1. **A comprehensive multi-year capital and operating plan.** The Board should be provided detail comparable to that found in Metro’s successful NextGen Bus Study. Although some recommendations can be implemented without affecting current capital and operating budget commitments, several recommendations, such as the fare-less system initiative, will have significant initial and ongoing costs and revenue impacts that will ripple across the agency’s current and future capital and operating budgets. Some recommendations may even require deferral or abandonment of current Board commitments. These far-reaching recommendations deserve more Board scrutiny before being included in Metro’s Short-Range financial plans or annual budgets.

2. **A 10-year implementation timeframe for each recommendation.** We believe the recommendations and their financial implications could be better addressed if they were grouped according to an implementation timeframe (e.g.: immediate, 1-3 years, 3-5 years, and 5+ years). This would allow Metro to evaluate new initiatives in the context of current commitments and anticipated resources over the next decade.

3. **An analysis of annual budgetary tradeoffs for each recommendation.** Some of the Plan’s elements include funding actions that have previously been approved by the Metro Board (e.g.: the NextGen Bus Study, the Congestion Reduction Program). We encourage Metro staff to identify the pre-existing funding sources and amounts of any prior Metro Board approvals for each near-term recommendation. For recommendations that lack sufficient prior funding, Metro should evaluate whether current commitments need to be deferred or abandoned to fund more critical and timely recommendations within available current or short-term budget resources.

4. **Secure partner commitments prior to approving recommendations.** Several of the initiatives such as acceleration of complete streets projects, joint development, and provision of new affordable housing around station areas require close cooperation with local jurisdictions that control land use and uses of local streets. Metro should involve all relevant public partners in the development of implementation plans for each of its recommendations. In addition, written concurrence from potential partners on the scope, funding sources and implementation timeframes should be secured before the Metro Board approves a multi-jurisdictional recommendation.

5. **Adopt specific Metro roles and funding commitments for “the trip not taken” applications.** In addition to building out the fiber-optic infrastructure throughout L.A. County, Metro has the opportunity to play a central role and be a funding source to enable standardized telework and e-commerce applications that support reduction of vehicle miles traveled, congestion reduction, equity, and access to opportunity. Metro also should provide technical assistance and regulatory guidance in the development of public infrastructure that will be needed for autonomous vehicles that will be used in goods movement and transit.
If there are any questions, please call:

Jacki Bacharach, SBCCOG Executive Director, at (310) 293-2612, or Steve Lantz, SBCCOG Transportation Director, at (213) 494-8557.

Thank you for considering our input.

Sincerely,

Olivia Valentine
Board of Directors Chair
South Bay Cities Council of Governments
Hawthorne City Council Member

cc: L. A. Metro Board of Directors
    SBCCOG Board of Directors
    Dr. Joshua Schank
    Jacki Bacharach, SBCCOG Executive Director
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South Bay Cities Council of Governments

January 2, 2021

TO: SBCCOG Transportation Committee
SBCCOG Infrastructure Working Group
SBCCOG Transit Operators Working Group
SBCCOG Board of Directors

FROM: Steve Lantz, SBCCOG Transportation Director

RE: SBCCOG Transportation Update Covering December 2020

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

Biden Names Pete Buttigieg As Transportation Secretary

President-elect Joe Biden has nominated his former rival Pete Buttigieg as U. S. Secretary of Transportation. Buttigieg, former mayor of South Bend, Ind., is poised to become the first openly gay person confirmed by the Senate to a Cabinet post. At 38, Buttigieg would also add youth to an incoming administration that is dominated by leaders with decades of Washington experience.

Buttigieg will play a central role in shaping some of Biden’s leading policy priorities. Biden has pledged to spend billions on major infrastructure improvements and on retrofitting initiatives to help the U.S. battle climate change. He also wants to undo the Trump administration’s softened carbon emissions standards, sign a major infrastructure bill that was on the President’s desk but was threatened with a Trump veto as the new year began, and immediately mandate mask-wearing on airplanes and public transportation systems to slow the spread of the coronavirus.

Biden’s FCC and A Democratic Senate Could Change Broadband Internet Policy

President-elect Biden is expected to seek changes in the policy direction of the Federal Communications Commission (FCC) which regulates interstate and international communications by radio, television, wire, satellite and cable in all 50 states, the District of Columbia and U.S. territories. The agency is also charged with expanding broadband in rural areas and leading the rollout of the fifth-generation wireless network 5G.

Although the FCC is an independent U.S. government agency overseen by Congress, the President appoints its members and chairperson, who must be confirmed by the U. S. Senate. President Biden is expected to appoint the most senior Democratic FCC commissioner, Jessica Rosenworcel, as interim head or the new head of the FCC. Given the Senate's recent confirmation of Republican FCC commissioner Nathan Simington, the agency will then be at a 2-2 deadlock with an equal number of commissioners from the two parties until the Senate approves another nominee.

If the Senate retains its Republican majority, the upper chamber may then end up blocking or delaying a vote on a Biden nominee to the FCC. If Senate control changes hands following the Georgia election in
January, it will send a Democratic commissioner to the FCC, paving the way for an entirely different policy agenda for the nation's broadband sector.

President Trump's FCC took a light touch approach to governing the internet, benefiting large private sector service providers but drawing criticism for leaving consumers in the dust. A Democratic controlled FCC would be expected to reinstate the broadband internet as a public utility and to restore net neutrality that would require telecom giants to treat all internet traffic equally and would prevent them from partnering with publishers of content to provide faster speeds for their own apps than they do for other publishers’ apps.

A Democratic FCC would also be expected to grapple with the cost of internet services for distance learning and other applications and to provide grants to improve rural internet access.

**Congress Sends Trump A $2.3 Trillion Federal 2021 Appropriations and COVID 19 Package**

On December 21st, Congress passed the Consolidated Appropriations Act, 2021 which will provide $1.4 trillion in federal funding for Fiscal Year (FY) 2021 and approximately $900 billion for COVID-19 relief from December 1st through March 31st. The 5,593-page package, the second-largest bill ever passed by Congress was signed on December 27th by President Trump, who also sent back a redlined version of the bill that incorporated changes he would like to see incorporated. The President’s signature avoided a federal government shutdown that Trump had threatened.

The Act includes all twelve annual appropriations bills for FY 2021 and a quarterly increment of COVID-19 assistance. Although the House of Representatives passed FY 2021 appropriations bills that included critical infrastructure funding earlier this year, this infrastructure funding was not included in the omnibus bill. The bill also does not contain direct COVID 19 assistance for state and local governments or liability protections for businesses. However, the bill extends the ability for state, local, and tribal governments to spend aid money provided under the CARES Act from December 31, 2020 through December 31, 2021.

Transit agencies and other transportation sector stakeholders will receive $13 billion in federal operating assistance through the Federal Transit Administration. The Federal New Starts transit capital program (Section 5309) would receive $2 billion compared to $49 billion in Federal Highway Administration funding.

The COVID-19 relief section of the bill includes: $10 billion for highways to support State Departments of Transportation and certain local transportation agencies; $1 billion to support AMTRAK; and $50 million and spending flexibility for paratransit providers. President-elect Biden indicated that he will pursue additional COVID-19 recovery and stimulus legislation which is likely to include a significant push to modernize U.S. infrastructure to create jobs and combat climate change.

**California Public Utility Commission Decides to Deploy Automated Vehicles**

The California Public Utilities Commission on November 19th voted to deploy an Automated Vehicles (AVs) Program after a successful pilot. California now joins Arizona and Illinois, as well as a number of other states and cities, in providing a green light for companies to operate AVs as taxis, or as ride-hailing vehicles summoned by smartphone apps.

But California’s AV regulatory program is distinctly Californian, in that the green light to industry comes with considerable regulatory oversight that reflects a compromise between cities, advocates, and companies. The recent decision:
- Lifts a previous ban on pooling – shared rides among separate parties – and on charging fares for rides.
- Requires companies to submit Passenger Safety Plans that will outline the steps the companies will take to provide accessible and equitable service.
- Requires companies to provide publicly available quarterly data reports that must include each AV trip’s time, date, census tract, and occupancy, total empty miles driven (where neither a driver nor a passenger is in the vehicle), as well as detailed information about the number of electric vehicles in the fleet and their charging behavior.

The CPUC denied the requests of cities for rules that would require local authorities to approve the operation of AV vehicles in their jurisdictions citing a fear that local approvals would, “create a patchwork of local regulations that could conflict with each other and complicate cross-municipality transport.”

**CTC Issues Annual Report; Recommends More Money For Active Transportation Program**
The California Transportation Commission released its annual report to the legislature in mid-December, describing $22 billion in transportation investments approved in 2020 for more than 1,200 projects. Due to stay-at-home orders, S. B. 1 gas tax revenues alone were down $1.9 billion from the typical annual revenue of $5 billion.

The annual report includes a call for the legislature to increase five-fold the amount of funding for the Active Transportation Program (ATP). Every cycle, the number and size of ATP project requests rise and exceed budgeted funds. Total annual funding for the ATP is about $220 million, with about $120 million from the State Highway Account and about $100 million from S.B. 1. The report notes that additional ATP funds could be allocated from cap-and-trade funds.

The report also recommends providing some relief for another S.B. 1-funded program, the Local Streets and Roads Program, which has required local jurisdictions to keep using local general funds at a consistent level to prevent new gas tax revenues to be substituted for local funds. COVID has been wreaking havoc with local funding, however, so staff recommends lawmakers consider some kind of temporary relaxation of that local commitment requirement.

The report also recommends further exploring a statewide per-mile road charge by testing VMT revenue collection methods. In 2017 the California Road Charge Pilot tested the concept of charging a per-mile fee to eventually replace the gas tax, revenue from which will inevitably shrink as cars become more efficient. That pilot focused mostly on the technology of how mileage could be recorded and accurately reported.

**Region**

**L. A. City Launches Urban Air Mobility Initiative For Flying Cars, Neighborhood Airports**
The City of Los Angeles on December 16th launched a one-year initiative, known as the Urban Air Mobility Partnership, to educate and engage the city’s residents about the introduction of low-noise, electric aircraft flying by 2023. A product of a public-private partnership between the Mayor’s Office, the Los Angeles Department of Transportation (LADOT), and Urban Movement Labs (UML), the effort will develop and implement a “vertiport,” a new piece of L.A. ’s transportation network where people can go to fly on an urban air mobility (UAM) electric, vertical-take-off-and landing (VTOL) aircraft – a flying car.
The one-year partnership will culminate in a policy toolkit that can be utilized and deployed to support urban air mobility. An Urban Air Mobility Fellow will be charged with advancing a comprehensive public engagement strategy around urban air mobility — how it will strengthen the economy, when L. A. might see vehicles take flight, and how it will impact and improve daily lives while providing a viable option for moving goods and people across the city.

Air Mobility Partnership comes on the heels of the publication of the “Principles of the Urban Sky,” a collaboration between Mayor Garcetti’s office, the World Economic Forum, and a group of 50 industry, not-for-profit, academic, and public sector stakeholders. The principles establish a joint commitment to safe, low-noise, and sustainable urban air mobility operations that prioritize equity of access, connections to transit, purpose-driven data sharing, and local workforce development.

The initiative is being financially supported by the Urban Air Mobility Division of Hyundai Motor Group.

**L. A. Metro Launches Innovative MicroTransit Project**

Micro is Metro’s introduced a new on-demand rideshare service on December 13th with two zones, one serving the LAX and Inglewood area on weekdays and the other serving Watts/Willowbrook seven days per week. The new service is for short trips and uses small vehicles (seating up to 10 customers). The initial fare is $1 per ride. The service is meant to be a fast, safe and convenient option for quick trips around town without having to transfer.

**Trends**

**Private Sector Firms Team To Advance Electric Air Taxis**

Santa-Cruz based Joby Aviation has raised almost $1 billion in venture capital and is the first company to receive air worthiness certification from the U.S military. With this certificate, the Joby Aviation eVTOL can now provide transportation of both personal and cargo for the U.S armed forces. This will give Joby the opportunity to further prove the safety and functionality of its electric aircraft, and make any necessary improvements before receiving FAA certification.

Joby Aviation has also acquired Uber Elevate, which is Uber’s initiative to make a network of on-demand air taxi transportation in major cities throughout the globe. Under the terms of the agreement, Uber as a company will remain a part of the partnership and the final overall product. The partnership will integrate both Uber’s ground transportation app and Joby’s air transportation app to provide a seamless travel experience for passengers. To grow this partnership, Uber has invested an additional $75 million in Joby Aviation, as well as a previously undisclosed $50 million made in January.

**Traffic Thinned, L. A. Smog Grew In 2020**

Los Angeles enjoyed a 21-day stretch of smog-free days at the beginning of 2020 that overlapped with the start of coronavirus stay-at-home orders, fueling hopes that dramatic cuts in driving would at least clean the air. No such luck. The year 2020 will instead go down as one of Southern California’s smoggiest in decades with the worst ozone pollution readings and highest number of bad air days since the mid-1990s.

In all, this year there were 157 bad air days for ozone pollution — the invisible, lung-searing gas in smog. The region has also had more than 30 bad air days for fine-particle pollution, or soot. Those numbers were boosted by a pall of smoke from wildfires up and down the West Coast.
Scientists are working to understand the influence of climate change, wildfires, vehicle emissions and lesser-known pollution sources such as the fumes released by disinfectants and other consumer products. They said the pandemic gave them an unparalleled natural experiment, showing what happens when you drastically curtail one source of pollution. What became evident is that decades of regulations have cut passenger vehicle emissions so dramatically that they are no longer California’s dominant source of smog-forming pollution.

The highest ozone pollution level recorded in downtown Los Angeles in 26 years — a reading of 185 parts per billion — occurred during a blistering heat wave on Sept. 6, the same day L.A. County exceeded 120 degrees for the first time on record.

Based on this year’s high smog readings alone, the South Coast air district said it will not be possible to meet the least stringent of those standards by a 2022 deadline.

**Santa Monica To Create Zero-Emission Delivery Zones**
Starting in early February 2021, Santa Monica will launch the Nation’s first zero-emissions delivery zone. Think robots delivering sandwiches, electric bicycles carting small packages, and plug-in three-wheelers dropping off pizzas.

Funded with a grant from the California Governor’s Office of Business and Economic Development and coordinated through the Los Angeles Cleantech Incubator, the pilot program seeks to lower emissions and decrease traffic for food and parcel deliveries. The one-square-mile, zero-emissions delivery zone will be located in Santa Monica's Main Street shopping and dining hub.

**How Telework Might Transform L.A.**
Formerly bustling downtown office buildings and business districts have felt like ghost towns since the COVID-19 pandemic forced many to work remotely. A third of U.S. workers are still working from home, changing the rhythm of life in cities. The shift to remote work may continue long after the pandemic ends.

A recent University of Chicago study found that 37% of jobs in the U.S. can be done entirely from home. Tech companies like Twitter and Facebook have announced permanent teleworking options, while Nationwide Insurance, REI and others are closing office buildings in anticipation of new work patterns. More than 80% of office workers would like to work from home at least once a week after the pandemic, and nearly 90% of executives expect many or most of their employees will do so, according to a June survey by consulting firm PwC.

If a third of people work from home, overall time spent commuting in Los Angeles could drop 32%. Forty-four percent of employers say they feel their employees have been more productive working from home. However, teleworking’s long-range impact on networking, collaboration and other activities that benefit from face-to-face interaction is not yet known. If it ends up dampening productivity in the long run, it could shrink the economy and depress wages, potentially countering the benefits of lower home prices and less traffic.

Although predictions of the death of the office are premature, researchers at USC’s Marshall School of Business are considering whether a mass move toward remote work could transform American cities and affect housing prices, traffic and commute times, and where people choose to live. They developed a model to help understand what Los Angeles might look like if a third of employees worked from home and came to the following conclusions:
• The population in Los Angeles would spread slightly out from the core to the periphery as teleworking loosens the connection between where we live and where we work.
• Driven by financial concerns and lifestyle preferences, some new telecommuters would move from the urban core to the suburbs and beyond.
• City centers won’t hollow out since millennials and others drawn by amenities like restaurants and the arts may stay put even if they no longer have to, assuming these amenities spring back post-pandemic.
• As higher-paid teleworkers move away from central areas, home prices will drop in those locations, making it more affordable for others to move in — especially those who still need to come into the office. This could benefit low-income workers who have been pushed farther into the suburbs by gentrification and currently face grueling commutes.
• Urban neighborhoods may become more economically diverse. Gentrification won’t go away, but with less competition for real estate in the urban core, overall housing prices will likely drop citywide. Our analysis of movement within Los Angeles found that overall home prices could decline by around 6%.
• A handful of large cities, including Los Angeles and San Diego, could draw some of the now-untethered telecommuters attracted by the cities’ unique amenities. While home prices in most large cities will drop, costs in the most desirable urban areas may not fall much, because of an influx of new residents.
• As people move and real estate prices shift, businesses may also make different decisions about where to locate. And as people spread out, there may be fewer mixed commercial and residential districts that often define city living.
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