

WEBVTT

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00:00:20.810 --> 00:00:25.990

Jessica Peyton / SPUR Public Programs: Hi, everyone. We'll get started in just a second, just waiting for a few more people to trickle in.

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00:00:38.200 --> 00:00:47.930

Jessica Peyton / SPUR Public Programs: Okay, we will go ahead and get started since we have a lot to cover today. But Hello! My name is Jessica Payton, and I am Spurs, senior Associate of public engagement.

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00:00:48.000 --> 00:01:16.010

Jessica Peyton / SPUR Public Programs: Thank you so much for joining us today for another digital discourse. As always, many of you here today are spur members. So thank you for your support. You're not a member. I encourage you to join, to support spurs, ongoing work and using education, policy, analysis, and advocacy to make our cities and region more prosperous, sustainable, and equitable places to live. Your financial support enables us to continue our work, including the hosting of programs like today's. You'll find more information about membership online@spur.org slash join.

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00:01:16.220 --> 00:01:36.610

Jessica Peyton / SPUR Public Programs: I also wanna quickly call your attention to another digital discourse that we have scheduled for tomorrow. Join a panel of experts, advocates, and impacted people who led the efforts to end pretext stops in San Francisco to hear about how they did it and why it was necessary. You can register for putting an end to bias. Traffic stops in San Francisco at the link. I'll drop in the chat in just a moment.

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00:01:37.570 --> 00:01:44.389

Jessica Peyton / SPUR Public Programs: But for today's digital discourse, we're here for options, for the future of state funding for transit operations in California.

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00:01:44.590 --> 00:02:00.370

Jessica Peyton / SPUR Public Programs: California has adopted ambitious goals for public transit, but many public transit agencies are anticipating. Major operating, funding shortfalls in the coming years left unaddressed. Transit operators will be left without the financial and operational capacity needed to realize these goals

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00:02:00.500 --> 00:02:18.349

Jessica Peyton / SPUR Public Programs: even before the pandemic state funding programs for transit operations, both underfunded our large, our largest and highest ridership systems, or misaligned with contemporary state goals. How could state transit operating programs be restructured to achieve better outcomes for riders, the environment equity and the economy.

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00:02:18.450 --> 00:02:28.610

Jessica Peyton / SPUR Public Programs: Today we'll hear from panelists, from the University of California's Institute of Transportation Studies to learn about the research they've been conducting on transit ridership and the future of State funding for transit.

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Jessica Peyton / SPUR Public Programs: And now for those speakers, I'd like to introduce you to Juan Matuti.

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Jessica Peyton / SPUR Public Programs: Juan Matuze is the deputy director of the UCLA. Institute of Transportation studies. He studies transportation organizations, technology and finance. Thank you for being here, Juan.

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00:02:43.330 --> 00:02:45.380

Jessica Peyton / SPUR Public Programs: Next up we have Carrie Watkins

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Jessica Peyton / SPUR Public Programs: after a decade as a professor at Georgia tech. Dr. Watkins recently moved to California to take a position in civil and environmental engineering at Uc. Davis. Her research and teaching center in multimodal transportation planning and the use of technology and transportation, especially in transit planning and operations.

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00:03:03.530 --> 00:03:05.790

Jessica Peyton / SPUR Public Programs: Thank you for joining us as well, Carrie.

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00:03:05.880 --> 00:03:17.559

Jessica Peyton / SPUR Public Programs: Next we have John Gobower. John Gobauer is a research consultant with Ucla. Its his work focuses on transportation, funding, finance, and policy in the State of California. Welcome, John.

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00:03:18.220 --> 00:03:28.259

Jessica Peyton / SPUR Public Programs: Next, we have Brian D. Taylor Brian is a professor of urban planning and public policy in the Luskin School of Public Affairs, and Director of the Institute of Transportation Studies at Ucla.

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00:03:28.290 --> 00:03:43.819

Jessica Peyton / SPUR Public Programs: where he studies and teaches about travel, behavior, transportation, finance, and public transit. His new book is The Drive for Dollars. How fiscal politics shaped urban freeways and transformed American cities, published in 2023 by Oxford University Press. Welcome, Brian.

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00:03:44.140 --> 00:03:47.339

Jessica Peyton / SPUR Public Programs: and finally, we have spurs very own Laura Tolkhoff.

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Jessica Peyton / SPUR Public Programs: Laura is spurs, transportation policy director, and also our interim chief policy officer. She believes the sustainable transportation system is the scaffolding for society that cares about the environment that embraces public life, and that is healthier, more just, and prosperous.

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00:04:01.690 --> 00:04:20.490

Jessica Peyton / SPUR Public Programs: In addition to overseeing spurs, transportation portfolio, her areas of focus include public transit, land use, integration project, delivery, governance change and inter-regional coordination, and just a few seconds she's gonna get us started and will later moderate the QA. Section. Speaking of the QA. One last housekeeping item.

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Jessica Peyton / SPUR Public Programs: As always, we want this to be an interactive conversation, and we want to spend as much time as possible engaging with you all. So please use the chat box to share your thoughts and your comments with each other and the speakers as they're doing their presentations.

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00:04:33.400 --> 00:04:53.929

Jessica Peyton / SPUR Public Programs: I also encourage you to submit any questions that you might have specifically into the QA. Panel, so that they don't get lost in the chat. It should appear as a button at the bottom of your screen or top if you're using the mobile app and then

finally, within the next few days we're gonna be sharing a copy of the recording transcript and chat with everyone who registered. So be on the lookout for that.

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Jessica Peyton / SPUR Public Programs: And with that I'm going to pass things over to Laura to get us started. And, Laura, I'll grab your slides.

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Laura Tolkoff: Great. Thank you. Everyone for being here today. Thank you for spending your lunch with us, and thank you so much for our speakers. It's not every day we get to have lunch with some of the top thinkers on transportation issues. From the entire State of California. But here they are. So again. Thank you for being with us. I'm just gonna open up our conversation today just to talk briefly about

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Laura Tolkoff: kind of spurs work over the last year or so. Focused on a effectively disrupting the transit death spiral. As context for our conversation today about finding more durable ways to address the long term funding and policy needs for public transit to set it up for long term success. As we pivot out of the pandemic.

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Laura Tolkoff: So

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Laura Tolkoff: just briefly here, you know, spur has been really focused for some time on securing emergency funding for public transit, as our recovery has been much slower than other parts of the nation. Partially because of our return to work. That has been much slower, much more of our industry and jobs are amenable to remote work.

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00:06:19.100 --> 00:06:43.979

Laura Tolkoff: And we have been focused on first securing funding from the State. And I'll talk a little bit about what we were able to secure and what it means for the Bay Area in just a second but really, I just wanna situate us in kind of where we are in this moment. So you know, we are very much still as a region and as a state, I think, seeking emergency funding. But that's not all that we need to do

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do to really get us out of the doom loop to get us out of the death spiral. It's really just one step.

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Laura Tolkoff: Some of the things that you're gonna hear about today are these other steps in the process of getting out of this death spiral, you know. What is it going to take to really rebuild ridership? Across different types of transit systems? And what can really the State do to help develop new revenue? How do we need to kind of change the model for funding transit in this state over the long term to make it more successful

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Laura Tolkoff: and additionally focusing on the policy supports. I think that's gonna be a big theme out of today's conversations. So we, as a state, have made it really easy and cheap to drive. And then it's very easy to wonder why it is that transit is not as successful as we'd like it to be. So we're gonna hear a little bit about the ways specifically that we think the State could really

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Laura Tolkoff: change the policy framework in that environment that transit really operates in that shapes. It's business environment. As we as we move towards a new future for public transit.

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Laura Tolkoff: So next slide, please.

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Laura Tolkoff: So I do wanna spend just a moment talking about some of the numbers, about what the emergency relief package did for us. So

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Laura Tolkoff: A few months ago the Governor and the Legislature passed the State's fiscal year 2023, 2024 budget it was a really difficult year with a 30 billion dollar plus deficit and that, of course, means a really diff, difficult types of trade offs, and that that our legislators need to make. I think we were really lucky that with a really strong

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Laura Tolkoff: advocacy community rooted in the Bay Area we were able to secure a 5.1 billion dollar transit package from the state budget. 4 billion dollars of that as you see in blue, was

restored. So that was money that had been allocated in previous budgets to the transit and intercity rail capital program that the Governor had proposed cutting earlier. This last cycle.

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Laura Tolkoff: So 4 of the 5.1 billion dollars is that restored funding of that the Bay area share the amount of money that's coming to the Bay area is about 800 million dollars. And that's for projects that have been identified and prioritized in those prior budget cycles. The remaining 1.1 billion dollars is really for this new 0 emission

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Laura Tolkoff: transit capital fund, and that is new money that is going to be dedicated, dedicated to public transit. Of that, again, the vast majority is going to the rest of California. The Bay area portion is about 400 million dollars. This 400 million dollars is really what is available now to support transit operations today.

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Laura Tolkoff: So I wanna stress, you know, we are having a conversation about what do we need to do to set up transit for success in the long run? I do wanna mention we still have a ways to go on seeking emergency funding and kind of filling this whole specifically in the Bay Area.

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Laura Tolkoff: But one of the other things that the transit package the relief package did in this last budget. Is it also actually set up a statewide transit task force that is intended to wrestle with some of those big questions that I that I showed a moment ago. How do we rebuild ridership? How do we fund transit?

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Laura Tolkoff: What should be the States role in transit? As we move forward. And what are the policy changes that are needed to really, positively impact transit demand? So today, I think we should think of this panel as an opportunity to kind of help the legislature kind of think about what are some of those priorities that they should be addressing in that task force

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Laura Tolkoff: and shape the conversation that will be unfolding over the next year. As the State really reevaluates its role.

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Laura Tolkoff: So with that I'm gonna turn it over to our panelists here. And I'm gonna start with the an initial question, which is, you know, if they could briefly kind of share, some framing

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Laura Tolkoff: and context for how we really got to this moment. And why it is so important for the State to really revisit its role in public transit, both as a funder and an entity that shapes the business environment for transit. And I'm gonna start with one.

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Thanks, Laura. I think it's important to.

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Juan Matute: you know. Put look at the history of transit in California and other States Which generally prior to the 1960 S.

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Juan Matute: Privately operated mass transit services began to falter because of increasing like levels of automobile use.

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Juan Matute: congestion and sprawl which we continue to deal with to this day.

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Juan Matute: The initial idea between behind Federal subsidies for transit was that

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Juan Matute: There was a deferred maintenance. Backlog Federal

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Juan Matute: money would go towards a one time injection of capital to address that deferred maintenance backlog. That idea lasted for a couple of years before. It was

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Juan Matute: before the idea that additional capital funding and perhaps operating subsidy would be needed.

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Juan Matute: So after the Urban Mass Transit Act of 1970, California saw the need for additional transit operating funding and develop the Transportation Development Act in the 1970 S.

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Juan Matute: Using the goals and priorities for transit at that time in the 19 seventies, which was mainly the financial self-sufficiency of the system. So they wanted to limited the amount of subsidy

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Juan Matute: fast forward 30 plus years California sprawling land use patterns, increasing levels of automobile use and subjecting transit from the same congestion as vehicles

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Juan Matute: as further strain transits business model jeopardizing agencies, financial stability. And so that paradigm from the 19 seventies with the Tba began to break. You know. Transit business model

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Juan Matute: needed more band aids as far as the Tda was concerned, regarding Fairbox recovery, ratio increases and costs, etc. We start seeing some legislative fixes in the early 2 thousands.

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Juan Matute: Since then California's past more ambitious contemporary climate climate goals and more housing is tied to transit, so land use and transit are more link than ever.

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Juan Matute: And State policy, with many statewide laws, triggering density and height, bonuses or process streamlining, based on a developed monuments. proximity to transit. So at this time of strained business model for transit, importance of mass transit to the State

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has only increased



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Laura Tolkoff: thanks. I think that's a really key point. Our goals have expanded, but the available resources

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Laura Tolkoff: really have not.

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Laura Tolkoff: Would anyone else like to to jump in and comment as well.

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Brian D. Taylor: Yeah, I'll I'll toss in a couple of things, I think, one of the things to think about is you talked in your opening about the Bay area and then about California. The Bay area really stands out in California as as sort of unique. And in particular. The central cities of Oakland, Berkeley, and particularly San Francisco, are sort of the heart of of transit. Rich California, and

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Brian D. Taylor: what we were looking going up to the pandemic. It was really movement in and out of downtown San Francisco that was sort of

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Brian D. Taylor: airing the whole State in terms of ridership, that much of the State was eroding and ridership even other parts of the Bay area, but but travel into and out of downtown San Francisco on Muni, on Golden gate on Sam trans. On caltrain. And of course barge

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Brian D. Taylor: was really holding things up, and it was those high, fair box recovery systems

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Brian D. Taylor: after the pandemic, as you pointed out, because of the dramatic changes, particularly in downtown San Francisco, among all of them that saw that sort of the biggest fall in ridership. So we have this ironic and and but really important to understand situation where the the highest fare box recovery systems before the pandemic are the systems that are struggling most

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Brian D. Taylor: after the pandemic. And so, while there are financial issues around the State, we actually have just come out with a couple of papers looking at that around the State. It really varies a lot from operator operator. And the financial issues that that Bart is facing, for example, are dramatically more and different than, say, other other systems around the State.

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Brian D. Taylor: But we have a logic of of public finance that says, Well, we like to spread money around politically. We like to make sure that everything gets a little shared.

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Brian D. Taylor: and the Translation Development Act, which is historically been the the biggest source of operating funds that the State is kind of overseen

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Brian D. Taylor: really favors distributing transit money to voters and not riders.

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Brian D. Taylor: And so, historically, the average Tda subsidy per boarding on Muni was the lowest in the State, because it had the highest per capita ridership in the State

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Brian D. Taylor: and then in in outlying suburban areas. And I'm not gonna point fingers any systems. The Tda substitating is much, much higher. So we've had this, this logic of of finance which is to spread the money around. But when the the demand and the use of transit is very asymmetric, it's really concentrated in the centers of the oldest and largest cities.

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Brian D. Taylor: and San Francisco is really the biggest part of that. So it is. It is not. It's it's a statewide problem, but it's one that's very uneven from system. System. And we shouldn't imply that everybody's in the same situation because they're not

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John Gahbauer: definitely John. Yeah, thanks.

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John Gahbauer: I would agree that the Transportation Development Act, the Tda that that Brian and one mentioned is is very.

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John Gahbauer: very, a very important source of transit funding in the States for State operators. And it really is. You know the case that the since the Tda was established in the 19 seventies and amended in the early 19 eighties

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John Gahbauer: the State goals have changed, and the and a lot of the requirements and the performance measures that are tied to that that are the strings attached to funding in the Tda

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John Gahbauer: are increasingly, maybe problematic for achieving the State's goals because they're not. They're they. It's not clear right now that that they're aligned at all with contemporary state goals, which, which which have increased over the years now transit, is addressing also all all kinds of very good

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John Gahbauer: things like you know, addressing equity and environmental and societal things that didn't in the 19 seventies back then the focus is on cost effectiveness.

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John Gahbauer: there's also. I think you know, the the Tda, I think, is a very good focus for reform, because it's statutory formula.

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John Gahbauer: you know, arguably, is holding transit back at this point. And

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John Gahbauer: there again, there, there's no real requirements attached to those funds apart from the fair box. Recovery ratio, which is, is problematic is is already alluded to.

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John Gahbauer: And while flexibility is good the method of disbursements is where it is statutory and formula based. That's perhaps limiting to a transit evolving business model from

from the state perspective, because it means that the transit we get, and the transit that State is effectively buying is sometimes uncoordinated or even duplicative.

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John Gahbauer: So I think, transit right now, you know, we're in a state of flux. But that's an opportunity for resetting. I think. When we're looking at the today, we see possibilities. For you know, for example, shifting to incentive based funding that could change the game, especially if a dispersed methods are improved as well.

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Laura Tolkoff: Great. Well, thank you. Thank you for setting that container for us for this next kind of part of the conversation. You know, Carrie, I'd love if you could share a little bit more from your perspective about not only the funding side that we've heard from Juan and Brian and John. But a little bit more of that that policy lens.

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Kari Watkins: Sure. Let me bring it back to the point of what we're trying to do. Here is really grow ridership. That's the ultimate goal. And what we're trying to do. And I think it's important to circle back to.

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Kari Watkins: How do we increase transit ridership? And and the way that we do that is to make transit equal to driving, we have to make it so. That transit is the easy choice.

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Kari Watkins: It. And truly an option for people. And even when we look at transit really serves 2 purposes right? We're trying to serve people who are relying on transit so that they have a reasonable way to get around, and they have access to destinations and such.

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Kari Watkins: And at the same time we're trying to ensure that we can meet environmental goals that we can reduce congestion sort of all of those things. And so we often think of these 2 populations, the transit reliance and the transit choice. But it's really a spectrum. And there's lots of people we're trying to bring towards transit, and we can meet both equity and ridership goals by doing transit. Well. And

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Kari Watkins: I would say that there are a couple of ways that we we do, that the first is to make it harder to drive, so if we make transit truly equal to driving. Then we're making it faster. We're making drivers driving slower. We're making transit less expensive. We're making driving more expensive sort of all of those pieces. And that's one thing about more recent programs

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Kari Watkins: with the Sb, 532, we're pricing roadways to make transit, you know, to funds transit. And so that's doing that that double dose right at the same time.

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Kari Watkins: But we also have to think about other ways that we increase transit ridership. And one of the best ways that we do that is, through giving transit priority in our infrastructure. And the magic of that is, if we give transit

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Kari Watkins: priority, then we're making it faster. We're making it more reliable. And we can actually decrease the amount of money that it takes to operate transit. If it's no longer stuck in traffic costs a lot of money to pay for a bus with its fuel, with its driver to be just sitting still in traffic.

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Kari Watkins: and as we've seen congestion, especially in places like the Bay area, increase over the past few years.

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Kari Watkins: pre covid. And even now, once again, as we get towards, you know full recovery. Po post covid we're seeing that transit is being slowed down is becoming less and less reliable. So we have to give it dedicated space like light rail and bus rapid transit.

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00:22:18.190 --> 00:22:31.520

Kari Watkins: but also more simple things. Bus lanes queue jump lanes, priority over signals just having departments and agencies that focus entirely on speed and reliability, and how we improve transit in those ways.

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Kari Watkins: And there are lots of other things we can do to make transit easier to use as well focusing on station access. So first mile, last mile problems focusing on, how do we innovate

around fares focusing? How do we innovate around service? Those are all the things that we need to be focused on with legislation to make sure that we're pushing agencies in the right direction.

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00:22:54.880 --> 00:23:19.820

Laura Tolkoff: Thank you. I think those are really important dimensions. So I think, you know, I think we can all agree that the role that the State currently plays is outdated. It is uneven, arguably dysfunctional. Right and I think my question to you all would be, you know, if you were to advise on what role you think the State should play? Moving

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into the future, what would it be? And really, are there specific ideas that you would want them to consider I'm going to start here with Juan, and then move to John for this part of the conversation.

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Juan Matute: Yeah, I think it's important to note that the State has created a very challenging business and regulatory environment.

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For transit agencies. So

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Juan Matute: there's an extremely constrained funding environment, in part because of prop. 13, and agencies are unable to raise higher funds locally, or via higher fares or more property taxes.

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Juan Matute: So that puts the onus on the State for raising more money except in the case of these local option sales taxes?

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Juan Matute: Which are subject to the same problem that Brian discusses like when agencies get their money or have to strive for more money, they tend to pour it into subsidizing lower frequency service

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Juan Matute: to support sprawling areas, to attract motors rather than riders. Cause. That's what we're making agencies do with local option sales tax. And so more money for transit or into the Pda formulas effectively. A fund for

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Juan Matute: more coverage rather than in mainline mass transit service.

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Juan Matute: So the dilemma is essentially do we want to focus on climate, so frequent urban mass transit geographic equities of serving the sprawl or both. And that's, I think, a choice for the State

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Juan Matute: to make. It's really important for the State to recognize that it has some level of complicity

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Juan Matute: in creating this environment, you know, sprawl over use of automobiles and congestion. And now that transit is integral for the States, wide Housing supply plan to address the affordability issues

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Juan Matute: that are dragging on the statewide economy. This really does set up an argument for use of general fund dollars

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Juan Matute: for oper for transit operations.

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Juan Matute: But perhaps in a way that bifurcates funding. So creating a new program, leaving the Tda alone and creating a new program that's subsidizing operations

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Juan Matute: just for these high quality transit areas, corridors, etc.,

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Juan Matute: that are identified in state law that are triggering land use and height density bonuses.

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Juan Matute: In addition,

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Juan Matute: Harry's mentioned this, but there's a need for statewide regulatory relief. There are so many jurisdictions

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Juan Matute: in California.

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Juan Matute: There should be some sort of streamlining process similar to what's happened

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00:25:55.020 --> 00:26:02.520

Juan Matute: in housing, where the default is that a high quality transit corridor is prioritized, the signals dedicated

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00:26:02.530 --> 00:26:18.650

Juan Matute: lanes queue jumps, etc. Whatever's appropriate for that corridor that the default is that a transit agency will receive approval for a transit shelter along one of these routes within 30 days.

122

00:26:18.740 --> 00:26:24.120

Juan Matute: Right now. There's no consequences for local jurisdictions that, you know, create

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00:26:25.290 --> 00:26:33.539

Juan Matute: complicated processes for transit agencies to jump through. We're just trying to serve the interest of writers and provide them shade and shelter.

124

00:26:34.150 --> 00:26:35.830



From the environment.

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00:26:38.650 --> 00:26:53.260

Laura Tolkoff: I think that certainly makes a lot of sense. And I think what it's doing. At least it's building off of and really reckoning with the unevenness that we currently see in that kind of bifurcated model.

126

00:26:53.360 --> 00:26:55.389

Laura Tolkoff: I'm gonna ask John next.

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00:26:57.340 --> 00:27:05.420

John Gahbauer: Yeah, thanks. I think. So performance measures are are, I think, a a key way in which

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00:27:06.010 --> 00:27:13.699

John Gahbauer: this the State plays a role in in shaping what kind of transit ends up getting delivered

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00:27:13.760 --> 00:27:18.219

John Gahbauer: on the streets, and especially through. It's funding mechanism.

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00:27:18.450 --> 00:27:27.449

John Gahbauer: however, as as we mentioned at the beginning. The way in in which those strings attached to the funding are are old and outdated.

131

00:27:27.770 --> 00:27:44.590

John Gahbauer: And so specifically one way in which I think this State could make a big difference right now. To be hyper specific about it is to remove or withdraw the importance of the fair box. Recovery ratio.

132

00:27:44.720 --> 00:28:02.809

John Gahbauer: and and the Gda funding requirements. So what this does is it requires agencies to cover a certain percentage of their operating expenses through Fairbox through through their fair box. They need to collect enough fares

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00:28:02.900 --> 00:28:08.759

John Gahbauer: to cover a percentage of their operating costs in urban environments. That's typically 20.

134

00:28:08.990 --> 00:28:23.409

John Gahbauer: And while that makes a lot of sense on paper, and it certainly speaks to the cost. Effectiveness concerns that arose in the 19 seventies and and shapes the Tda as we know it today.

135

00:28:23.480 --> 00:28:35.369

John Gahbauer: It also. Produces some strange incentives. So for example, it's it's rational. In some circumstances it's very rational for transit managers

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00:28:35.530 --> 00:28:47.259

John Gahbauer: to actually reduce service in order to qualify for more state funding for their operations, and that outcome is is certainly not a desirable for

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00:28:47.470 --> 00:29:01.309

John Gahbauer: for the State's goals, and and certainly not providers either, of course. So I think specifically re, addressing this issue of the Fairbox recovery ratio, which is tied

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00:29:01.440 --> 00:29:15.460

John Gahbauer: to state funding and that is unusual. When in some work we did a few years ago, we we looked across the country at at comparable States and transit environments.

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00:29:15.510 --> 00:29:38.159

John Gahbauer: And we found that, you know. There are a lot of performance measures out there that States are using. But no other State uses a performance measure like the Fairbox recovery ratio to to as a criterion for funding they don't tie funding to performance that way. And I think, for good reason it it can be counterproductive.

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00:29:40.960 --> 00:30:07.109

Laura Tolkoff: It was not aware that we were anomalous in that way. Good to know. I'm sure there are many other ways that we are anomalous as well. So I think you know I would love to turn this to Brian. You know, if you have any further thoughts on. You know what other viable strategies there might be for increasing funding for transit operations. On an ongoing basis in the state.

141

00:30:07.900 --> 00:30:28.500

Brian D. Taylor: Yeah. So one thing to think about, and I to tie back something I've mentioned earlier is that it's not only what we spend the money on in terms of spending more money on public transit. But but how we collect it, and that has an effect as as well. So the main way we've been able to increase revenues for transition broadly and for a lot of a lot of transit around the State.

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00:30:28.510 --> 00:30:37.590

Brian D. Taylor: It's through elections for local option sales taxes to to increase funding add add incremental increases to sales, taxes to pay for transportation.

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00:30:37.650 --> 00:30:43.839

Brian D. Taylor: That's been a great source of revenue, but it completely disconnects use of the transportation system

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00:30:44.180 --> 00:30:50.699

Brian D. Taylor: with how we collect the money. And it's a very income regressive way to collect money. People have sort of

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00:30:50.870 --> 00:31:00.499

Brian D. Taylor: brush that aside, but it actually disproportionately burdens low income taxpayers because they pay a higher share of their incomes typically on on things subject to sales tax.

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00:31:00.510 --> 00:31:04.600

Brian D. Taylor: So it shifts a lot of the burden under lower income people is to disconnect it from transportation.

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00:31:04.620 --> 00:31:24.379

Brian D. Taylor: A fuel tax, on the other hand, actually charges drivers for burning fuel, which is a disincentive to do that which encourages people to get more fuel, efficient vehicles, and and to be more judicious in their in their driving, and California did in 2,017 and make a really heroic move and a significant increase in the fuel tax.

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00:31:24.480 --> 00:31:32.699

Brian D. Taylor: Right now they're looking at a post fuel taxes. We have more electric vehicles, and we have more some hydrogen fuel cell vehicles.

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00:31:32.770 --> 00:31:43.929

Brian D. Taylor: in the fleet, and they're looking at a road user charge. Well, okay, you say, well, that that has to do with that's not public transit has to do with with roads and all those other things. Well, it is a source of revenue

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00:31:43.960 --> 00:32:06.189

Brian D. Taylor: for transportation, I think California, including transit. And that road user charge they're debating now. Well, maybe they'll just do a flat per mile fee. Well, that actually would go in the wrong direction, because it would, it would encourage. It means that a a heavy fuel guzzling car would pay the same as a as a prius and so a lot of the incentive towards fuel efficiency would be going.

151

00:32:06.360 --> 00:32:21.300

Brian D. Taylor: We could also structure that rusk in a different way. That would account for the emissions of that vehicle to account for the the effect on traffic, and the damage to the road, and the the risk to pedestrians and cyclists because of driving.

152

00:32:21.300 --> 00:32:36.810

Brian D. Taylor: If we incorporate those costs in and generate revenues that can be used to support transit. It does 2 things. One is that it. It makes drivers responsible for the costs they're imposing on society, but it also generates revenues from them toward mitigation, and a big part of that could be funding approved public transit service.

153

00:32:36.880 --> 00:32:51.879

Brian D. Taylor: So it's an idea that you, if you collect the transportation revenues from the thing that's causing the negative externalities. And then you use that on things like public transit, you're actually increasing the demand for transit the same thing. We're increasing revenues for transit.

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00:32:51.930 --> 00:33:00.429

Brian D. Taylor: And so we have a chance. We're looking at this now, and the state about how we ought to structure. This kind of road user charge kind of post fuel tax

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00:33:00.450 --> 00:33:14.850

Brian D. Taylor: and the devil is in the details. I would argue in a very big way, could be structured to actually move us in the wrong direction, or structured in a way that really could complement, and an enhanced demand as well as revenues for transit. So that's one example State can consider.

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00:33:16.550 --> 00:33:30.639

Laura Tolkoff: Yeah, that that conversation is really coming to a head in 2026, as I understand it. And so there, there definitely needs to be some deep conversations about rebalancing the incentive structure as we think about how we.

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00:33:30.770 --> 00:33:41.940

Laura Tolkoff: how we pay and what we pay for so I think you know I would love to to turn us a little bit towards

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00:33:41.940 --> 00:34:00.960

Laura Tolkoff: The conversation of you know. What what does the future look like and so, you know, we had really advocated so strongly for emergency funding, because, you know, the industry really needs more time and space to kind of evolve and adapt to what we're seeing right? And that

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00:34:00.960 --> 00:34:19.960

Laura Tolkoff: tends to beg the question of Well, what what is transit? What should transits role be? What should it evolve towards? And so I think it would be good to step back and kind of ask that question of ourselves. And hope, and I'm hoping Carrie might help us out with that first.

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00:34:19.980 --> 00:34:20.850

Kari Watkins: Sure.

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00:34:21.540 --> 00:34:38.169

Kari Watkins: So what we've seen so far, what's being done with these relief funds. Is that agencies are restoring service. They're doing this where demand has returned, which means mostly routes with transit reliant riders.

162

00:34:38.170 --> 00:34:57.009

Kari Watkins: There's an increasing look at bus network redesigns. Those were popular before Covid, but they're even more so now. Sort of agencies. Taking a look at you know, weird. We actually have the ridership and making sure we're serving those people well, which is fantastic.

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00:34:57.780 --> 00:34:58.610

Kari Watkins: but

164

00:34:58.720 --> 00:35:28.519

Kari Watkins: and our research has even shown that there is a bump in ridership even beyond service increases. If we go back to what actually creates transit ridership. Well, service creates transit ridership. But the strongest link that there ever is the amount of service you put out there, that is, gonna be the amount of ridership that you get study after study after study has shown that. That's true. But these service redesigns of concentrating transit into particular corridors.

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00:35:28.520 --> 00:35:29.780

Kari Watkins: Is

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00:35:29.870 --> 00:35:42.679

Kari Watkins: and doing so in a way that's very thoughtful where maybe they haven't revisited this for decades and decades. That is giving its own bumps and ridership on the order of a couple of percent. In some cases.

167

00:35:42.970 --> 00:36:05.499

Kari Watkins: agencies are also focusing less on having extra peak hour service. More on all day service, which is a great thing. It gives us some advantages in our service models, because it's much easier for us to put service out there and serve all day than to be worried about these peak hours. So in some ways that actually improves things.

168

00:36:06.010 --> 00:36:19.059

Kari Watkins: they're also focused on new demand, responsive services micro transit which we have a new Uc, its study that's going to be looking at the benefits of micro transit and where it's working well.

169

00:36:19.090 --> 00:36:45.210

Kari Watkins: The problem is that these are expensive services. So operating in an environment where we have very limited operating funds, you get a lot more bang for your buck in fixed route transit than you do in these kind of demand responsive. So if we're trying to pick up extra riders and get people to more high level transit systems, so places we where we are providing priority, these services work well.

170

00:36:45.210 --> 00:36:59.150

Kari Watkins: but and they may also serve people really well in more rural areas. Who are previously not served. But we have to understand that that's the goal, because these are not very cost. Effective services on the whole.

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00:36:59.380 --> 00:37:11.240

Kari Watkins: transit agencies right now are also focusing more on rider experience. Providing priority like I talked about before. Fair programs like youth ride free.

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00:37:11.530 --> 00:37:32.980

Kari Watkins: which I love. Youth ride free programs because this is a way to get people hooked at an at a young age. If you create a transit rider when someone is a teenager and they're first looking at getting their driver's license, then you may keep that person as a transit rider for a very long time. So these are exactly the kinds of things that we need to be doing.

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00:37:32.980 --> 00:37:44.959

Kari Watkins: But we need even more. So. Like, I said earlier, that focus on priority. We need even more of that. I think what Calitp is doing is amazing

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00:37:44.960 --> 00:37:48.960

Kari Watkins: and so encouraging. More and more use of technology.

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00:37:49.000 --> 00:38:10.479

Kari Watkins: I have to confess I have a 19 year old daughter who just went in from Davis into the Bay Area for a day trip for the first time without Mom, and she was very upset because she couldn't figure out how to use transit, and she said, I've always had you with me. And my husband said, You know, Kerry, you have to come to terms with the fact that

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00:38:10.480 --> 00:38:37.559

Kari Watkins: you shouldn't need a Phd. In public transportation in order to be able to navigate the system. And so she had some very real confusion based on the information she was getting, how hard it was to pay fares, how disconnected all of our dozens of transit agencies are like. These are all things we've been working on for a long time. What we're seeing now is all of these problems are becoming more and more important. And we actually have to try to solve them.

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00:38:40.240 --> 00:38:50.599

Laura Tolkoff: I would say, well said, that is very much. Unfortunately, I think you know, it's the problems we've been grappling with for 2030 years. Right?

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00:38:50.690 --> 00:39:08.759

Laura Tolkoff: so I'll appreciate all of all of your perspectives on this. And I'm gonna I think, turn it a little bit more to a question in the audience for a moment. So one of the questions that we have here is, you know.

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00:39:08.900 --> 00:39:31.170

Laura Tolkoff: we still, you know, ha! Transit cannot be self sufficient? It pretty much, never is anywhere. And so how much do you do? You have a number that you think about that. You think the State ought to be providing in support to subsidize public transit. And of course that's a that question

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00:39:31.470 --> 00:39:40.850

Laura Tolkoff: is, there's probably no simple answer, and that question was asked in a very simple way. But I'm I'm wondering if you know. Is there a thought about, you know?

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00:39:41.220 --> 00:40:02.230

Laura Tolkoff: Are we talking? 2 x 3 x. How much more do you think that we need kind of in public subsidy, whether it's from the State, through the general fund, or through road years or charges, even just to maintain and improve the the quality of service and the frequency of service on the systems that we have.

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00:40:05.240 --> 00:40:09.590

Laura Tolkoff: Is that even an answerable question? Not sure.

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00:40:10.170 --> 00:40:22.640

John Gahbauer: I think there are a lot of ways to, and it's a great question and a lot of ways to answer it. I think I'll I'll focus on the part of the question. Asks about how the funds transition, how much

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00:40:22.830 --> 00:40:33.090

John Gahbauer: and one one idea you know that that I think, speaks to both how to fund it, and also how much



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00:40:33.250 --> 00:40:46.489

John Gahbauer: it's an idea of of user, what we call user side subsidies or direct subsidies. and how these work is a transit operator gets paid subsidy every time a writer boards.

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00:40:46.630 --> 00:40:57.560

John Gahbauer: and I guess, operators a strong incentive to provide good service that attracts writers and repeat and repeat writers right. and that shifts the focus to service quality, not just coverage.

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00:40:57.820 --> 00:41:01.630

John Gahbauer: Stockholm is a great example of of where this works in practice.

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00:41:02.060 --> 00:41:25.569

John Gahbauer: So and what's nice about this is, it gives agencies, the flexibility to choose how they can deliver a good service based on their market and the geography and the State, providing the subsidies, gets the assurance that their subsidies are being used to buy. Ridership, which is, Carrie said, is the most important thing. Transit can't achieve any of its goals without it without people writing?

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00:41:25.690 --> 00:41:32.300

John Gahbauer: So I think you know, that's it's a tough answer. Chance of how much transit should be funded.

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00:41:32.420 --> 00:41:33.920

John Gahbauer: But

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00:41:34.260 --> 00:41:58.539

John Gahbauer: yeah, user science subsidies like this, or direct subsidies could make that flexible in dynamic, you know, and so to to a certain extent so that transit agencies are rewarded for providing good service, and how much subsidy is provided is also dependent on how much transit gets used, so that that, you know and could flip the question around and say, Well, you know.

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00:41:58.870 --> 00:42:20.230

John Gahbauer: the the amount of subsidy provided might in this case, in such a structure, might depend on the ridership, and the more ridership th the better we can achieve the state goals. So that's that's 1 one way, I think, to answer that that question of how and how much and the answer is, this is one way, and how much it it depends.

193

00:42:22.040 --> 00:42:24.860

Juan Matute: And I just wanted to make a point about like

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00:42:24.940 --> 00:42:29.240

Juan Matute: the use of potential use of general funds, and what the magnitude of that may be.

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00:42:29.350 --> 00:42:44.179

Juan Matute: Because I there's more research now about the effects of zoning constraints, and how housing supply constraints on like regional economies, regional domestic products.

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00:42:44.280 --> 00:42:55.459

Juan Matute: And when you take a productive area like the Bay Area, like parts of California, and you grow and you grow. And then you have relatively inflexible housing supply

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00:42:55.730 --> 00:42:59.199

Juan Matute: all of those. It's gonna drive up the cost of housing.

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00:42:59.520 --> 00:43:01.320

Juan Matute: and in a way that

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00:43:01.460 --> 00:43:08.189

Juan Matute: constrains the economy. And we've that's, I think, the prevailing thing we're seeing in California right now.

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00:43:08.290 --> 00:43:09.659

Juan Matute: And so if

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00:43:09.780 --> 00:43:19.889

Juan Matute: this these mass transit services that are triggering these density bonuses to increase housing supply, you know, along the lines of the targets that are in the regional housing needs allocations.

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00:43:19.910 --> 00:43:25.939

Juan Matute: If that's the plan to address this economic loss from having

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00:43:26.050 --> 00:43:28.019

Juan Matute: not enough housing supply.

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00:43:28.700 --> 00:43:36.310

Juan Matute: that is a considerable amount of of of of money that transits being asked to serve travel, demand

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00:43:36.390 --> 00:43:45.710

Juan Matute: in order to, you know, provide this opportunity for this housing supply growth. and even just a fraction of that out of the general fund, I think, would

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00:43:45.820 --> 00:43:49.350

Juan Matute: be more than sufficient to cover

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00:43:49.370 --> 00:43:59.760

Juan Matute: these high quality transit corridors, urban mass transit services that are triggering these density bonuses. So I think there's a nexus. I'm not sure what the proportionality is, but

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00:43:59.830 --> 00:44:03.809

Juan Matute: that's I think there's opportunity to study

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00:44:03.870 --> 00:44:17.349

Juan Matute: what those effects are, and and figuring out an appropriate amount if it will be general fund money and not road user charge money or other transportation user fees going to subsidize these services because it can't be

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00:44:17.500 --> 00:44:22.049

Juan Matute: increases in property taxes on the new development, because that's limited.

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00:44:22.940 --> 00:44:24.650

Juan Matute: Nor should it be necessarily

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00:44:24.990 --> 00:44:29.440

Brian D. Taylor: and just to tag on to to one's comment, is that

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00:44:29.600 --> 00:44:34.930

Brian D. Taylor: at Laura? I'm looking at your background there from the top of Mission Delores Park, at the Jay Church line,

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00:44:34.970 --> 00:44:44.909

Brian D. Taylor: looking toward downtown San Francisco. And the answer about like how much we need if the irony is is that is left to its own devices

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00:44:45.420 --> 00:44:51.599

Brian D. Taylor: private housing development would be building multi unit, multi story housing

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00:44:51.870 --> 00:44:59.639

Brian D. Taylor: all over places like in California. That would make more of California look like that background there.

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00:45:00.090 --> 00:45:02.330

Brian D. Taylor: and if that did.

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00:45:02.460 --> 00:45:09.809

Brian D. Taylor: there would be significant demand for more transit service, and there would be no political push back, because there would be.

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00:45:09.900 --> 00:45:12.519

Brian D. Taylor: That's that's where the demand would be.

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00:45:12.530 --> 00:45:21.899

Brian D. Taylor: But right now it's, you know, the the failure to build housing in California, especially in the centers of our cities, is a catastrophic failure of planning.

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00:45:22.390 --> 00:45:32.160

Brian D. Taylor: and it's had a huge effect on transit. because most the the place you can get entitled is out on the fringe where you have requirements to provide

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00:45:32.260 --> 00:45:43.339

Brian D. Taylor: parking to satisfy the demand for all the free parking that people would want out there. Then you, you extend your buses out further and further into those kinds of environments and say, Gee! Why are people riding more

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00:45:43.530 --> 00:45:50.749

Brian D. Taylor: when when people actually want to live more in places that look like that background. There's enormous unmet demand for that.

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00:45:50.760 --> 00:46:10.499

Brian D. Taylor: and that itself would do a. A. A. A lot to increase the demand for transit service which would make it easy to justify spending more money on it and make it a bigger part of the budget. So the question when you ask how much? I think it's what is California wanna commit to? Is it really committed to urbanizing and creating more more places that look like what's what's be in your background

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00:46:10.510 --> 00:46:14.989

Brian D. Taylor: or not. And if they do, then then we need to spend a lot more on transit.

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00:46:15.130 --> 00:46:35.069

Brian D. Taylor: But but you know, we're in environment where we're asking transit to do more and more in environments that are increasingly hostile to transit uses. Going back to Kerry's comment, which which is like the mode having an arm arm tied behind its back. It's it's putting it at a disadvantage because you're creating environments that just are not conducive to to regular transit use. So

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00:46:35.120 --> 00:46:39.829

Brian D. Taylor: the the the funding and the other planning issues to me are very intimately related.

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00:46:40.100 --> 00:46:45.960

Brian D. Taylor: And and our failure to build housing is just an enormous enormous failure and a failure to transit.

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00:46:47.580 --> 00:46:56.970

Laura Tolkoff: I think that's really very well put. When I sometimes think about our goals and what we actually do.

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00:46:57.230 --> 00:47:03.060

Laura Tolkoff: What I see is a really confused state. And

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00:47:03.520 --> 00:47:18.829

Laura Tolkoff: you know, I think what you said really, really clarifies that point. I wanna get to a question here from from the audience, from Adina here, you know, I think

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00:47:20.190 --> 00:47:32.790

Laura Tolkoff: we're talking about potentially moving to a new funding models the model that you know in the future would ostensibly be a lot better for a lot more people. And

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00:47:33.150 --> 00:47:53.600

Laura Tolkoff: but the reality is we have a really difficult funding environment. Now, that our transit agencies as imperfect as the that funding environment is, have kind of learned to survive and navigate in. And so anytime, you try and kind of shift that dynamic. It can be really

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00:47:53.760 --> 00:48:09.029

Laura Tolkoff: painful, or it can, the anticipation of it being very painful, can really make it difficult to leap to that better future. Have you thought about how to make the transition?

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00:48:09.070 --> 00:48:25.669

Laura Tolkoff: And that transition period kind of work? Well, for, as you, said Ryan. Many different transit agencies that are are very different and have very different business models, very different needs, and therefore just very different interests.

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00:48:36.240 --> 00:48:47.940

Juan Matute: Maybe we just have to absorb the pain. I'm not sure, because I think the issue is

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00:48:48.940 --> 00:48:57.470

Juan Matute: a a everybody's find kind of found their local adaptation for what to do in the current situation. And that's been as a result of having the level of local control we have.

238

00:48:58.070 --> 00:48:59.230

Juan Matute: And

239

00:49:00.410 --> 00:49:09.209

Juan Matute: so we're kind of at this. Maybe it's a relative maximum of just suboptimality, of just transit service, especially for some of the smaller operators.

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00:49:09.460 --> 00:49:13.480

Juan Matute: I think one of the challenges that transit's facing right now is that

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00:49:13.770 --> 00:49:18.199

Juan Matute: the managerial decisions that they're being asked to make

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00:49:18.390 --> 00:49:24.379

Juan Matute: right now are substantial. When you think about the history of transit, like when you think about.

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00:49:24.530 --> 00:49:29.859

Juan Matute: you know, over the past 40 years since the Tda, the big question said, transit agencies had to opt

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00:49:30.050 --> 00:49:33.079

Juan Matute: answer that weren't operational. Where?

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00:49:33.090 --> 00:49:34.580

Juan Matute: Do we pick

246

00:49:34.830 --> 00:49:55.700

Juan Matute: Diesel, or natural gas, or clean Diesel, or natural gas, as a big decision in the nineties, and to in early 2 thousands for transit agencies to get on a field path. and then a certain amount about how do we modernize fair payments and most agencies in California? Pick Quebec, and got locked in, and probably was not the best option for them.

247

00:49:56.000 --> 00:50:09.010

Juan Matute: So now the decisions on the table are electric buses, you know, open loop fare payments, or or further modernizing fair payment systems. The use of all the cell phone, you know, mobility data and route planning

248

00:50:09.060 --> 00:50:26.679

Juan Matute: new models for policing. There's just so much that individual transit agencies have to do that's very hard for small operators to grapple with. And so having regional models moving towards regional consolidation could be an option one of the

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00:50:26.840 --> 00:50:32.510

Juan Matute: one of the things that Carrie mentioned. She mentioned the California integrated travel program.

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00:50:32.560 --> 00:50:44.400

Juan Matute: What's quickly becoming one of my favorite things that they're doing after reading the book. Recoding America, by Jennifer Polka is the California mobility marketplace for statewide contracting for some of these things.

251

00:50:44.500 --> 00:50:45.690

Juan Matute: And so

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00:50:45.750 --> 00:50:59.529

Juan Matute: and I'll put a link in the chat to that for transit agencies that aren't aware of it. And so it takes a lot of the decision making out by going with these pre approved vendors that can bring some of these new technologies on board.

253

00:50:59.720 --> 00:51:03.289

Juan Matute: To transit agencies, because really I think the path is.

254

00:51:03.420 --> 00:51:08.789



Juan Matute: if you want to maintain local control there, you need to be using the statewide leverage for it.

255

00:51:09.200 --> 00:51:14.910

Juan Matute: making some of these decisions and implementation regarding transit modernization easier.

256

00:51:19.940 --> 00:51:22.090

Laura Tolkoff: Anyone else want to jump in on that.

257

00:51:24.580 --> 00:51:32.889

Laura Tolkoff: So okay, with our time left, I'm gonna do a little bit of a lightning round here. You know, I think we've touched on

258

00:51:32.890 --> 00:51:57.299

Laura Tolkoff: some really important kind of policy, regulatory reforms over the course of this conversation. But you know, I think if we could set aside the piece of how much money is available from the State for funding and even you know who collects it and how it gets distributed. I would love for each of you, maybe just to speak for, you know, 30 s, you know, if you could wave a magic wand.

259

00:51:57.480 --> 00:52:15.430

Laura Tolkoff: You know what are 2 things that you think are 2 laws, or 2 laws that are standing in the way of realizing the State's goal for public transit. And you know, what would you ask the State to fix?

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00:52:15.920 --> 00:52:20.920

Laura Tolkoff: So I am going to start with John.

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00:52:24.130 --> 00:52:47.219

John Gahbauer: Thanks, Laura. Yeah, I'd I'd say that the first most important has to sound like a broken record with the fair box. Recovery ratio, I think amending. That is a a small like. It sounds like a small policy fix, but it really would have, I think, an outside impact on the way that services delivered on the on the streets.

262

00:52:47.240 --> 00:53:04.200

John Gahbauer: The other fix it has to do with the Sta. Part of the Tda. Because it's been alluded to. That that's that's funded by State taxes on Diesel obviously, Diesel is getting phased out. So we need to find a new revenue source for that. And as Bryan mentioned there.

263

00:53:06.690 --> 00:53:07.700

John Gahbauer: Jennifer's

264

00:53:07.750 --> 00:53:24.019

John Gahbauer: to do that with Roxon Vmt. Charges and other things that that could be could have other benefits as well as it's just funding funding transit. But that's definitely a little bit of a ticking time bomb as Diesel is phased out.

265

00:53:26.620 --> 00:53:27.700

John Gahbauer: Doesn't mind too.

266

00:53:29.830 --> 00:53:30.710

Laura Tolkoff: Brian.

267

00:53:34.050 --> 00:53:39.610

Brian D. Taylor: Well, I think I've I've kind of mentioned that the 2 that I think are really important is that the the States

268

00:53:40.130 --> 00:53:52.320

Brian D. Taylor: role in pushing local governments to think about their responsibility. To build affordable housing has been quite dramatic. And there's enormous push back on it. And I think that

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00:53:52.560 --> 00:54:14.470

Brian D. Taylor: more sort of aggression on that front to kind of satisfy the unmet demand and help to deal with affordable housing crisis will do more to bring people into the central areas of cities and dramatically increase transit demand which would increase Fairbox recovery and take pressure off systems financially, that way. That's one thing, and the second, that as the State starts to develop

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00:54:14.470 --> 00:54:25.219

Brian D. Taylor: the the post gas tax road user charge that it thinks it's more than just the revenue collection device that thinks that there's a way to advance its climate and equity goals.

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00:54:25.440 --> 00:54:33.239

Brian D. Taylor: and it creates a variable road user charge that helps support, transit and travel by means of an automobile.

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00:54:33.320 --> 00:54:45.570

Brian D. Taylor: and ties that to to charging people for the costs that they're imposing. And I think that those 2 things will work in a complementary way to stabilize the financial and demand picture for public transit, so that we're not

273

00:54:45.590 --> 00:54:47.670

Brian D. Taylor: lurching from crisis to crisis.

274

00:54:49.910 --> 00:54:54.090

Juan Matute: I would love to see a transit first policy for all

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00:54:54.310 --> 00:54:56.050

Juan Matute: nonattainment areas.

276

00:54:56.140 --> 00:55:03.669

Juan Matute: So that's most of California. San Francisco's done it well, since the transit first policy of the seventies or 80 Si think.

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00:55:03.820 --> 00:55:13.460

Juan Matute: and I think it's time to put in writing that trips that can be made through transit should be attempted to be served through transit throughout the State.

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00:55:18.290 --> 00:55:33.590

Kari Watkins: Being the newbie to the State. I it's hard for me to focus in on specific policies. Like, some of these guys have, because I'm still as I keep telling people, I'm learning California. But I would say.

279

00:55:33.840 --> 00:55:39.319

Kari Watkins: in imagining sort of new policies or things we could be putting into place is.

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00:55:39.330 --> 00:55:54.399

Kari Watkins: how do we get cities to give over more space to prioritize transit? So how do we incentivize that? Encourage that? I mean, I don't think we want the State coming in to take over those kinds of things. But how do we actually make sure

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00:55:54.400 --> 00:56:13.939

Kari Watkins: that cities are incentivized to be putting transit first in terms of space itself, and allocating space, so that we can be doing all the things we need to in terms of putting putting transit priority elements in place.

282

00:56:17.030 --> 00:56:29.779

Laura Tolkoff: These are all great ideas. And I we, since we have a little more time on this, I would say, I'm gonna take a question here from the audience just building on it. It seems like many of these solutions they

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00:56:30.020 --> 00:56:47.520

Laura Tolkoff: sound very logical. And yet they have not happened yet. And so obviously, they're hitting up against a lot of resistance. In in many cases. So I'm curious. What do you think it's either going to take Or

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00:56:47.650 --> 00:56:55.090

Laura Tolkoff: what do you think has been successful in making the types of changes that that you're talking about.

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00:56:59.360 --> 00:57:13.110

Brian D. Taylor: Well, while they're thinking about. What would be successful? I think that loss aversion. The idea of loss aversion is incredibly powerful, and it operates at an individual level. People fear

286

00:57:13.370 --> 00:57:32.119

Brian D. Taylor: that apartment building in their neighborhood because they're in a single family dwelling, and somehow it's going to change it. And so they want to oppose it. And I think that transit agencies might say, Hey, we know how Tda works. We built our business model around it. Now you want to make changes. We're unsure of what that might be.

287

00:57:32.170 --> 00:57:44.810

Brian D. Taylor: So the devil that we know is better than the devil that we don't know. So there's a lot of kind of loss of version that makes it difficult to shift off. Of whatever the status quo is, it results in a strong status quo bias

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00:57:44.890 --> 00:58:11.550

Brian D. Taylor: and makes policy innovation difficult. I mean the fact that you know, we've we've created this ongoing. And you know the the trans, the financial crisis for transit. It's it's really powerful and important now. But this is not. This is a repeated pattern that we go through. And in the same way the, the, the connected, affordable housing crisis, these are all things that were very difficult to move us off to the status quo, which is, local governments

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00:58:11.910 --> 00:58:28.480

Brian D. Taylor: want to push the housing out where people aren't going to be able to ride transit, and that's the model we've been operating under and making shifting that I think this just, you know this this idea of lost version is just powerful in institutions and in individuals. Now I'll let my colleagues tell you what the solution to that is.

290

00:58:33.220 --> 00:58:35.420

Juan Matute: I think the future of

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00:58:35.920 --> 00:58:40.529

Juan Matute: hitting Rena target. So producing a lot of housing in California.

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00:58:40.840 --> 00:58:48.140

Juan Matute: But people having limited mobility because of financial strain for transit. I think that situation

293

00:58:48.520 --> 00:58:51.709

Juan Matute: would really motivate taking action

294

00:58:51.780 --> 00:58:54.660

Juan Matute: on new business models, new funding approaches

295

00:58:54.720 --> 00:59:05.570

Juan Matute: for transit. It's it's it's we have to vision the future that we want. With transit, especially

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00:59:05.610 --> 00:59:08.070

Juan Matute: with housing supply growth

297

00:59:08.200 --> 00:59:13.620

Juan Matute: rather than kind of the status quo, because transit very much under. Utilize in this State right now.

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00:59:17.700 --> 00:59:18.530

John Gahbauer: right?

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00:59:18.600 --> 00:59:42.049

John Gahbauer: And just speak to formula for success. Here, I think you know, we've been talking about state the State Level State Funding, and you know that's that's very important. But I think for for it to work for it to to deliver. You know, we're we're hearing the questions, a lot of concerns about the the effects on on on local

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00:59:42.050 --> 01:00:03.909

John Gahbauer: operating environments. And I think that that's you know, while we're talking at the state level, I think the successful solutions will be tailored to the in in some way to local environment local operating context for transit, because there's a huge range of operating environments across the state urban role and in between.

301

01:00:03.960 --> 01:00:23.229

John Gahbauer: And so any policy and and funding change needs to recognize that there probably is no one. Size fits all solution, and and the devils and the details there. But I think that that keeping that in mind is important for achieving success with any major policy changes.

302

01:00:24.850 --> 01:00:49.679

Laura Tolkoff: So I think we are at time. I there are no psychologists that I'm aware of on the panel to talk about how to overcome loss loss, a version. But I do appreciate all of these great thoughts and ideas, and in many ways, that that part is our work. So I guess we will continue that conversation. But just want to thank our panelists and thank everyone who was able to join us for this

303

01:00:49.680 --> 01:01:02.709

Laura Tolkoff: conversation today. We hope you'll continue to join us for the next conversations. As part of spur digital discourse, and also check out all the great research that you see it. S is doing

304

01:01:02.720 --> 01:01:04.609

Laura Tolkoff: Thank you. All. Have a good day.