

Transit Transformation Task Force (TTTF) – Meeting #7
California State Transportation Agency
December 10, 2024 | 10:30 am – 4:30 pm
APPROVED MEETING MINUTES

The Armstrong Transit Center
785 Third Street
Clovis, CA 93612

Background: [SB125](#) established the Transit Transformation Task Force (TTTF) to develop policy recommendations to grow transit ridership, improve the transit experience, and address long-term operational needs. The California State Transportation Agency (CalSTA) appointed 25 members to the TTTF, including representatives from state government, local agencies, academic institutions, advocacy organizations, and other stakeholders. CalSTA, in consultation with the TTTF, will prepare a report of findings and policy recommendations based on the TTTF's efforts and submit it to the Legislature by October 31, 2025.

TTTF Members

(X indicates member was present in the room)

	Kome Ajise, Southern California Association of Governments	X	Kate Miller, Napa Valley Transportation Authority/Vine Transit		Laura Tolkoff, SPUR
X	Rashidi Barnes, Eastern Contra Costa Transit Authority	X	Lorelle Moe-Luna, Riverside County Transportation Commission	X	Mark Tollefson, CalSTA
X	Alix Bockelman, Metropolitan Transportation Commission	X	Seamus Murphy, San Francisco Bay Water Emergency Transportation Authority	X	Michael Turner, Los Angeles County Metropolitan Transportation Authority
X	Sharon Cooney, San Diego Metropolitan Transit System (MTS)	X	Laurel Paget-Seekins, Public Advocates	X	Kari Watkins, UC Davis
X	Ian Griffiths, Other Stakeholder with Subject Matter Expertise in Transportation	X	Michael Pimentel, California Transit Association	X	Mark Watts, Transportation California

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X	Amy Hance, City of Clovis	X	Robert Powers, San Francisco Bay Area Rapid Transit District (BART)	Melissa White, Senate Transportation Committee
X	James Lindsay, Amalgamated Transit Union	X	Carl Sedoryk, Monterey-Salinas Transit District	Jim Wunderman, Bay Area Council
X	Eli Lipmen, Move LA		David Sforza, Assembly Transportation Committee	
X	Juan Matute, UCLA Institute of Transportation Studies	X	Tony Tavares, Caltrans	

Agenda Topics

1. **Welcome and Opening Remarks** (Mark Tollefson, Undersecretary, CalSTA, TTF Chair)
 - Opening remarks expressing gratitude to the Task Force members and providing an overview of today's agenda.

2. **Remarks by Amy Hance** (Director of General Services, City of Clovis and Host Task Force Member)
 - Welcomed the Task Force to the City of Clovis. Provided an overview of the new transit facility, named after William Armstrong. The facility houses part of Clovis' transit operations, which consists of approximately 90 employees.

3. **Remarks by Robert Phipps**, (Executive Director, Fresno Council of Governments)
 - Provided an overview of the planned Fresno High-Speed Rail Station, which is in the design phase. The project is anticipated to begin construction in 2027 with high-speed rail operations set to occur between 2030 and 2033.
 - Provided an overview of the Fresno County Regional Rail Feasibility Study. In partnership with the Fresno County Rural Transit Agency (FCRTA), Fresno COG has been awarded state transportation planning grant funding to study a countywide regional rail network targeting underused freight rail branch lines to connect the region to the future high-speed rail station in downtown Fresno.

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- Provided an overview of the Fresno Metropolitan Light Rail Feasibility Study. In collaboration with Fresno Area Express (FAX), Fresno COG is developing a transportation planning grant application to study a light rail network connecting major activity centers throughout the city to the future high-speed rail station in downtown Fresno.
- Provided an overview of public transit funding in Fresno County, Measure C. Measure C will raise over \$1.7 billion in local transportation funds between 2007 and 2027. Nearly 20% of all funding is dedicated to public transit projects and operations.

4. Public Comments

- None.

5. Roll Call (Mark Tollefson, Undersecretary, CalSTA, TTTF Chair)

- Call to order, roll call, establishment of quorum, and housekeeping items.

6. Approval of the TTTF Meeting Minutes for October 28, 2024 (Mark Tollefson, Undersecretary, CalSTA, TTTF Chair)

- A motion was made to approve the August 28, 2024 meeting minutes
- Motion/Second: Watts/Miller
- Ayes: Barnes, Bockelman, Cooney, Griffiths, Hance, Lindsay, Miller, Moe-Luna, Murphy, Page-Seekins, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Watkins, Watts
- Noes: None
- Absent: Ajise, Lipmen, Matute, Sforza, Tolkoff, Turner, White, Wunderman

7. Staff Report on findings and policy recommendations for the report to the Legislature (Mark Tollefson, Undersecretary, CalSTA, TTTF Chair)

- Provided a more detailed overview of today's agenda. Reviewed motions process and the types of motions that members can make.

a) Staff presentation on policy recommendations on workforce opportunities, land use and housing policies, and potential of transit-oriented development and value capture (Hunter Owens, SB125 Staff).

- H. Owens presented a set of draft recommendations and a supporting staff report. The draft recommendations were drawn from TTTF meetings, Technical Working Group (TWG) meetings, and

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SME interviews. He presented the draft recommendations in the tables below.

- Draft recommendations on workforce opportunities:

Principle: Transit should be operationally sustainable	
STRATEGY	RECOMMENDATIONS
N. Expand candidate pool and reduce barriers to entry for transit roles	N.1. Expand partnerships with trade/ community colleges and other programs to increase size of candidate pool and train potential candidates
	N.2. Create a centralized job board for transit agencies that are in the same transit region to advertise vacancies, share a talent pool, and better match candidates to positions
	N.3. Create a statewide campaign to increase interest in careers in public transportation
	N.4. Re-evaluate age requirements for bus operators
	N.5. Align Federal and State regulations around drug tests, particularly as it relates to marijuana
	N.6. Create an on-the-spot in-person interview and hiring process, and provide on-site examination for operators rather than requiring applicants to go test at the DMV
	N.7. Allow in-house examiners to fulfil the certification requirements through tests administered to multiple agencies within a region (i.e., instead of current 10-test requirement)
	N.8. Establish a shared pool of vehicle simulators distributed across agencies within a region to expedite the certification process, especially for smaller agencies
O. Improve the value proposition of transit roles by reviewing compensation package and providing employee flexibility	O.1. Benchmark pay to cost of living of each region
	O.2. Cater and tailor compensation packages to different stages of the employee lifecycle
	O.3. Provide housing stipends or partner with affordable housing providers to increase access to affordable housing near where transit workers report to work
	O.4. Establish on-site childcare centers (or equivalent benefits)
	O.5. Provide increased flexibility for workers (e.g., relieving shifts, choosing what shifts they want) to

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	manage personal commitments, such as childcare or other familial responsibilities
	O.6. Offer a diverse variety of shifts, and scale pay per desirability of shifts
	O.7. Invest in amenities for operators at end-of-line or as needed (e.g., add restroom facilities and lighting)
	O.8. Improve safety and experience of operators by increasing the presence of community support and law enforcement officers, installing protective partitions, and easing enforcement of safety measures through cross-jurisdiction legal frameworks
	O.9. Explore and define transit and paratransit roles as essential emergency roles, increasing eligibility for funding through emergency services sources (e.g., FEMA and CalOES)
P. Expand training and mentorship programs for agencies to ensure employees have required skills and visibility into career pathways	P.1. Create centralized training programs that can be used by agencies in the same transit area; for example, through trade colleges, and fund placements
	P.2. Standardize credentials, curriculums, and onboarding materials that can be recognized across agencies
	P.3. Connect transit agencies to academic institutions (e.g., community colleges) to train employees for emerging skill requirements (e.g., maintenance of electric vehicles and autonomous vehicles)
	P.4. Encourage transit agencies to establish formal mentorship and shadow programs; specifically, programs that provide new employees with visibility into roles a few levels above

- Draft recommendations on land use and housing policies:

Principle: Transit and land use are interconnected	
STRATEGY	RECOMMENDATIONS

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<p>Q. Improve integrated transit and land use planning and coordination</p>	<p>Q.1. Create a statewide strategy for transit-supportive land use to address both transit and housing objectives, including setting out TOD-specific objectives and guidelines that consider potential equity impacts and interests of private developers</p>
	<p>Q.2. Give transit agencies the ability to review and comment on City TDM plans</p>
	<p>Q.3. Encourage HCD to include additional transit-supportive land use policies in qualifying for pro-housing designation</p>
	<p>Q.4. Work with HCD, LCI, and CARB to incorporate transit service level targets and enhancements while determining RHNA targets</p>
	<p>Q.5. Encourage transit agencies to include analysis and evaluation of land use and value capture opportunities into their transit enhancement and expansion plans</p>
	<p>Q.6. Leverage, where possible, Caltrans-owned and other state-owned land to support transit via TOD</p>
	<p>Q.7. Have State collect and publish additional data to measure progress against transit-informed RHNA targets (e.g., square footage/ units of development, average timelines)</p>
<p>R. Streamline the approval process for entitlements and permits for developments near transit</p>	<p>R.1. Provide by-right entitlement approvals for qualifying developments (e.g., those that are within 0.5 mile of transit) without SB 35</p>
	<p>R.2. Limit timelines for issuing permits for qualifying developments (e.g., those that comply with TOD policies and/or are within 0.5 mile of transit) or grant approvals automatically</p>
	<p>R.3. Consolidate responsibility for issuing permits for developments near transit to a 'responsible agency' to issue all permits at one time, rather than in sequence</p>
	<p>R.4. Create common software to digitize entitlement and permitting processes</p>
<p>S. Encourage proactive zoning and land use near transit to support dense development</p>	<p>S.1. Identify all land around transit stations open to joint development, including land owned by transit agencies and Caltrans, to develop TOD and work with developers</p>
	<p>S.2. Increase allowable building densities and update other requirements to support TOD (e.g., setback</p>

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	requirements, CEQA, coastal zone requirements) near transit
	S.3. Examine opportunities to price on-street parking and unbundle new off-street parking from residential and commercial developments within 0.5 mile of transit
	S.4. Allow transit agencies to sell air rights to create development opportunities above transit stations and facilities
	S.5. Create bench of pre-cleared property developers for use by agencies statewide with the goal of achieving economies of scale for TOD developments
T. Provide education, incentives, or funding to developers and/or agencies that meet objectives	T.1. Have CalHFA provide loans with lower interest rates to developers for qualifying TOD projects
	T.2. Engage pension funds to explore investment opportunities to support qualifying TOD projects (e.g., for direct land acquisition by transit agencies and/or local jurisdictions)
	T.3. Create dedicated resources to assist developers with TIFIA loans for housing and other TOD financing
	T.4. Where possible, create pre-permitted project opportunities to encourage public-private partnerships
	T.5. Provide incentives or funding to support transit agencies, MPOs, and/or cities that meet TOD objectives and other mandates (e.g., decarbonization)
	T.6. Set up State team to provide support on TOD to local jurisdictions and transit agencies
	T.7. Ensure State agencies coordinate land use and transportation planning and permitting to reduce contradicting policies and complete projects with sufficient housing and transportation

- Draft recommendations on transit-oriented development and value capture:

Principle: Transit and land use are interconnected	
STRATEGY	RECOMMENDATIONS

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U. Allow California to maintain and capture value from land near transit	U.1. Ensure potential transit uses, including transit-oriented development, are prioritized in the Surplus Land Act
	U.2. Assess the private value created from public transit investments and create mechanisms that could allow transit agencies to become an equity partner and/or capture this value (e.g., through taxes, transit passes)
	U.3. Create or modify a tax increment financing tool specifically for transit-oriented development and value capture near station with fewer requirement than current tools along with more revenue available for capture
	U.4. Create new entity to directly undertake property development and/or enter public-private partnerships to provide revenue to transit agencies
V. Provide incentives and/or technical assistance to support transit agencies on value capture	V.1. Provide funding and/or technical assistance to agencies to support value capture opportunities (e.g., grants to hire specialists for in-sourced opportunities such as advertising, consortium to design, and install EV chargers and hydrogen re-fueling facilities on agency-owned parking areas)
	V.2. Create State Purchasing Schedules to make expertise in value-capture opportunities available to transit agencies to lower costs (e.g., California tourism passes, professional sports teams)
	V.3. Prioritize investment dollars into transportation projects that have a value capture strategy

b) Public Comments

- None.

c) Task Force Discussion and Actions on Draft Recommendations N.1-N.8 (All)

- **Implementation Responsibility and Clarification:** Task Force members emphasized the need to identify responsible parties for each recommendation, with some roles being inherently tied to transit agencies, states, or regional bodies. Finalizing these details will occur in the next phase.
- **Refinement of Language and Concepts:** Task Force members noted that several recommendations require clearer language to address

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nuances, such as distinguishing between bus and rail operations, clarifying age-related requirements, and specifying the intent of conditional hiring processes.

- **Inclusivity and Accessibility:** There was strong advocacy for inclusivity, including campaigns in multiple languages, high school and re-entry program engagement, and ensuring testing processes are accessible for diverse populations, including LGBTQ+ individuals.
- **Flexibility and Practicality:** Flexibility was encouraged for recommendations like on-site childcare, which might not be universally applicable. Adjustments to "on-call" childcare or alternative workforce strategies were suggested to accommodate diverse operational needs.
- **Aspirational and Transformative Vision:** Task Force members stressed the importance of making the principles and recommendations aspirational and inspiring to the public and policymakers. This includes developing more directional, goal-oriented language to reflect positive outcomes.
- **Prioritization and Strategic Alignment:** Task Force members discussed the need to prioritize strategies and align them with legislative mandates to ensure the recommendations are actionable and impactful.

Motion to approve draft recommendations N.1 through N.4 with the following modifications (in *bold italics* and ~~strikethrough~~):

Strategy	Draft Recommendations
N. Expand candidate pool and reduce barriers to entry for transit roles	N.1. Expand partnerships with trade/ community colleges and other programs (<i>including re-entry programs and K-12 systems</i>) to increase size of candidate pool and train potential candidates
	N.2. Create a centralized job board for transit agencies that are in the same transit region to advertise vacancies, share a talent pool, and better match candidates to positions
	N.3. Create a statewide campaign <i>in multiple languages</i> to increase interest in careers in public transportation
	N.4. Re-evaluate age requirements for bus operators <i>Note: Creating additional clarifications before final recommendations</i>

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Strategy	Draft Recommendations
	<p>N.5. Align Federal and State regulations around drug tests, particularly as it relates to marijuana</p>
	<p>N.6. Create an on-the-spot in-person interview and hiring process, and provide on-site examination for operators rather than requiring applicants to go test at the DMV <i>Note: Creating additional clarifications before final recommendations</i></p>
	<p>N.7. Allow in-house examiners to fulfil the certification requirements through tests administered to multiple agencies within a region (i.e., instead of current 10-test requirement) <i>Note: Creating additional clarifications before final recommendations</i></p>
	<p>N.8. Establish a shared pool of vehicle simulators distributed across agencies within a region to expedite the certification process, especially for smaller agencies</p>

- Motion/Second: Miller/Cooney
- Ayes: Barnes, Bockelman, Cooney, Griffiths, Hance, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Paget-Seekins, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Turner, Watkins, Watts
- Noes: None
- Absent: Ajise, Sforza, Tolkoff, White, Wunderman
- Motion approved

**d) Task Force Discussion and Actions on Draft Recommendations O.1-O.9
(All)**

- **Collective Bargaining and Local Autonomy:** Many Task Force members emphasized that most workforce-related items (O1–O7) are traditionally addressed through collective bargaining agreements (CBAs) and that State recommendations or mandates on these matters could disrupt well-established negotiation processes. There was concern about these recommendations having unintended consequences and affecting long-standing agreements, seniority systems, or municipal operator dynamics.

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- **Childcare and Support Services (O4):** Many Task Force members discussed recommendation O4 regarding on-site childcare centers. While some noted that childcare is a critical need for the transit workforce, others pointed out barriers to establishing such centers including high insurance costs, operational logistics, and local regulations. Other Task Force members suggested alternative ideas to establishing on-site childcare centers, including the idea of “on-call” childcare, as well as partnering with the California Department of Social Services to provide childcare services to transit workers.
- **Recommendations vs. Toolbox:** Some Task Force members proposed reframing and rewording the O recommendations as a “toolbox” of options for transit agencies, rather than definitive recommendations for legislative action.
- **Recommendations and the Legislative Process:** In discussing rewording options, the Task Force discussed the implications of making recommendations to the legislature, and to what extent recommendations could become “mandates,” regardless of wording. Concerns were raised about presenting recommendations to legislators in a way that could lead to unintended mandates or legislative overreach into collective bargaining and other processes.
- **Funding Considerations:** Several Task Force members stressed the importance of securing new funding to implement these ideas, especially for items like housing stipends or childcare. Without state or external financial support, agencies may struggle to adopt these initiatives.
- **Inclusive Strategies for Represented and Unrepresented Employees:** One Task Force member noted that smaller agencies may have employees who are not represented by labor unions, and noted that the applicability of these recommendations to unrepresented employees was unclear and should be considered.
- **Future-Proofing Workforce Policies:** Task Force members participants noted the need to address long-term workforce challenges, such as shifting demographics and work-life balance priorities, rather than making incremental adjustments.

Motion to table draft recommendations O.1-O.9 and revisit at a future meeting:

- Motion/Second: Tollefson/Griffiths

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- Ayes: Barnes, Bockelman, Cooney, Griffiths, Hance, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Paget-Seekins, Pimentel, Powers, Sedoryk, Tollefson, Turner, Watkins, Watts
- Noes: None
- Absent: Ajise, Sforza, Tavares, Tolkoff, White, Wunderman
- Motion approved

e) Task Force Discussion and Actions on Draft Recommendations P.1-P.4 (All)

- **Centralized Training and Standardization:** The Task Force discussed creating centralized training programs with standardized credentials, curriculums, and onboarding materials. These programs should be flexible and tailored to individual agency needs, developed with input from both transit agencies and labor partners. Rather than adding new layers of training, existing materials should be improved and gaps addressed. Collaboration with academic institutions like community colleges is also crucial for developing skills in emerging areas like electric and autonomous vehicle maintenance.
- **Addressing Workforce Gaps and Proprietary Challenges:** A key issue discussed was the difficulty in maintaining electric vehicle fleets due to proprietary software and hardware. Limited access to these components results in long downtimes for many transit vehicles. To address this, participants suggested eliminating proprietary constraints in procurement contracts and developing specialized training programs. Partnerships with manufacturers and regional collaborations could also help bridge the skills gap.
- **Apprenticeships and Mentorship Programs:** Task Force members discussed the need for apprenticeship and mentorship programs particularly for smaller agencies. State support for regional apprenticeship models could help ease the process. Mentorship programs were also seen as essential for providing new employees with career visibility and growth opportunities within agencies, contributing to workforce retention and development.
- **State and Academic Institution Involvement:** Task Force members discussed the role of the state and academic institutions in workforce development, particularly in incentivizing schools to partner with transit agencies. Many agencies struggle to secure the resources or cooperation needed from community colleges, such as space for training equipment. The state could provide funding or support to help

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address these challenges, and engaging private-sector manufacturers to develop training programs could also be beneficial.

Motion to approve draft recommendations P.1-P.4 with the following modifications (in *bold italics* and ~~strikethrough~~):

Strategy	Draft Recommendations
P. Expand training and mentorship programs for agencies to ensure employees have required skills and visibility into career pathways	P.1. Create centralized training programs <i>in coordination with labor partners</i> that can be used by agencies in the same transit area; for example, through trade colleges, and fund placements
	P.2. Standardize credentials, curriculums, and onboarding materials that can be recognized across agencies
	P.3. Connect transit agencies to academic institutions <i>and other entities</i> (e.g., community colleges) to train employees for emerging skill requirements (e.g., maintenance of electric vehicles and autonomous vehicles)
	P.4. Encourage transit agencies to establish formal mentorship, and shadow programs, or <i>apprenticeship programs</i> ; specifically, programs that provide new employees with visibility into roles a few levels above

- Motion/Second: Tollefson/Miller
- Ayes: Barnes, Bockelman, Cooney, Griffiths, Hance, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Paget-Seekins, Pimentel, Powers, Sedoryk, Tollefson, Turner, Watkins, Watts
- Noes: None
- Absent: Ajise, Sforza, Tavares, Tolkoff, White, Wunderman
- Motion approved

f) Task Force Discussion and Actions on Draft Recommendations Q.1-Q.7, R.1-R.4, S.1-S.5, and T.1-T.7 (All)

- **Support for Transit-Oriented Development (TOD) Principles:** There was general agreement on the importance of aligning transit and land use policies to support TOD as a strategy for increasing transit ridership and housing supply. Task Force members acknowledged that TOD could enhance community development while

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addressing state goals such as decarbonization and housing affordability.

- **Concerns About Scope and Expertise:** Some Task Force members questioned whether the Task Force has the expertise or authority to make housing policy recommendations in the TTTF report. Many suggested focusing on higher-level recommendations rather than delving into detailed and complex housing policies that fall outside the group's core mission.
- **Balancing Housing and Transit Policy:** There was recognition that housing policy and transit planning are interconnected, but participants cautioned against linking them too tightly, such as tying RHNA numbers to transit service levels, without considering broader infrastructure and fiscal constraints. Some called for balancing housing density and affordability goals while avoiding displacement and ensuring adequate local infrastructure.
- **Need for Further Refinement and Regional Flexibility:** Some Task Force members expressed concerns that certain recommendations, such as changes to RHNA or permit streamlining, may not account for regional differences and could face resistance from local jurisdictions. They emphasized the need for additional clarity and specificity in the recommendations to ensure they are actionable and adaptable to local contexts.
- **Support for Revenue and Financing Strategies:** Some Task Force members expressed support for strategies to address financing challenges, including leveraging state-owned land, providing low-interest loans, and enabling transit agencies to sell air rights or capture value from TOD developments. They suggested exploring new mechanisms for transit agencies to benefit from the increased land values they help create, such as state-level value capture tools.
- **Streamlining and Process Improvements:** Several Task Force members supported simplifying permitting and entitlement processes, but they also raised concerns about how such changes might be implemented in different regions and their potential unintended consequences.
- **Equity and Community Impacts:** Some Task Force members raised concerns about ensuring that TOD strategies address equity, avoid displacement, and prioritize affordable housing. They called for the Task Force to consider community impacts and integrate equity goals into its recommendations.

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Motion to approve draft recommendations Q.1, Q.2, Q.3, Q.5, and Q.6 and remove Q.4 and Q.7 with the following modifications (in *bold italics* and ~~strikethrough~~):

Strategy	Draft Recommendations
P. Expand training and mentorship programs for agencies to ensure employees have required skills and visibility into career pathways	Q.1. Create a statewide strategy for transit-supportive land use to address both transit and housing objectives, including setting out TOD-specific objectives and guidelines that consider potential equity impacts and interests of private developers
	Q.2. Give transit agencies the ability to review and comment on City TDM plans
	Q.3. Encourage HCD to include additional transit-supportive land use policies in qualifying for pro-housing designation
	Q.4. Work with HCD, LCI, and CARB to incorporate transit service level targets and enhancements while determining RHNA targets
	Q.5. Encourage transit agencies to include analysis and evaluation of land use and value capture opportunities into their transit enhancement and expansion plans
	Q.6. Leverage, where possible, Caltrans-owned and other state-owned land to support transit via TOD
	Q.7. Have State collect and publish additional data to measure progress against transit-informed RHNA targets (e.g., square footage/ units of development, average timelines)

- Motion/Second: Tollefson/Griffiths
- Ayes: Bockelman, Cooney, Griffiths, Hance, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Paget-Seekins, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Turner, Watkins, Watts
- Noes: None
- Abstain: Barnes
- Absent: Ajise, Sforza, Tolkoff, White, Wunderman
- Motion approved

Motion to table draft recommendations R.1 – R.4 and revisit them at a future meeting:

- Motion/Second: Powers/Cooney

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- Ayes: Barnes, Bockelman, Cooney, Griffiths, Hance, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Paget-Seekins, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Turner, Watkins, Watts
- Noes: None
- Absent: Ajise, Sforza, Tolkoff, White, Wunderman
- Motion approved

Motion to approve S.1., S.3, S.4, and S.5 with no modifications:

- Motion/Second: Cooney/Sedoryk
- Ayes: Barnes, Bockelman, Cooney, Griffiths, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Paget-Seekins, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Turner, Watkins, Watts
- Noes: Hance
- Absent: Ajise, Sforza, Tolkoff, White, Wunderman
- Motion approved

Motion to approve draft recommendation S.2 with the following modifications (in *bold italics* and ~~strikethrough~~):

Strategy	Draft Recommendations
S. Encourage proactive zoning and land use near transit to support dense development	S.2. Encourage Increase increasing allowable building densities and update other requirements to support TOD (e.g., setback requirements, CEQA, coastal zone requirements) near transit

- Motion/Second: Tollefson/Griffiths
- Ayes: Bockelman, Cooney, Griffiths, Lindsay, Lipmen, Matute, Miller, Moe-Luna, Murphy, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Turner, Watkins, Watts
- Noes: Hance, Paget-Seekins
- Abstain: Barnes
- Absent: Ajise, Sforza, Tolkoff, White, Wunderman
- Motion approved

Motion to approve draft recommendation T.1-T.7 with no modifications:

- Motion/Second: Lipmen/Watts

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- Ayes: Barnes, Bockelman, Cooney, Griffiths, Lipmen, Matute, Miller, Murphy, Pimentel, Powers, Tavares, Tollefson, Turner, Watkins, Watts
- Noes: Hance, Sedoryk
- Abstain: Moe-Luna, Paget-Seekins
- Absent: Ajise, Lindsay, Sforza, Tolkoff, White, Wunderman
- Motion approved

g) Task Force Discussion and Actions on Draft Recommendations U.1-U.4 and V.1-V.3 (All)

- **Surplus Land Act and Transit Agencies' Control Over Land:** Several Task Force members emphasized the need to amend or repeal aspects of the Surplus Land Act to grant transit agencies more autonomy in utilizing their properties for revenue-generating activities. There is tension between using transit agency-owned land for affordable housing versus revenue-generating development, highlighting competing priorities of housing affordability and financial sustainability for transit.
- **Challenges and Opportunities in Value Capture:** Value capture mechanisms, such as ground leases, tax increment financing, and the sale of air rights were discussed as potential tools for transit agencies to recoup public investment and generate revenue. Concerns were raised about the feasibility and equity of value capture strategies, particularly in rural or low-density areas, where development activity may be insufficient to generate substantial revenue.
- **Funding and Technical Assistance Needs:** There was broad support for providing funding and technical assistance to transit agencies to explore value capture opportunities, such as hiring specialists or partnering with external entities. Questions arose about operationalizing value capture incentives without unintentionally disadvantaging certain regions or agencies, suggesting a need for flexible, context-sensitive approaches.
- **Creation of New Entities vs. Leveraging Existing Structures:** Opinions diverged on whether a new entity should be established to support transit-oriented development and value capture. Larger agencies with significant property portfolios might benefit from a specialized entity, while smaller agencies may lack sufficient property to justify

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such efforts. Alternative language, such as "identifying an existing entity," was suggested.

- **Equity Considerations in Policy Design:** Ensuring affordable housing near transit was viewed as a critical priority by some Task Force members, reflecting broader equity goals. There were calls to balance revenue generation with maintaining affordability, emphasizing the potential for conflicting objectives.
- **Broader Policy Integration and Examples:** Task Force members noted a lack of strong value capture examples within California, advocating for further research or case studies from other jurisdictions (e.g., Canada and France). Integration of concepts like Vehicle Miles Traveled (VMT) and land use into the discussion was suggested to ensure alignment with climate and transportation goals.

Motion to approve draft recommendation U.2 and U.3 and table draft recommendations U.1 and U.4 to revisit at a later meeting:

STRATEGY	RECOMMENDATIONS
U. Allow California to maintain and capture value from land near transit	U.1. Ensure potential transit uses, including transit-oriented development, are prioritized in the Surplus Land Act RECOMMENDATION TABLED
	U.2. Assess the private value created from public transit investments and create mechanisms that could allow transit agencies to become an equity partner and/or capture this value (e.g., through taxes, transit passes)
	U.3. Create or modify a tax increment financing tool specifically for transit-oriented development and value capture near station with fewer requirement than current tools along with more revenue available for capture
	U.4. Create new entity to directly undertake property development and/or enter public-private partnerships to provide revenue to transit agencies - RECOMMENDATION TABLED

- Motion/Second: Tollefson/Griffiths

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- Ayes: Barnes, Griffiths, Hance, Lipmen, Matute, Miller, Moe-Luna, Murphy, Pimentel, Powers, Sedoryk, Tavares, Tollefson, Turner, Watkins
- Noes: None
- Abstain: Bockelman, Cooney, Paget-Seekins, Watts
- Absent: Ajise, Lindsay, Sforza, Tolkoff, White, Wunderman
- Motion approved

Motion to table draft recommendation V.1, V.2, and V.3 for consideration at a future meeting:

STRATEGY	RECOMMENDATIONS
V. Provide incentives and/or technical assistance to support transit agencies on value capture	V.1. Provide funding and/or technical assistance to agencies to support value capture opportunities (e.g., grants to hire specialists for in-sourced opportunities such as advertising, consortium to design, and install EV chargers and hydrogen re-fueling facilities on agency-owned parking areas)
	V.2. Create State Purchasing Schedules to make expertise in value-capture opportunities available to transit agencies to lower costs (e.g., California tourism passes, professional sports teams)
	V.3. Prioritize investment dollars into transportation projects that have a value capture strategy

- Motion/Second: Powers/Bockelman
- Ayes: Barnes, Bockelman, Cooney, Griffiths, Lipmen, Miller, Moe-Luna, Murphy, Powers, Sedoryk, Tollefson, Turner, Watkins
- Noes: Matute
- Abstain: Paget-Seekins, Pimentel, Tavares, Watts
- Absent: Ajise, Hance, Lindsay, Sforza, Tolkoff, White, Wunderman
- Motion approved

h) Public Comments

- None

8. Discussion of new options for revenue sources to fund transit operations and capital projects to meet necessary future growth of transit systems for the next 10 years

- a) Staff presentation** (Hunter Owens, SB125 Staff)

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- Presented information on transit funding to prompt discussion of options for revenue sources to fund transit operations and capital projects to meet necessary future growth of transit systems for the next 10 years.
- Looking at National Transit Database (NTD) costs, 60% of funds were spent on operations between 2013 and 2023, with 38% going to capital. This capital spending was split roughly 50/50 between supporting existing operations and funding new services.
- Looking ahead, uncertainties include the growth of operational costs, potential changes in service levels, new mandates like ICT, and variations in revenue sources such as fare revenue, federal reauthorization, and local taxes. Requesting input on the most critical factors for forecasting costs and identifying revenue sources over the next decade.

b) Public Comments

- Adina Levin (Seamless Bay Area) emphasized that securing operating funding is critical for providing reliable, frequent transit service that drives ridership. There are various potential funding sources to explore, including strategies like Pennsylvania's Governor Shapiro's use of ITA funds, and discussions about transitioning to usage-based fees as gas tax revenue declines.

c) Task Force discussion

- **Revenue Needs and Sources:** Task Force members noted that funding is required to address transit deficits, including billions to restore pre-pandemic service and meet statewide transportation goals. Potential revenue sources include income tax surcharges, payroll taxes, corporate transit fees, road user charges, gross receipts taxes, the general fund, and tourism-related fees. The Task Force discussed the pros and cons of these various revenue sources. Task Force members also mentioned expanding funding eligibility, such as extending tax exemptions for zero-emission transit vehicles and increasing allocations for low-carbon programs.

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- **Efficiency and Demonstrating Results:** The discussion emphasized efficiency measures in transit systems as a prerequisite for legislative support, funding, and public approval. Examples from other states, like cost-saving initiatives in New Jersey and Vancouver, demonstrate the importance of accountability.
- **Climate and Equity Goals:** The Task Force discussed how to ensure transit funding aligns with climate goals, such as reducing vehicle miles traveled (VMT) and greenhouse gas emissions. Equitable solutions, including geographically sensitive road pricing and support for underserved areas, were advocated.
- **Zero-Emission Transition:** Task Force members raised concerns of the fiscal impact of transitioning to zero-emission vehicles. Calls for streamlined funding, fleet conversion support, and tax measures to ease the financial burden on transit agencies were discussed.
- **Regional Flexibility and Collaboration:** Task Force members stressed the importance of flexibility in allocating funds based on local priorities and populations, especially for smaller transit agencies. Potential collaboration with air districts and competitive programs were identified as ways to advance clean air and transit goals. Partnerships with the legislature were seen as critical to identifying and implementing politically feasible revenue solutions.
- **Data and Target Clarity:** Task Force members requested a clear understanding of funding needs and targets, including scenarios for different levels of investment. Ensuring data incorporates paratransit and accessibility considerations were deemed critical for an aging population.
- **Urgency for Action:** Some Task Force members urged bold action to address the fiscal cliff and secure sustainable, stable funding for transit. The importance of balancing short-term needs with long-term sustainability was emphasized.

9. Discussion of strategies to achieve fleet and asset management goals and needs, including funding approaches

a) Technical Working Group presentation (Michael Eschleman, AC Transit)

- **Rising Costs:** Operating costs per hour have increased due to reduced service and fixed costs, with higher insurance and lower ridership contributing to the rise.

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- **Zero-Emission Bus Issues:** Agencies have mixed results with zero-emission buses, facing challenges in reliability and operational costs. Some, like SunLine, have succeeded with hydrogen buses, while others, like AC Transit, struggle.
- **Maintenance Strategies:** The focus is shifting to predictive maintenance and standardized bus purchases to reduce costs. Capital project completion and limited engineering capacity are challenges.
- **Infrastructure Challenges:** Expanding charging and fueling infrastructure is essential but hindered by utility support limitations. Training programs, like ZEV U, are being developed to address workforce gaps.
- **Shared Procurement:** Shared procurement contracts for vehicles, parts, and software could reduce costs, though shared maintenance and infrastructure facilities face logistical challenges.
- **Operational and Staff Support:** Zero-emission buses require more vehicles and operators, increasing costs. Agencies need additional support for staff capacity and technical resources to implement the transition.

b) Public Comments

- None.

c) Task Force discussion

- **Fleet and Asset Management Goals:** Some Task Force members proposed expanding state administrative master services agreements for transit purchases, eliminating Caltrans' review for purchases under these agreements, and extending them to other entities like MBTA and CalACT. The Task Force discussed developing opt-in statewide capacities to assist transit agencies with project delivery. The Task Force also discussed legislation for job order contracting authority to streamline maintenance and reduce costs, and called for updates to funding program guidelines to improve competitiveness for transit capital projects.
- **Zero-Emission Bus Challenges:** The Task Force highlighted the significant challenges of cost and performance with zero-emission buses. Members stressed the need for consistent funding to support the transition and discussed how a declining bus manufacturing industry reduces competition and drives up costs. They noted that battery electric or fuel

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cell buses are two to three times more expensive than diesel or CNG buses. The group also called for faster energization timelines, a review of commercial vehicle rate tariffs, and addressing hydrogen costs and workforce training needs.

- **Infrastructure and Workforce Concerns:** Task Force members discussed the importance of infrastructure, specifically charging and fueling stations, for the success of zero-emission buses. Co-location opportunities for charging and fueling were also highlighted as a missed opportunity. Members stressed the need for stronger partnerships with power companies to produce and distribute power for electric fleets, and discussed the need for workforce training programs to support the transition to zero-emission technologies.
- **Paratransit and Accessible Vehicles:** Task Force members discussed the lack of reliable hydrogen-powered or electric paratransit vehicles, as there is currently only one manufacturer offering electric options, and they are unreliable. Some Task Force members noted that the discussion on zero-emission vehicles should include a focus on accessible buses and not just 40-foot buses, as paratransit vehicles are also a critical part of the transit fleet.
- **Joint Procurement and Cost Considerations:** Task Force members expressed support for joint procurement of buses. Some recommended setting up capacity for joint procurement in California to help transit agencies achieve cost savings. Task Force members acknowledged the challenges in reducing bus costs, emphasizing that bus prices typically do not decrease and that the solution may lie in scaling efforts and recognizing the economic realities of procurement.
- **Alternative Transportation and Vehicle Models:** Task Force members the need for 60-foot buses, particularly in high-ridership areas. One member proposed considering pilot projects for overhead trolley buses, which could provide interoperability and hybrid systems to power buses from the grid and address electrification challenges for heavy-duty vehicles.

- **Reliability and Weather Impact:** There was recognition that inclement weather could affect the reliability of zero-emission buses, especially in areas with frequent adverse conditions.
- **Regulatory Considerations:** Some Task Force members expressed concern over CARB's evaluation of including cutaway vehicles in the Innovative Clean Transit (ICT) regulation, stressing the need for reliable alternatives to meet paratransit needs.

10. Discussion of identification of the appropriate State department or agency to be responsible for transit system oversight and reporting

a) Technical Working Group presentation (Mike Costa, Placer County Transportation Planning Agency)

- **Complexities in Funding Programs:** Funding programs in California are often administered by one agency and distributed by another, creating administrative challenges, especially for smaller transit agencies that may lack sufficient staff.
- **Federal and State Reporting Requirements:** At the federal level, the National Transit Database reporting process and at the state level, the Transportation Development Act (TDA) require extensive administrative efforts, including triennial performance audits.
- **Consolidating Administrative Responsibilities:** The TWG discussed potential recommendations to simplify the administrative responsibilities for transit agencies, particularly in relation to funding programs. One recommendation was to explore ways to consolidate federal and state reporting requirements, as many of the TDA requirements are repetitive of federal regulations.
- **Consolidating Funding Programs and State-Level Administration:** The TWG discussed potentially consolidating various funding programs to reduce administrative burdens, potentially shifting from discretionary to more formulaic funding distributions while maintaining a competitive funding aspect. It also discussed whether a single state-level entity could oversee and administer transit funds.

b) Public Comments

- None.

c) Task Force discussion

- **Streamlining Oversight and Approval Processes:** Many Task Force members emphasized the need to streamline and simplify transit oversight and approval processes, including reducing the number of times approvals must be sought from the California Transportation Commission (CTC). A desire for more efficient federal oversight was also noted, particularly in the context of SB 125.
- **State Capacity for Transit Transformation:** The Task Force discussed the need to build the State's capacity to manage an expanding transit system effectively. This includes not only funding but also the administrative and oversight functions. One member suggested creating a specialized division within CalSTA or a new entity to centralize and streamline transit operations, as transit oversight is currently fragmented across multiple agencies.
- **Timeliness and Efficiency in Fund Distribution:** Task Force members emphasized the importance of timely and efficient fund distribution was highlighted, especially for programs administered by Caltrans. Delays in payments were cited as a significant issue, with some agencies waiting up to two years for funds. Task Force members suggested different solutions, including developing a task forces to address these issues, consolidating grant programs, disbursing funds directly to agencies, and modifying reporting requirements.
- **Improved Data and Reporting Systems:** One Task Force member noted the need for improved data systems to facilitate transparency and accountability. Several Task Force members pointed out the fragmented nature of data across transit agencies, and one suggested creating a statewide dashboard for better tracking and communication.
- **Consistency in Permitting and Approvals:** Issues with inconsistent permitting and approvals across different Caltrans districts were brought up, particularly regarding design approvals and delays in receiving necessary permits. These inconsistencies were seen as contributing to delays and financial losses, which could be addressed through clearer guidelines and more reliable processes.

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11. Public Comments for items not on the agenda

- None.

12. Preview of next steps and topics for future meetings (Mark Tollefson, Undersecretary, CalSTA, TTTF Chair)

- Please email homework to the SB125 inbox by 1/2/2025:
 - Feedback on additional data sources, SMEs, or TTTF discussion topics.
 - Feedback you have on today's discussions (fleet and asset management, new options for revenue sources, State department or agency for transit oversight and reporting).
- Next TTTF meeting will be on February 5, 2025 in Riverside.

13. Adjourn (Mark Tollefson, Undersecretary, CalSTA, TTT Chair)

- Thank you to the Task Force and the public.
- Meeting adjourned.

For any further questions please or visit our webpage:

<https://calsta.ca.gov/subject-areas/sb125-transit-program>