mutual designation of a third party to arbitrate disagree-
ments. In California, there are Local Agency Forma-
tion Commissions (LAF COS) that play the role of this
third party, mediating for public organizations, partic-
ularly on incorporation issues. In short, if local deci-
sion makers are to seriously consider pricing demon-
strations, it is necessary to be honest and clear about
possible failures in congestion-pricing demonstrations
and ways to ensure against such occurrences.

SUMMARY

The central lesson from our initial experience with sug-
gesting cord on and area wide pricing demonstrations is
that only half the problem of implementation is in the
cities; the other half is in the offer itself. Analysts,
economists, and program managers need to do much
more homework on the politics of implementation in
general, as well as the politics of pricing in particular.

Decision makers need to be queried on what trade-offs
should enter into the discussion of a pricing demonstra-
tion to make such a demonstration more likely. A menu
of several pricing options—with applicability to some but
not all urban areas—needs to be offered to cities. At
sites that express interest in the study and design of
demonstrations, a committee of affected parties should
be formed and charged with the task of devising com-
promises on demonstration revenues and other important
project variables. UMTA should be prepared to institute
short-term renewable contracts for demonstrations,
share veto control over certain project variables with the
sponsor, and develop policies with sponsors to ensure
against possible failures and adverse outcomes.

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Transportation Planning in Los Angeles

Norman H. Emerson, Graham O. Smith, and Wendy P. Stern, Office of Research, Office of the
Mayor, City of Los Angeles

Even the most cursory reflection on events since 1970
indicates that society is being propelled into a period of
major transition. Municipal officials, governors, and
others are now recognizing that we are entering an era
of limits—a discovery that our resources for expansion,
whether by private enterprise or public program, are
limited.

The late 1960s and early 1970s saw the emergence of
environmental concern, bringing with it a virtual revolt
against the continued construction of freeways and
street-widening programs—the circulation system of
postwar urban expansion. The underlying motivation of
this revolt may have been aesthetic concern, coupled
with an uneasy anxiety that we might indeed be destroy-
ing our own dream of the future. It was followed, early
in 1973, by the dramatic Arab oil embargo, which dem-
onstrated that we were very much overextended and that
many of the systems we had constructed were founded
on an illusion of self-sufficiency. Most recently, re-
cession and inflation have not only curbed much new con-
struction but have also raised the specter of potential
governmental insolvency.

Los Angeles has experienced particularly severe
thrones of the environmental and energy revolutions and
has only escaped financial emergencies to date because
of its extremely conservative charter limitations con-
cerning fiscal matters. Our postwar pattern of rapid
physical growth, based on a simple policy of planning to
accommodate demand, was combined with unprecedented
growth in automobile ownership and created the very
circumstances that have contributed to the severity of
our recent experiences. In those years we gladly ex-
changed an extensive interurban rail system for private
automobiles and systematically filled in the open space
between our towns with a carpet of low-density single-
family homes, first expanding the surface street systems
wherever necessary and then superimposing an elaborate
freeway network on the entire metropolitan region, facili-
tating yet more low-density growth on the periphery.

Except that it has been more pronounced, there is
nothing unique about the process that has occurred in Los
Angeles. It has been a prototype for subsequent Ameri-
can urbanization and, even as concerned planners seek
alternatives, the larger society continues its pursuits on
these same basic assumptions. Without the constraints
that have begun to emerge during the last decade, Amer-
ica (and indeed the rest of the world) would be happy to
continue the process.

After 25 years of unprecedented mobility and pros-
perity, our citizens now find themselves facing a puzzling
hiatus in which the orthodox solutions seem to be inef-
factive or, worse, tend to exacerbate our problems. The
administrative agencies we set up to accommodate the
pattern persist, guarding their prerogatives jealously,
as do the fragmented jurisdictions that emerged during
the same period.

To some of us, the obvious message of the environ-
mental, energy, and fiscal challenges is to increase the
efficiency of our systems. In transportation we must
either provide new and more efficient facilities that are
competitive with existing modes, or we must somehow
increase the efficiency of use of the existing modes them-
soever. Neither will be easily achieved: In the first
instance we must compete with a system that has pro-
vided our citizens unprecedented freedom of movement
and that is supported by facilities that represent more
than 50 years' massive investment. In the second, our
efforts will run the risk at every turn of being perceived
by our citizens as harassments rather than public ser-
VICES, the more so because they follow on the most
frenetic period of accommodative public works pro-
grams in history. We will give special attention to this
supremely sensitive subject of governmental efforts to
render existing transportation modes more efficient later
in this paper. We feel that our initial experiences with environmental, energy, and fiscal problems here in Los Angeles may provide valuable practical insights for the institution of such transportation-efficient programs as transportation pricing.

ELEMENTS OF THE TRANSPORTATION PROGRAM

One of our primary transportation efforts in Los Angeles is the development of a starter-line rapid transit system for consideration by the Urban Mass Transportation Administration (UMTA) for funding from its capital grant program. The preparatory steps necessary to identify the most feasible corridors for such a system, alignments, mode, extent of the guideway, and so on are currently progressing in the form of an analysis of alternatives. This report is being prepared jointly by the Southern California Rapid Transit District and the Southern California Association of Governments with continual input, advisement, and comment from a multiagency committee composed of representatives from all of the involved jurisdictions.

Along with the development of a rapid transit system, which is a long-term project, and as an integral part of our alternatives analysis, there is a focus on short-term transportation improvements, including better management of our existing transportation facilities. The desirability of this approach was emphasized when UMTA and the Federal Highway Administration jointly issued a series of regulations identifying a transportation system management program to be a part of a longer range transportation improvement program.

Some ongoing programs within the region that focus on short-term transportation improvements include ramp metering to freeways, preferential and exclusive lanes for buses and car pools on freeways, contraflow lanes on selected downtown streets, development of a parking management plan, staggered work hours, and the promotion of van pools and car pools through specific agencies.

What is apparent to us in Los Angeles is that a fixed-guideway rapid transit system will be most significant in accommodating a part of our total transportation needs. But in order both to enhance the success of a fixed-guideway system and to serve other transportation needs it is essential that we continue to pursue those transportation measures that can be developed with an extremely short lead time, that are less capital intensive and that use our existing resources. We see this not only as an interim measure while we await the development of a fixed-guideway rapid transit system but also as an integral component of its success.

IMPLEMENTATION OF SHORT-TERM TRANSPORTATION EFFICIENCY MEASURES

Short-term transportation efficiency measures seem particularly suited for metropolitan areas like Los Angeles. They represent an opportunity for near-term action for communities that do not have mass transit alternatives in place. They are relatively inexpensive in terms of initial capital investment, and they can be diffused throughout an entire community to the extent that existing transportation modes can be employed more efficiently. The very extravagance of the growth patterns and transportation habits of the younger metropolitan areas may offer them the greatest potential yield through implementation of efficiency measures. Conversely, the citizens of such areas are likely to be the most habituated to great freedom of mobility and are therefore most likely to regard systems modifications as infringements on their rights.

Results of early pilot and demonstration measures that have been introduced in Los Angeles indicate that, in isolation, they do not yet represent sufficiently attractive alternatives to our citizens to compete effectively with accustomed travel habits. The incentive to shift will probably increase with the introduction of additional measures that can be combined and pyramided to enhance the overall attractiveness of the systems. However, in the face of apparent diseconomies of current congestion, energy waste, and pollution, will the public interest be best served by such an extremely gradual and incremental means of adopting more efficient travel habits? Would it not be better to simultaneously employ measures that would discourage low-occupancy use of vehicles and thus immediately enhance the incentive to shift to more efficient modes? The various forms of transportation pricing represent, of course, only one such category of disincentives to the use of inefficient transportation modes. While we have experimented with reduced bus fares, we have very limited experience with consideration of congestion charges. At the same time, the stormy period of the last 3 years has given us much direct experience of proposals for the use of various disincentives and the resultant public responses. We have come to recognize patterns of common characteristics in these very unfamiliar proposals and will present them here (not as arguments in opposition to the use of disincentives but as matters that must be acknowledged and dealt with in the structure and process of planning measures that are to include them). We are convinced that their consideration will be essential to the success of any such project.

DISINCENTIVE PROPOSALS IN LOS ANGELES

In the brief span of less than 3 years, we have experienced (a) an elaborate and heated debate over Environmental Protection Agency (EPA) transportation control plan proposals under the Clean Air Act; (b) a very real crisis in the face of the Arab oil embargo, which resulted in adoption of the nation’s only set of mandatory energy conservation ordinances; and (c) intensive participation in the planning of a highly controversial project to institute a preferential plan for buses and car pools on our most heavily traveled freeway.

The mayor of Los Angeles has consistently and actively supported EPA in its efforts to implement the Clean Air Act effectively. When, under a court order, EPA was required to promulgate transportation control plans for the Los Angeles air quality control region that would guarantee attainment of ambient air quality standards within a period too brief to permit such attainment without causing devastating disruptions of other urban systems, the drawn-out process of discovery during meticulous analysis of these proposals was a sobering experience.

We convened a task force of the city’s department heads and, during more than a year of biweekly meetings, sought to locate and measure anticipated impacts and, wherever possible, devise constructive alternatives to unacceptable measures. While many other local jurisdictions simply scoffed at the federal proposals, we underwent a painful process of self-education in matters that would have been regarded as unthinkable only a few years before.

Then, in November 1973, the Arabs embargoed oil sales to the United States, and the city of Los Angeles immediately found it had a shortfall of almost half the oil it needed for electrical power generation. A set of
standby ordinances for the curtailment of electricity use proposed by the city's Department of Water and Power were quickly recognized as being potentially devastating to the city's economic well-being. A blue-ribbon citizens' panel representing business, labor, the mayor, and the council was established. Working 10 h/d for 11 consecutive days, the committee devised ordinances that would minimize unemployment while taking care to maintain equity of burdens. The city immediately began to realize a 17 percent reduction from the previous year's consumption levels, but there was no measurable economic disruption.

Although this experience involved the use of electricity rather than transportation, there was an uncanny similarity in the proposals for governmental intervention in accustomed behavior patterns. At the same time, the public response was so extraordinarily different that we prepared a paper that compared the situations and weighed the reasons for the differences (1).

Most recently, we have participated intensively, if informally, in planning for the Santa Monica Freeway preferential lane project. Originally conceived as part of the transportation control plan required by EPA, the measure will be implemented as one of the first major transportation efficiency projects in southern California. It reserves the inside (fast) lane of one of the world's most heavily traveled superhighways for express buses and car pools. There have been advanced indications that the project will generate controversy, and we have voluntarily taken part in project planning to ensure that our experience with this type of measure will be included. Some of our impressions from the planning of the project will be used in illustrating the lessons for incentive-disincentive planning that follow.

OBSERVATIONS ON INCENTIVE-DISCERNITIVE PLANNING

A fundamental characteristic of such measures is that they invariably carry a disproportionate number of negative impacts. In the planning for construction of new transportation facilities that dominated the postwar period of growth, one gets the impression that, apart from the right-of-way, condemnation, and relocation antagonisms generated, such projects enjoyed general approval. A limited number of people directly in the path of construction could be expected to voice opposition. It is much more difficult to anticipate the degree of antagonism that will be generated, for instance, by reservation of a high-capacity lane, the use of which is currently regarded as a daily right and custom.

Further, the more apparent negative impacts are sure to be backed up by second- and third-order impacts. Reserving one such lane and metering at the ramps to divert some traffic to surface streets will not only irritate those diverted but also cause an indeterminate increase in congestion on surface streets, irritate motorists there, and perhaps force the local jurisdiction to restrict on-street parking on the affected arterials, thus irritating homeowners along these arterials.

It is our central thesis that the potential for generation of public antagonism by these unfamiliar new measures is so great that as much attention must be given to this negative aspect during preimplementation planning as is normally given to the planning of more orthodox project elements. The institutions and agencies that have planned and administered transportation planning in the past are too narrowly constituted to perform this new and more sensitive role, and it will be desirable to adopt a new structure for planning and implementation of these measures—a structure that will represent those imposed upon as well as those benefitted and that will have the capability of locating and assigning values to factors that have tended to be ignored in the past so that mitigating measures can be developed.

There will be great difficulty in anticipating all the negative impacts of these measures, but it is critical to try to account for all of them. Some may be consequent, but others, which may be more obscure or remote from the location of the project itself, may generate major controversy after implementation of the project. Difficulty in identifying these effects may arise if a single-purpose agency is appointed as the project planner. We have all become specialists and are likely to be oblivious or insensitive to some impact of the project. This problem is compounded when the project involves several jurisdictions.

Negative impacts must not only be identified but also dealt with. It may be possible to mitigate them or at least to mollify those who are affected. There is a tendency for project planners to concentrate their efforts on the actual engineering of concrete aspects of the project itself, such as the provision and location of signing, and to slight the more abstract considerations. There is also a tendency to assign a value of zero to factors that are difficult to quantify, such as the potential intensity of public antagonism. Curiously, elected officials tend to follow the opposite rule: When in doubt about public antagonism, do not proceed with the proposal. There is an answer to this dilemma—develop probabilistic ranges based on the best information that can be found and prepare appropriate contingency measures, including planned modification of the project itself after implementation if necessary. Even partial success of these measures will demonstrate that public acceptance is possible. Antagonisms that lead to an abrupt shutdown of a project because of inadequate planning or postimplementation inflexibility would be far more damaging to the larger objectives of greater transportation efficiency.

Arbitrariness, or perhaps an appearance of arbitrariness and inequity, seems inherent in measures that impose on some citizens and favor others, especially since these are transitional measures and mode shifts are anticipated over a period of time. Ironically, the greatest impression of arbitrariness will be generated during the early days. This provides the strongest argument for phased implementation, if it is possible, rather than a project design that includes maximum disincentives and incentives from the outset.

Arbitrariness is also hard to locate in a complex project, and its presence will probably be inadvertent. As one proceeds from major questions of project design through seemingly the minutest details, one may be concerned, in considering a factor concretely for the first time, to recognize it as potentially explosive. This is particularly true with the second- and third-order effects we have mentioned.

A basic rule of thumb in planning such projects is that favored treatment must demonstrably be conferred only in return for public benefit. It is vital to have defined this rationale in a direct and simple form, since a predominance of complaints will be based on the infringement of the right to equal treatment.

Complexity, confusion, and ignorance will invariably threaten the project's survival. A basically simple design will take on enormous complexity the moment it is interjected into real-world systems, which are what vest it with complexity. Unfortunately, orthodox planning will often be influenced by predispositions to simplicity for reasons of ease of administration. For instance, only late in the planning of the Santa Monica project was it decided to shift from full-time, 7-d/week, 24-h reservation of the preferential lane to reservation only for the peak-hour commuting period. Only then had concern mounted about the feasibility of giving citations for use
Great care must be taken to prepare high-quality information materials and to disseminate them carefully. Confusion and ignorance concerning the project’s rationale and equitable application will quickly be employed as weapons. The media have an uncanny proclivity for opportunities to rail against insensitive bureaucracies and their outrageous impositions on the public. And there are a few elected officials who specialize in seizing on confusion as an opening for demagoguery. It is vital to involve elected officials or their representatives early in the planning process. While demagogues may not be influenced, their statements can be offset by endorsements from officials who enjoy the public trust.

THE STRUCTURE FOR PLANNING AND IMPLEMENTATION

We have thus far identified the phenomena we feel most threaten the success of incentive-disincentive measures. These observations are based on considerable first-hand experience with planning and implementation of such measures. From this experience we have drawn up some fundamental recommendations for the structure of the entity that should plan and implement the measure.

We envision a planning team that consists not only of the orthodox agencies but also of elected officials or their representatives. Traditionally, there has been a distinct separation between administrators and elected officials. The officials often vote to proceed with the planning of projects they know little about. Then an agency will prepare the project and may well implement it without further approval. If implementation then reveals considerable controversy, the officials will frequently call for its abrupt termination. This simplistic process would doom most of the projects we have seen proposed.

Inclusion of representatives of elected officials as well as administrators of all related departments of all affected jurisdictions will bring the broader expertise needed to locate the less obvious second- and third-order effects and to assign relative values to difficult-to-quantify factors. In this respect, elected officials are highly trained in judging public sensitivities and, if they are offered constructive participation in the planning, will be able to enhance the project’s feasibility.

As each facet of the project is run past the participants, second- and third-order effects emerge surprisingly quickly. Estimates of their significance will vary, of course, according to the subjective perception of the participant, often reflecting his specialization. We have been characterized as "professional worriers" in one such planning situation, but we can imagine worse labels. Experience indicates that resolution of disputes by voting would have no utility. Any participant in such planning sessions could remove his support by leaving or, worse, by remaining and keeping quiet. We have found that consensus as to the wisest course most often follows adequate discussion.

Finally, such a structure for planning will result in a highly expert group that can oversee the management of implementation during the critical first days after startup. This will provide a capability for rapid adaptation of the project if it is needed to forestall peremptory shutdowns during this sensitive period.

REFERENCE


Legal Considerations in Urban Transportation Pricing

John J. Bosley and Madeleine B. Schaller, Metropolitan Washington Council of Governments, Washington, D.C.

There have been many approaches suggested for pricing urban transportation to achieve traffic management, resource allocation, and environmental goals. These methods—tolls, taxes, supplementary licenses, fare changes—all must be evaluated by policy makers on the basis of legality as well as the political and technical feasibility and their social, environmental, and economic impact. This paper has been formulated to provide a checklist of legal issues to be considered in reviewing pricing proposals. It must be emphasized that the legal issues should not be thought of as barriers to action. Careful review of the authority to implement and precise drafting that is based on strong empiric data will overcome most legal problems. To a great extent, the success of pricing mechanisms depends more on political will than on legalities.

GENERAL LEGAL CONSIDERATIONS

Four questions pose the basic legal issues that need to be considered before making a decision about implementing any pricing mechanism. The discussion here is limited since it is general rather than a detailed analysis of specific proposals.

Can the Pricing Technique Be Implemented as a Regulatory Measure Under the Police Power in General or Under Specific Delegation of Authority?

The powers of local government are limited to those that are granted in express words, those necessarily or fairly implied in or incident to the express powers, and