

COUNCIL MEETING
05/04/2020
 Received Before Meeting

3

SB743 Implementation

May 4, 2020

www.cityofpaloalto.org



Presentation Goal

Our focus tonight will be on the decisions that the City must make in June to set local CEQA VMT baseline thresholds and project screening criteria.

Proposed Approach to SB 743 Implementation

- Adopt State OPR Guidance as **initial VMT framework** for City's CEQA documents starting July 1, 2020
- Consider updating initial CEQA VMT thresholds to better align with S/CAP reduction goals in 2021
- Retain Level of Service (LOS) per Comp Plan Policy T-2.3.

September 2013 –
Governor Signed SB 743

December 2018 – OPR
Finalized State CEQA
Guidelines

December 2018 – Natural
Resources Agency Updated
CEQA Guidelines

Agencies have until **July 1,
2020** to implement VMT
thresholds

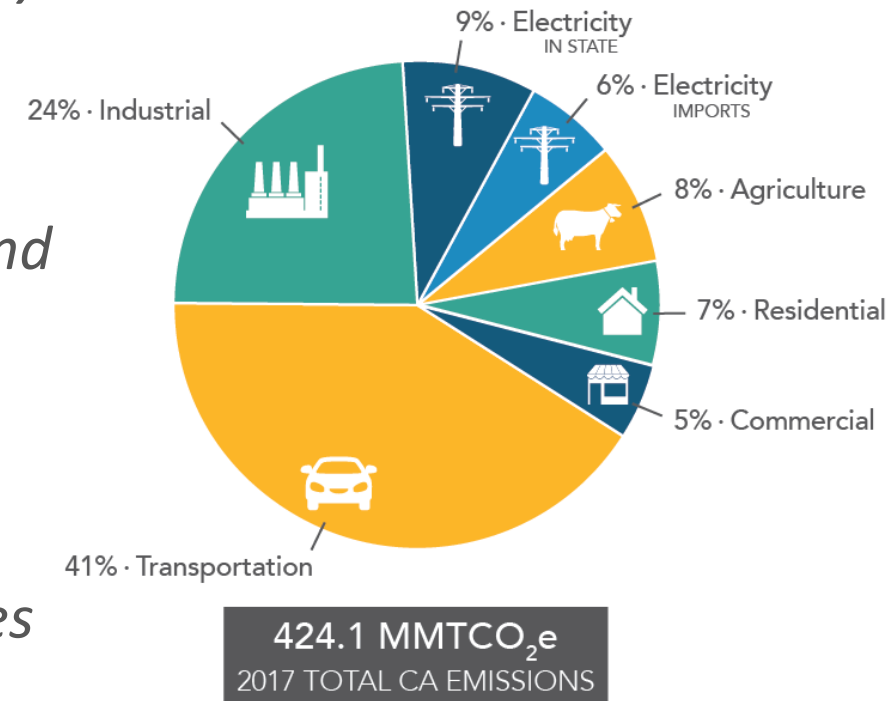
SB743 Legislative Intent and Lead Agency's Decisions

Legislative Intent

Reform the process of the California Environmental Quality Act (CEQA) to use new methodologies **for evaluating transportation impacts** that are better able to promote the state's goals of reducing greenhouse gas emissions and traffic-related air pollution – **vehicle miles traveled**

Lead Agency's Decisions

To develop **thresholds of significance** that the agency uses in the determination of the significance of environmental effects.



OPR Technical Advisory – Thresholds

- VMT Screening Criteria
- VMT Thresholds for Quantitative Assessments

TECHNICAL ADVISORY

ON EVALUATING TRANSPORTATION
IMPACTS IN CEQA



December 2018



VMT Threshold Options

- **Rely on OPR Technical Advisory for initial thresholds**
- Use a threshold adopted or recommended by another public agency (CARB)
- Set jurisdiction-specific threshold consistent with Comprehensive Plan and S/CAP

OPR Technical Advisory – Screening

- Small Project (<10,000 square feet)
- Residential and office projects in Low VMT Zones (map based)
- Low VMT projects within ½ mile of major transit station or bus stop on a high-quality transit corridor
- Affordable housing
- Local-serving retail of a certain size
- Transit, bicycle and pedestrian infrastructure projects



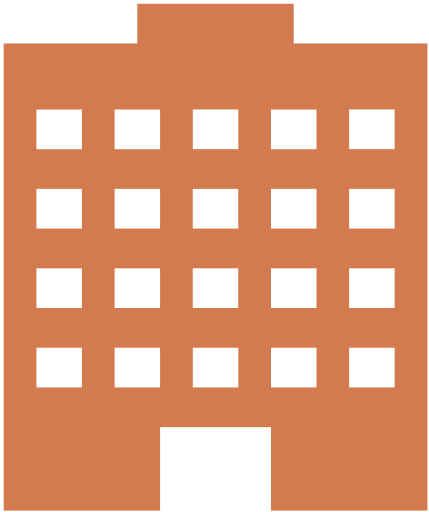
What types of projects need a VMT threshold?

- **Land Use Projects**, including development projects for a variety of land uses
- **Land Use Plans**, including Comprehensive Plan updates and Specific Plans, Area Plans, or Precise Plans
- **Transportation Projects**, including lane additions, capacity-increasing infrastructure changes, etc.

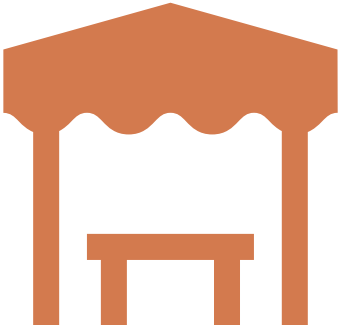
OPR VMT Thresholds for 3 Land Use Types



Residential



Office



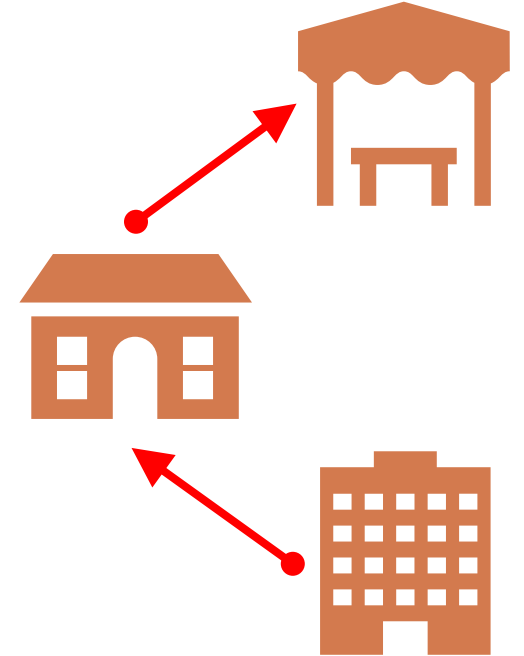
Retail

Existing VMT Baseline Options

2015 Baseline VMT	Palo Alto	Santa Clara County
Home-Based VMT Per Capita	9.48	13.33
Employment-Based VMT Per Employee	16.71	16.64

OPR VMT Threshold – Residential Projects

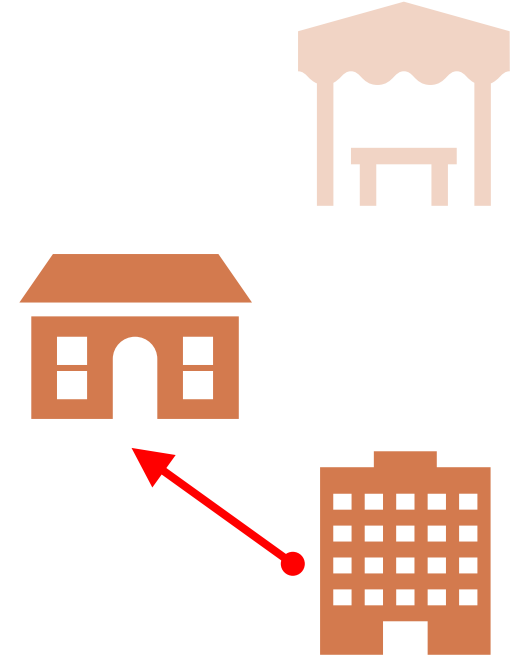
- **Metric** – VMT per capita (light duty only)
- **OPR Threshold/City Likely Recommendation** – Project VMT per capita must be 15% less than existing regional average VMT per resident



2015 Baseline VMT	Palo Alto	Santa Clara County
Home-Based VMT Per Capita	9.48	13.33
Employment-Based VMT Per Employee	16.71	16.64

OPR VMT Threshold – Office Projects

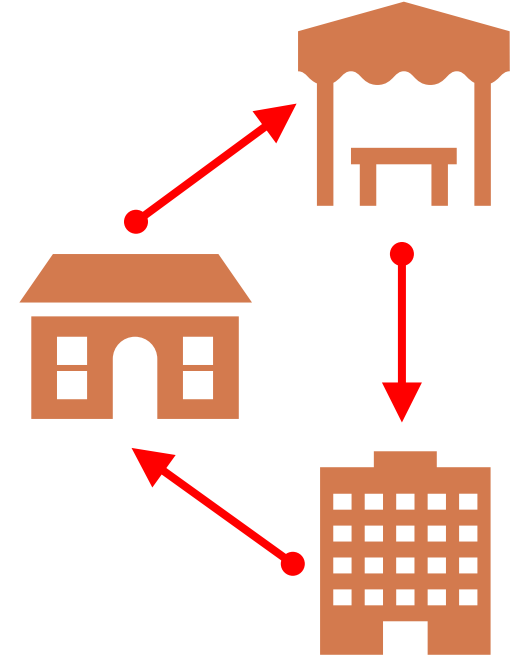
- **Metric** – VMT per employee (light duty only)
- **OPR Threshold/City Likely**
Recommendation – Project VMT per capita must be 15% less than existing regional average VMT per employee



2015 Baseline VMT	Palo Alto	Santa Clara County
Home-Based VMT Per Capita	9.48	13.33
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OPR VMT Threshold – Retail Projects

- **Metric** – Total VMT
- **OPR Threshold/City Likely Recommendation** – No Net increase in VMT



2015 Baseline VMT	Palo Alto	Santa Clara County
Home-Based VMT Per Capita	9.48	13.33
Employment-Based VMT Per Employee	16.71	16.64

Land Use Project – Case Study A

PROJECT TYPE Redevelopment/reuse LAND USE Strip Commercial Replaced With Multifamily Res.



	Scenario A	Scenario B
<i>Process</i>	<ul style="list-style-type: none"> If 100% affordable housing or project located within a low-VMT area, project meets screening criteria 	<ul style="list-style-type: none"> If located outside low-VMT area, project conducts quantitative VMT analysis
<i>Outcome</i>	<ul style="list-style-type: none"> Project presumed to have less-than-significant VMT impact, no mitigation required 	<ul style="list-style-type: none"> Many multifamily projects will likely have less-than-significant impacts after quantitative VMT analysis is conducted If significant impact occurs, achievable VMT mitigation required resulting in less-than-significant impact in most cases

Land Use Project – Case Study B

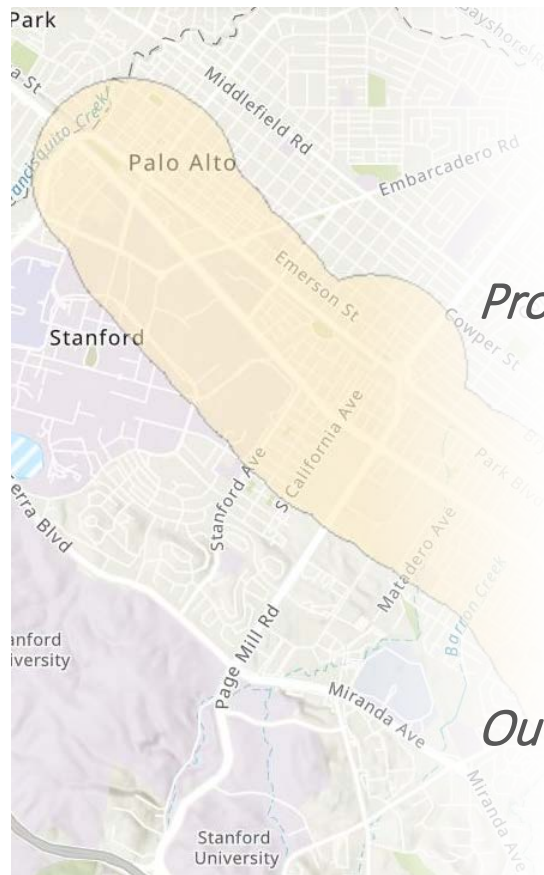
PROJECT TYPE Redevelopment/reuse LAND USE Intensification of Office Uses

Scenario A

- Within ½ mile of high-quality transit corridor or Caltrain station
 - Project is dense (FAR > .75), has reduced parking
 - Consistent with Comp Plan/Plan Bay Area, cumulative VMT is trending downward
-
- Project presumed to have less-than-significant VMT impact, no VMT mitigation required

Scenario B

- If not in transit priority area, project conducts quantitative VMT analysis
-
- Significant VMT impact likely. If impact occurs, VMT mitigation required which may or may not reduce to less-than-significant



Next Steps

June 2020 – Council Action:

- VMT Resolution
- LOS Policy

Subsequent Actions:

- TDM Ordinance Update
- VMT Updates for S/CAP Consistency

Council Questions

Thank you!



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EXTRA SLIDES

VMT Forecast - California Air Resources Board (CARB)

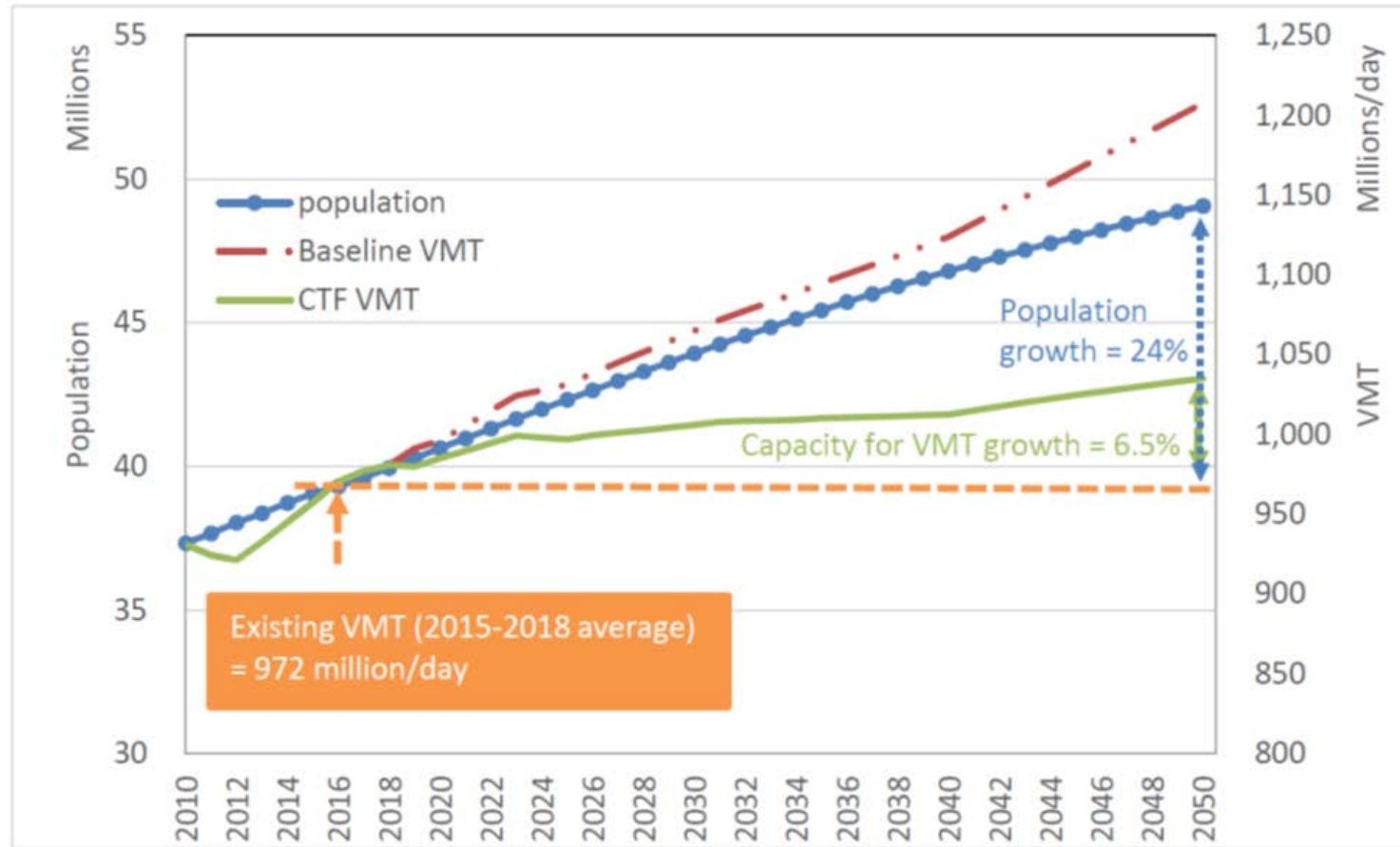


Figure 1: California Total Projected Population Growth and VMT Growth

Source: 2017 Scoping Plan-Identified VMT Reductions and Relationship to State Climate Goals, CARB (pg. 7) https://ww2.arb.ca.gov/sites/default/files/2019-01/2017_sp_vmt_reductions_jan19.pdf

VMT Reduction Level Needed – CARB

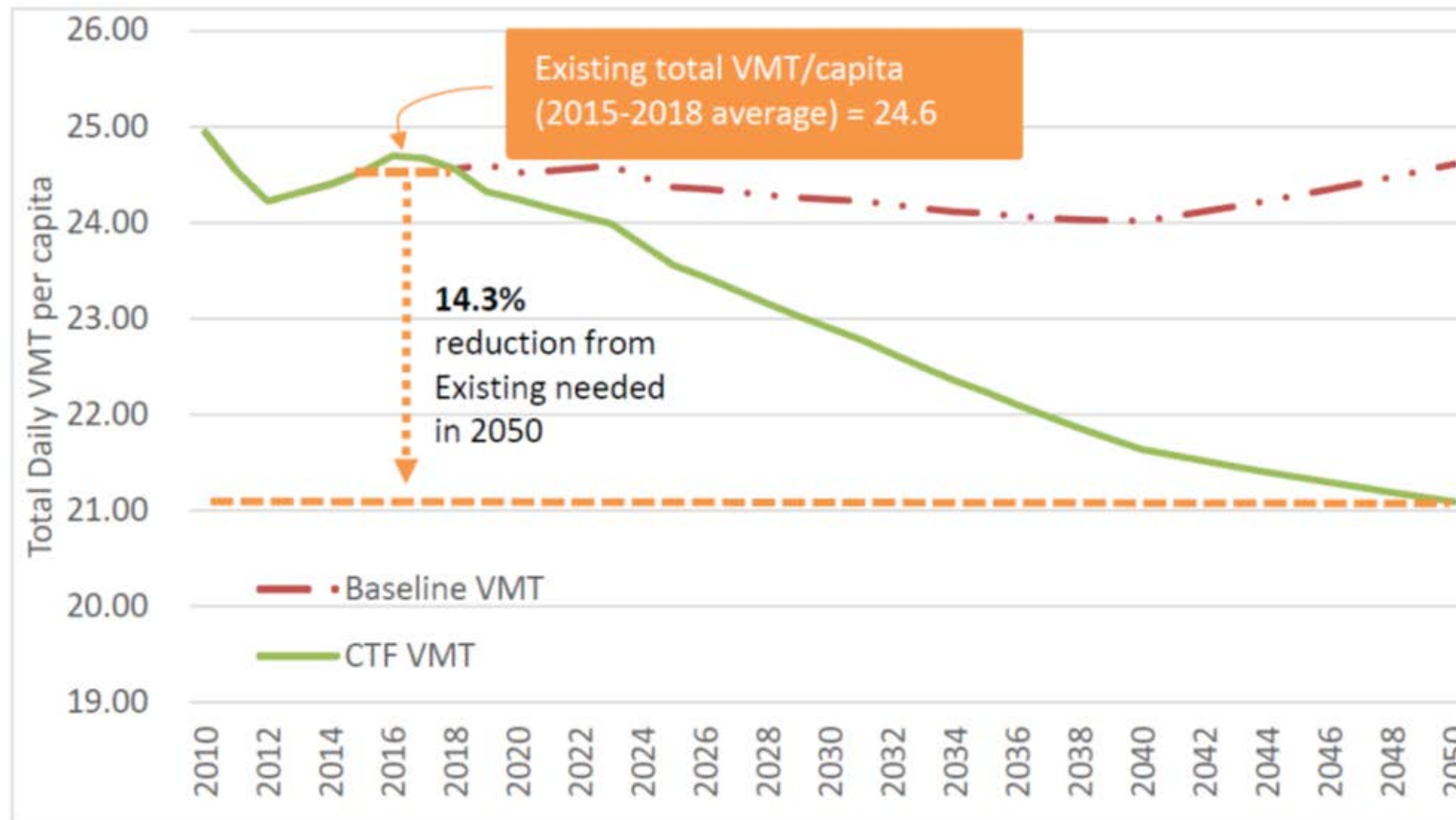
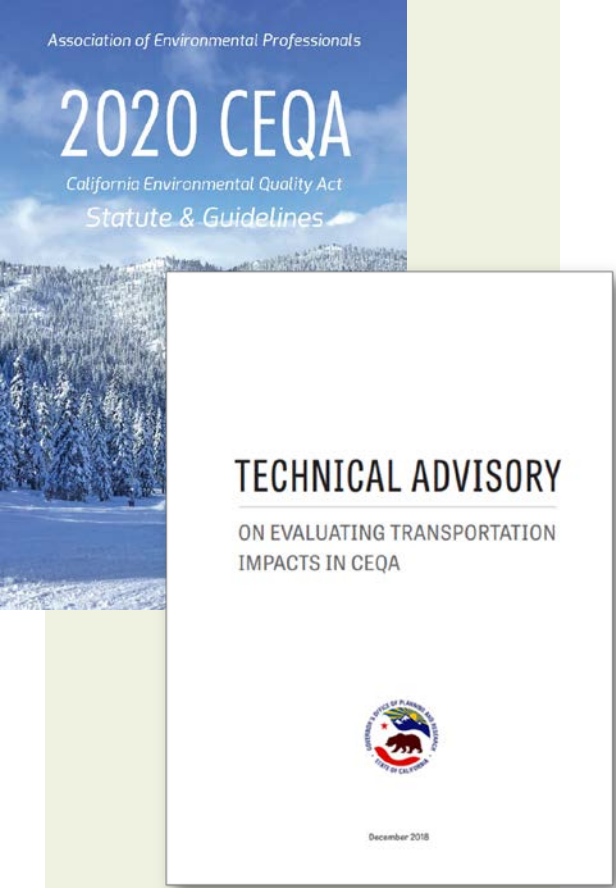


Figure 2: California Total Daily VMT Per Capita

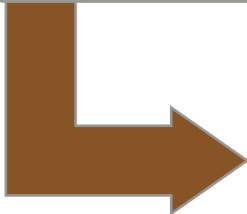
Source: 2017 Scoping Plan-Identified VMT Reductions and Relationship to State Climate Goals, CARB (pg. 9) https://ww2.arb.ca.gov/sites/default/files/2019-01/2017_sp_vmt_reductions_jan19.pdf

Senate Bill 743



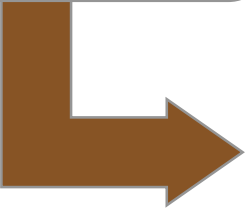
Legislation

Sets **intent and goals**



CEQA Statute

Sets legal **requirements** for adequate environmental analysis



Technical Advisory

Offers **advice** for compliance

What does SB743 do and not do?

Does

- Eliminates vehicle delay (i.e. LOS) as basis for determining significant CEQA impacts
- Recommends VMT as the most appropriate measure of transportation impacts
- Other considerations: transit and non-motorized travel

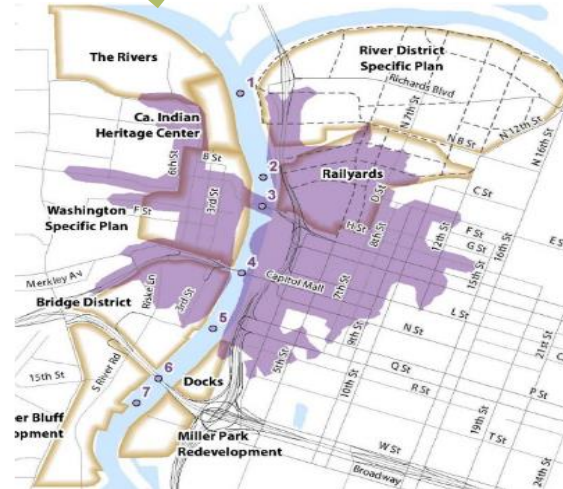
Does Not

- Affect planning, design, or development review, except for the CEQA process (i.e. retain LOS for local-level analyses)
- Change the Comprehensive Plan or Congestion Management Plan process
- Change CEQA disclosure standards

CEQA Transition – LOS to VMT

LOS

*measures the impact **to** drivers*



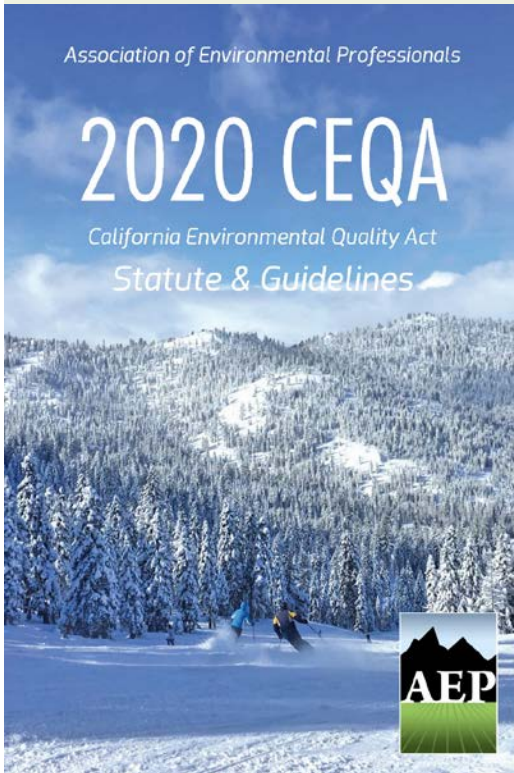
VMT

*Measures impact **of** driving on the environment*

CEQA Guidelines Excerpt

Section 15064.3(b)(4): Determining the Significance of Transportation Impacts

- *A lead agency has discretion to choose the most appropriate methodology to evaluate a project's VMT, including whether to express the change in absolute terms, per capita, per household or any other measure*
- *A lead agency may use models to estimate a project's VMT and may revise those estimates to reflect professional judgment **based on substantial evidence.***
- *Any assumptions used to estimate VMT and any revisions to model outputs should be documented and explained in the environmental document*



CEQA Guidelines Excerpt

Section 15064.7: Thresholds of Significance

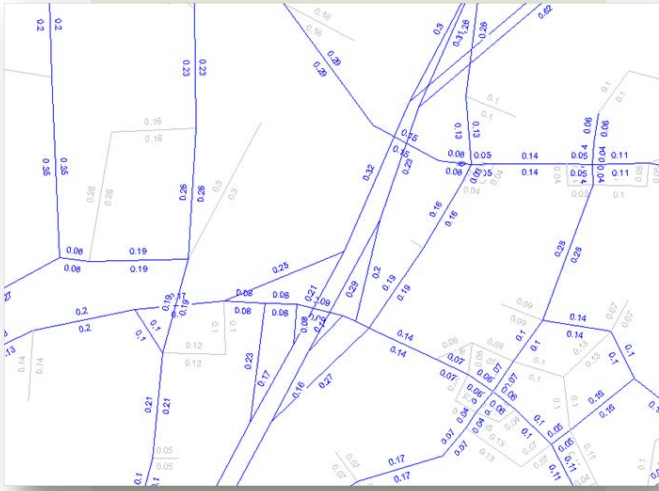
- *A threshold of significance is an identifiable quantitative, qualitative, or performance level of a particular environmental effect, non-compliance with which means the effect will normally be determined to be significant...*
- *Each public agency is encouraged to **develop and publish thresholds of significance** that the agency **uses in the determination of the significance of environmental effects.***
- ***Thresholds of significance** to be adopted for general use ... **must be adopted by ordinance, resolution, rule, or regulation,** and developed through a public review process and **supported by substantial evidence.***

CEQA Guidelines Excerpt

Section 15064.7: Thresholds of Significance (cont.)

- *Lead agencies may also use thresholds on a case-by-case basis.*
- *When adopting or using thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies or recommended by experts, provided the decision...is supported by substantial evidence.*

What is VMT and how is it measured?



- Vehicle Miles Traveled (VMT) is a measure of network use
- $VMT = \text{Trips} \times \text{Trip Length}$
- Generally expressed as VMT per capita for a typical weekday

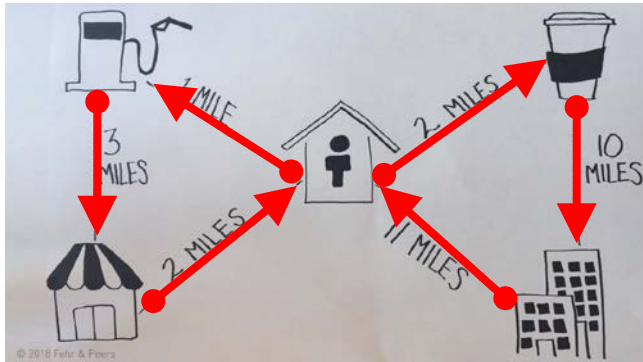


VMT Metric – Total or Partial?

TOTAL VMT

Household
Generated VMT

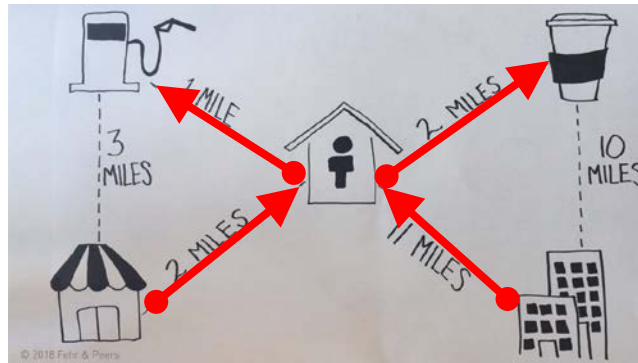
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PARTIAL VMT Residential

Home-Based
Generated VMT

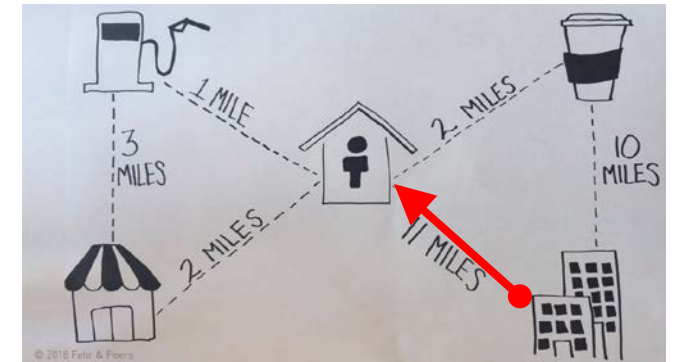
16



PARTIAL VMT Office

Home-Based Work
Generated VMT

11



Can Palo Alto still use **Level of Service (LOS)**?

- LOS *cannot* be used in CEQA to determine if a project will have a significant impact on the environment.
- Palo Alto may continue to have a LOS policy. Given the conflicting nature of LOS and VMT policy outcomes, the City may wish to indicate whether and in what situations VMT policies take priority over LOS policies.
- Palo Alto may use LOS as a metric in future area or corridor planning efforts as well as updates to the transportation development fee program.
- Palo Alto may use LOS to require traffic improvements as a “condition of approval” in the entitlement process.

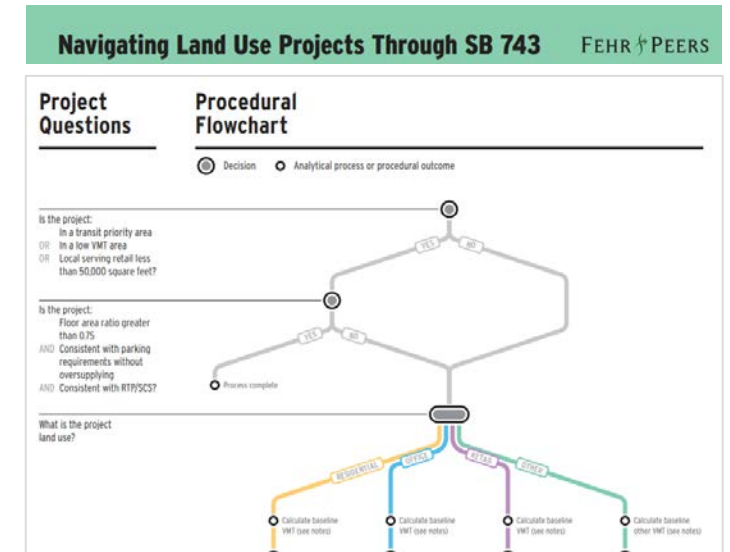
Decisions: Establishing VMT Threshold(s)

Define Significance Criteria (Defines Impacts Under CEQA)

- OPR Technical Advisory or Other?
- What is acceptable vs. unacceptable VMT when viewed solely through a transportation lens by lead agency?

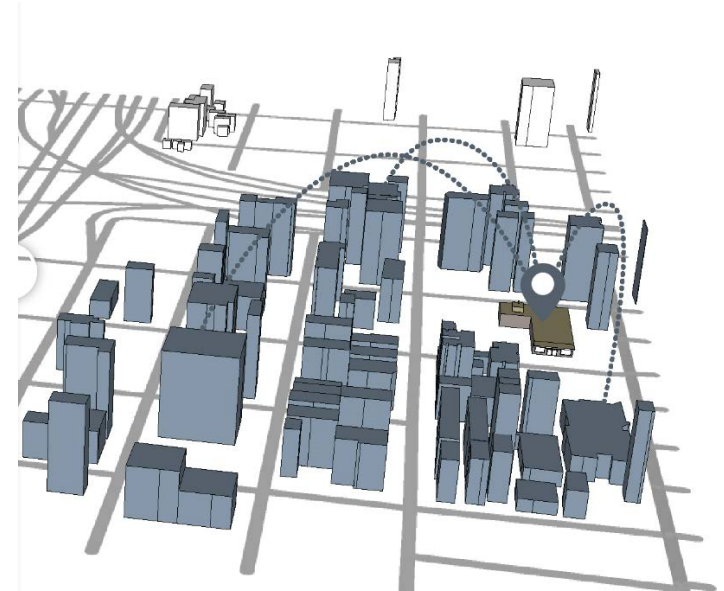
Define Methodology

- Consistent for Thresholds and Project Assessment
- How VMT reduction is addressed in air quality, energy, and GHG impact analysis
- Identify Mitigation Potential



Project VMT vs Cumulative Impacts

Project Generated VMT vs.
Effect on Regional or City VMT (Cumulative)

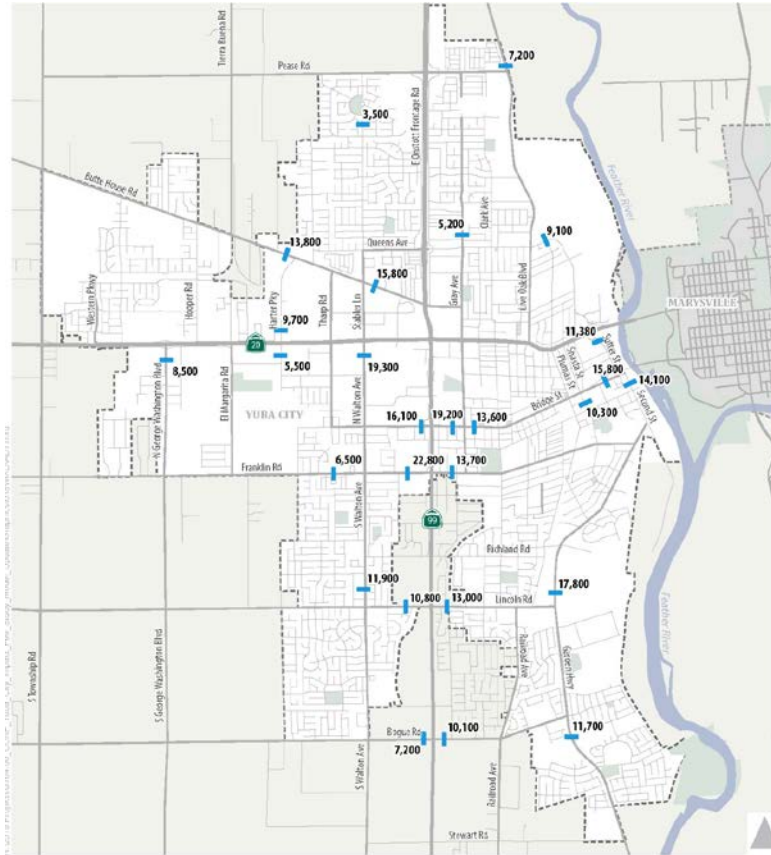


VMT Consistency?

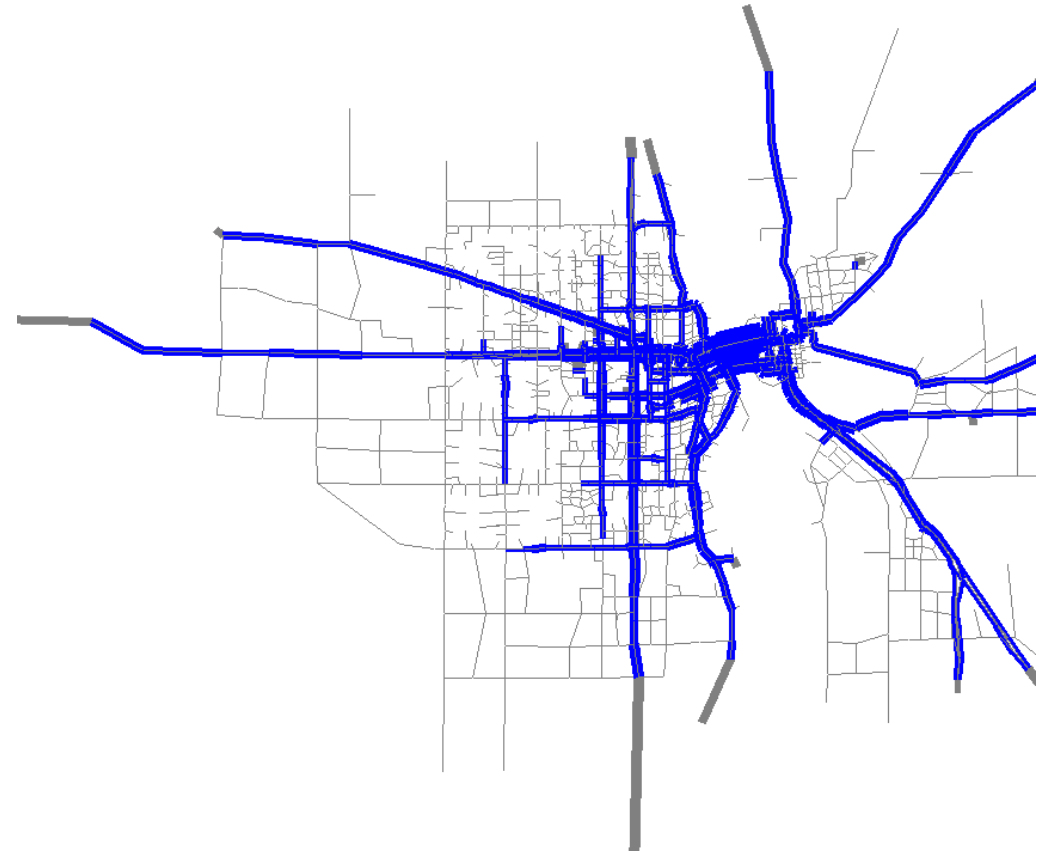
Vehicle Trip Type	VMT Required in Analysis			
	AQ	GHG	Energy	SB 743 Transportation
<i>Residential Project</i>				
Home-based work	✓	✓	✓	✓
Home-based other	✓	✓	✓	✓
Non-home-based	✓	✓	✓	
<i>Office Project</i>				
Home-based work	✓	✓	✓	✓
Visitor	✓	✓	✓	
Delivery	✓	✓	✓	
Maintenance/Security	✓	✓	✓	



VMT Metric – Network vs. OD



Boundary VMT-708,700



Origin-Destination (OD) VMT-2,212,800

Level of Service (LOS)

LOS = Current measure used to analyze traffic flow

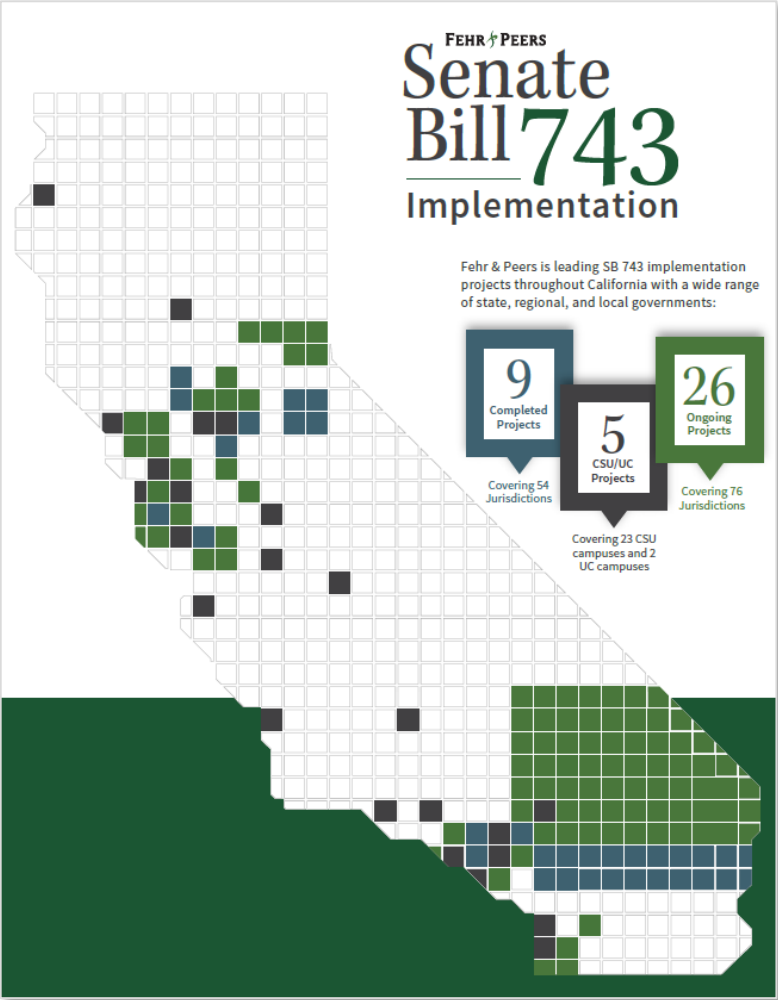


LOS A Example



LOS F Example

Senate Bill 743 Implementation Experience





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