

FAQ

Evaluating Transportation Impacts in CEQA

Based on New Guidelines as Directed by SB 743

What was the legislative intent of SB 743 (2013)?

- 1 Balance the needs of congestion management with the following statewide goals
 - a Reduction of greenhouse gas emissions
 - b Infill development
 - c Public health through active transportation
- 2 Ensure that the environmental impacts of traffic such as noise, air pollution, and safety concerns continue to be addressed and mitigated through CEQA

What does the new CEQA Section 15064.3 adopted by the state in December 2018 require?

- 1 A project's effect on automobile delay (i.e., Level of Service) shall not constitute a significant environmental impact under CEQA.
- 2 A lead agency may adopt these provisions immediately, but no later than July 1, 2020.
- 3 VMT is the "most appropriate" measure of transportation impacts.
- 4 Other relevant considerations may include effects on transit and non-motorized travel.
- 5 VMT exceeding an applicable threshold may indicate a significant impact
- 6 Projects may be presumed to have a less than significant VMT impact if they are located in a transit priority area (TPA) or would reduce VMT.
- 7 A lead agency has discretion to choose the most appropriate methodology to evaluate a project's VMT
- 8 A lead agency may use models to estimate a project's VMT, and may revise those VMT estimates based on substantial evidence
- 9 Any assumptions used to estimate VMT must be documented and explained

What decisions do a local agency need to make to implement these new guidelines?

- 1 VMT Metric?
 - a VMT in absolute terms or
 - b VMT per capita, VMT per employee, VMT per service population ...
- 2 VMT Methodology?
 - a How to calculate VMT – travel model, spreadsheet tool, other methods

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- b Total VMT or partial VMT associated with select vehicle types, land uses, and/or trip purposes/tours
 - c Project generated VMT versus project effect on VMT
- 3 VMT Impact Significance Threshold?
 - a Threshold: Level of reduction in VMT below existing conditions?
 - b Thresholds: (1) Project VMT and (2) Cumulative Impacts (project's effect on VMT)
 - c Thresholds: (1) Land Use Projects, (2) Land Use Plans, (3) Transportation Projects
 - d Is the level of VMT reduction compared to regional VMT, citywide VMT, or other baseline?
 - e For cities and counties, are VMT impacts best addressed at the general plan level given that all land use decisions only influence land use supply and CEQA Section 15183 provides streamlining for subsequent projects?
- 4 VMT Mitigation Options?
 - a VMT mitigation options for land use projects involve either changing the physical design of the project (i.e., its density, mix of use, street design, etc.) or requiring trip reduction strategies as part of a transportation demand management (TDM) program.
 - i Are cities and counties willing to require stringent TDM programs with annual monitoring and adjustments if projects do not accomplish required VMT reductions?
 - ii Should cities and counties instead rely on mitigation programs such as impact fee programs that are based on a VMT-reduction nexus?

How does the OPR Technical Advisory recommend implementing CEQA Section 15064.3?

- 1 If a lead agency uses a travel model as the basis for establishing thresholds, that same model must be used for subsequent project level VMT analyses.
- 2 For land use projects and plans, the *Technical Advisory* states, "OPR recommends that a per capita or per employee VMT that is fifteen percent below that of existing development may be a reasonable threshold" based on substantial evidence related to the state's GHG reduction goals.
 - a *Residential Project Threshold* – A proposed project exceeding a level of 15 percent below existing VMT per capita may indicate a significant transportation impact. Existing VMT per capita may be measured as regional VMT per capita or city VMT per capita.
 - b *Office Project Threshold* – A proposed project exceeding a level of 15 percent below existing regional VMT per employee may indicate a significant transportation impact.
 - c *Retail Project Threshold* – A net increase in total VMT may indicate a significant transportation impact.

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- d *Mixed-Use Projects – Lead agencies can evaluate each component of a mixed-use project independently and apply the significance threshold for each project type included... Alternatively, a lead agency may consider only the project’s dominant use. In the analysis of each use, a project should take credit for internal capture.*
- 3 For transportation projects, the *Technical Advisory* states:
 - a *Because a roadway expansion project can induce substantial VMT, incorporating quantitative estimates of induced VMT is critical to calculating both transportation and other impacts of the projects.*
 - b *Transit and active transportation projects generally reduce VMT and therefore are presumed to cause a less-than-significant impact on transportation.*
- 4 The *Technical Advisory* expands Section 15064.3 options for VMT impact screening using the presumption that certain projects will have less than significant VMT impacts based on location within a low VMT generating area or by being a locally serving retail project.
- 5 Impacts to Transit – *lead agencies should consider impacts to transit systems and bicycle and pedestrian networks. ...a project that blocks access to a transit stop or blocks a transit routes itself may interfere with transit functions.*

Is a lead agency required to follow recommendations in the *Technical Advisory*?

- 1 The *Technical Advisory* helps lead agencies think about the variety of implementation questions they face with respect to shifting to a new VMT metric.
- 2 The guidance is not a recipe for SB 743 implementation since lead agencies must still make their own specific decisions about methodology, thresholds, and mitigation. For cities and counties, these decisions must be consistent with their general plan, which may not be aligned with state GHG reduction goals upon which the *Technical Advisory* is based.
- 3 A lead agency has the discretion to choose the most appropriate methodology and thresholds to evaluate a project’s VMT. A lead agency may take into account both its own policy goals and context in developing a VMT methodology and thresholds.

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What are the pros and cons of following the *Technical Advisory* guidance with respect to CEQA defensibility?

PROS

- 1 Aligns with state goals for GHG reduction, infill development, transit, active transportation, and public health.
- 2 Requires limited effort to implement.
- 3 Creates VMT impact screening opportunities for housing, employment, transit, bicycle, pedestrian, and minor roadway projects.
- 4 Includes specific thresholds.

CONS

- 1 Recommends only reporting partial VMT for individual land uses, trip purposes/tours, and vehicle types. This could be interpreted as presenting an inadequate or incomplete analysis when compared to the current practice of reporting total VMT for air quality, GHG, and energy impact analysis.
- 2 Includes evidence that a 15 percent reduction from baseline may not be sufficient to achieve statewide goals for GHG reduction.
- 3 Does not consider local general plan role in setting threshold expectations.
- 4 Includes inconsistent threshold expectations based on the same land use and transportation context.

What other challenges should a lead agency consider?

- 1 Direct application of the *Technical Advisory* results in significant and unavoidable VMT impacts for projects in jurisdictions with limited transit service and low land use densities even when those projects are consistent with the local general plan.
- 2 Lead agencies have often used transportation demand management (TDM) strategies as mitigation to reduce VMT. Most TDM strategies are project site and building tenant dependent. Since this information is typically unknown during the project entitlement and environmental review process, a lead agency must think about whether it can guarantee TDM mitigation outcomes. This implies that ongoing monitoring and adjustment of the TDM strategies may be required and that impacts are likely to remain significant even with mitigation due to the uncertainty associated with building tenant performance over time.
- 3 Caltrans has published a [Draft TISG](#) (February 2020) that endorses the OPR Technical Advisory methodology and thresholds (Page 8). This sets the expectation that local agencies will use the OPR recommended VMT impact thresholds for all land use plans and projects.