



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 20-297, **Version:** 1

- a. Approve a Reimbursement Agreement between the Transportation Agency of Monterey County (TAMC) and the County of Monterey for a proportional share estimated at \$24,000 for County to fund County portion of consultant services for development of local thresholds of significance for vehicle miles traveled attributable to new development; and
- b. Authorize the Resource Management Agency Director or Designee to execute the Reimbursement Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve a Reimbursement Agreement between the Transportation Agency of Monterey County (TAMC) and the County of Monterey for a proportional share estimated at \$24,000 for County to fund that County portion of consultant services for development of local thresholds of significance for vehicle miles traveled attributable to new development; and
- b. Authorize the Resource Management Agency Director or Designee to execute the Reimbursement Agreement.

SUMMARY/DISCUSSION:

In September, 2013, the California Legislature adopted and the Governor approved Senate Bill 743 (SB 743), which, among other things, required the Office of Planning and Research (OPR) to identify and develop new metrics for identifying and mitigating the transportation impacts of new development under the California Environmental Quality Act (CEQA).

In December, 2018, pursuant to SB 743, OPR officially adopted changes to the CEQA Guidelines that required new metrics for transportation analysis, including Vehicle Miles Traveled (VMT) on a per capita, per employee, and net VMT basis. These metrics must be used to analyze the transportation impacts of projects during CEQA review. The prior metric utilized to evaluate the transportation impact of projects was whether or not the project increased traffic Levels of Service (LOS) above a locally-set threshold, defined according to a letter grade system of A (no traffic) through F (stop and go). The purpose of this change from LOS to VMT was to focus on reducing the creation of new trips and miles traveled rather than accommodating them with new travel lanes, which has proven to be an ineffective mitigation. The new VMT metrics became effective July 1, 2020, meaning that all projects are now subject to VMT analysis during environmental review. Projects with environmental documents (Initial Study/EIR) that began public circulation prior to July 1, 2020 are not subject to SB 743.

Pursuant to SB 743, the County's criteria used during CEQA review to determine significance of traffic impacts of new development must now utilize this new VMT metric. In addition, TAMC has obligations as a regional transportation planning agency to develop the Regional Transportation Plan and Congestion Management Plan, which are also impacted by the new metrics related to VMT. The County must identify new traffic impacts on the transportation system caused by new development, and recommend strategies or solutions for addressing those impacts, including how to reduce vehicle miles traveled. In order to integrate the new VMT metric into the CEQA analysis of projects, a threshold of significance (i.e. how many new miles traveled, which are generated by the project, are considered to be significant and therefore require mitigation) needs to be set. State

law allows local entities to set their own thresholds, based on local circumstances.

In late March 2020, County staff and some cities around the county asked TAMC to assist with the development of local VMT thresholds of significance to meet SB 743 requirements. After discussions, the parties asked TAMC to issue a request for proposals to share consultant services to provide technical assistance in this exercise.

TAMC released a request for proposals at the end of May for procurement. The scope of work includes development of VMT thresholds, electronic screening maps and travel demand management strategies/trip reduction strategies for up to nine jurisdictions within Monterey County to meet the requirements of SB 743. Through the review and recommendation process, TAMC has awarded development of these VMT thresholds and supporting tools to Kimley-Horn. Through the TAMC procurement, jurisdictions in Monterey County can save time and cost in meeting the requirements of SB 743. The entire effort is estimated to take approximately four months. For the period of time between July 1, 2020 and when the County has officially adopted thresholds of significance, the analysis of impacts relative to VMT will need to be taken on a project by project basis. The state Office of Planning and Research (OPR) has issued guidance for a recommended threshold of significance of anything less than 15% below existing VMT per capita. In other words, if a project does not reduce VMT by 15% or more, the impact would be considered “significant”. In rural areas such as Monterey County, this can be a difficult number to achieve given the long distances that often need to be traveled. However, until Monterey County has an adopted regional threshold of significance, this OPR recommended level will be used as a starting place during environmental review. OPR does allow for variance from this threshold, but project specific evidence needs to be provided in each case in the absence of a regionally adopted threshold.

The cities of Pacific Grove, Soledad and King City, the County, and other cities are interested in utilizing the technical assistance to be undertaken by the TAMC-procured consultant. The proposed process is to enter into a reimbursement agreement with TAMC for paying for that portion of work for the County.

CEQA

This is not a project under CEQA.

OTHER AGENCY INVOLVEMENT:

RMA has collaborated with the TAMC staff in drafting the Agreement and developing terms for said Agreement. The Office of the County Counsel has reviewed and approved the Agreement as to form. The County Administrative Office Budget & Analysis Division reviewed this report and provided direction on the funding.

FINANCING:

The proposed agreement between TAMC and the County requires the County pay for its fair share of the consultant costs, which is anticipated to not exceed \$24,000. This cost was unknown during the Fiscal Year (FY) 2020-21 budget development process and therefore not included in the adopted budget. County Administrative Office Budget & Analysis Division requested RMA use existing appropriations with an understanding that if towards year-end, this agreement results in RMA exceeding appropriations, RMA will return to the Board of Supervisors, through the Budget Committee to request an appropriation increase. Determining the VMT threshold is a one-time cost

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This item supports the Board’s efforts to ensure that the County is compliant with the latest regulations,

particularly as they relate to CEQA compliance.

☐ Economic Development
☐ Administration
☐ Health & Human Services
☒ Infrastructure
☐ Public Safety

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Reviewed by: Shawne Ellerbee, Assistant RMA Director

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A - Reimbursement Agreement