



Board Report

File #: PC 21-002, Version: 1

REF200043 - VEHICLE MILES TRAVELED (VMT) THRESHOLDS

Public hearing to consider policy direction on the method of establishing a vehicle miles traveled (VMT) threshold(s) for the unincorporated areas of Monterey County.

RECOMMENDATION:

Staff requests that the Planning Commission provide policy direction to staff as to the method of establishing a vehicle miles traveled (VMT) threshold for the unincorporated areas of Monterey County. Specifically, staff is seeking direction as to whether to use: 1) a single county-wide average for VMT; or 2) specific geographic areas within the County corresponding to the current County traffic impact fee zones.

SUMMARY:

Staff is presenting the following policy question for the Planning Commission as it relates to identification of the per capita or per employee VMT for existing development: *Should Monterey County use a single County-wide average for the existing development VMT; or should Monterey County apply a more geographically specific average for existing development VMT based on the boundaries of our existing traffic fee zones?*

The legislative intent of the change to VMT is to move growth toward cities where there is more access to alternative modes of transportation and a higher concentration of jobs, goods and services. A single County-wide average is consistent with OPR guidance, is in line with the way many other jurisdictions are implementing VMT, and it is a more simplistic solution as a single number.

If the Planning Commission were to select the option to use a single County-wide average, as part of the CEQA review process staff would theoretically identify potentially significant impacts on traffic for a residential project exceeding 9.7 VMT per capita (15% below 11.4; see discussion that follows for details on these figures). If the project would have a VMT higher than 9.7, mitigation measures might be added that have the effect of reducing VMT to at or below 9.7. If the project cannot be mitigated to 9.7 VMT or less, a significant unavoidable impact may be identified.

Use of the single County-wide average would make it difficult for projects to meet thresholds in Northern Monterey County, South County, and Carmel Valley while development in the Peninsula and Salinas areas would have an easier time meeting the threshold. The result would be greater mitigation in more rural areas.

Using the fee zone approach represents a slight departure from the norm with regard to VMT analysis. To provide context for this discussion, maps showing the boundaries of the County's current traffic fee zones are attached as **Exhibit A**. These zones include (by general description only and not specifically related to Planning areas):

1. Northern Monterey County area (Zone 1)
2. Greater Salinas vicinity (Zone 2)
3. The Monterey Peninsula and Big Sur vicinity (Zone 3)
4. Salinas Valley and Southern Monterey County area (Zone 4); and

5. Carmel Valley area

To help facilitate, and maybe simplify, discussion on this topic, staff is focusing the dialog on residential land uses. Other types of land uses (commercial, retail, public, industrial, agriculture and services) will be similarly affected by the same discussion and policy direction. With that in mind, a summary of initial findings on the “current development VMT averages” is attached as **Exhibit B**, which includes two tables with preliminary figures.

The top (first) table shows preliminary VMT averages within the Monterey County. The bottom (second) table shows the same data with the 15% reductions from the figures in the top table (See the “Discussion” section of this report for information on why a 15% reduction table is provided). Lettered columns in the tables break down the preliminary VMT counts by land use type. The numbered rows in the tables breakdown the preliminary figures by region with the “Monterey County (2015)” row representing the single County-wide averages and rows below that being associated with the more specific Fee Zones described above. The AMBAG Region is also included in the tables for reference. The Association of Monterey Bay Area Governments (AMBAG) is made up of Santa Cruz, San Benito, and Monterey Counties including cities within each of those Counties.

Focusing on the Residential figures (Row C of **Exhibit B**), initial data shows the following average VMT:

Single County-wide Average: 11.4

Fee Zone Averages:

Fee Zone 1 (North) -	16.7
Fee Zone 2 (Salinas) -	9.2
Fee Zone 3 (Peninsula/Big Sur) -	9.9
Fee Zone 4 (South) -	16.5
Carmel Valley -	14.2

As can be inferred from this data, there is a wide range of average VMT for existing development by geographic area because the County is large with diverse land use patterns in different subareas throughout.

Putting the single County-wide threshold in context with the fee zone option, a residential project in the North County area (Fee Zone 1) would have difficulty achieving the 9.7 threshold because development patterns in that area have a regional VMT of 16.7 so the project would actually need to be more than 50% below the geographic average VMT to meet the single County-wide average with a 15% reduction (9.7/16.7). Conversely, a project in the Greater Salinas area (Fee Zone 2) would have an easier time meeting the thresholds of significance under CEQA because development patterns in that area start with a VMT that is already below the 9.7 threshold.

With this information, staff is seeking direction from the Planning Commission on the preferred approach to implementing VMT analysis.

DISCUSSION:

In 2013, Senate Bill 743 (SB 743) was signed into law by the State of California. SB 743 required the Governor’s Office of Planning and Research (OPR) to identify new metrics for considering transportation impacts under the California Environmental Quality Act (CEQA). Regulatory changes and a technical advisory (**Exhibit C**) were approved by OPR pursuant to SB 743 in December of 2018. The regulatory changes include,

among other things, a shift in the way transportation impacts are evaluated pursuant to CEQA. Historically, transportation impacts have been evaluated by examining whether the project is likely to cause automobile delay at intersections and congestion on nearby individual highway segments, and whether this delay will exceed a certain amount (this is known as Level of Service or LOS analysis). Starting July 1, 2020, for the purposes of CEQA, local agencies are required to analyze transportation impacts of new projects with a metric known as vehicle miles traveled (VMT) instead of LOS.

The legislative intent of SB 743 is stated as:

“New methodologies under the California Environmental Quality Act [were] needed for evaluating transportation impacts that are better able to promote the state’s goals of reducing greenhouse gas emissions and traffic-related air pollution, promoting the development of a multimodal transportation system, and providing clean, efficient access to destinations.”

And: *“More appropriately balance the needs of congestion management with statewide goals related to infill development, promotion of public health through active transportation, and reduction of greenhouse gas emissions.”*

In their efforts, the State recognized that the traditional LOS, which measured time spent in traffic, tended to benefit development in rural areas where traffic congestion was less of an issue, while urbanized areas were finding impacts of similar developments on traffic due to congestion on roadways (failing LOS). The shift to VMT analysis would change the paradigm by measuring the distance of a development from goods and services rather than time spent on congested roadways. To provide an analogy, it now does not matter (for the purposes of CEQA) how long one sits in a traffic jam but rather how far one has to travel to/from home, work, school, and/or the store. It may take an hour to drive three (3) miles in a traffic congested city or one (1) hour to drive 60 miles on a rural highway. Under VMT metric, the distance traveled is the relevant factor rather than the time spent in the car. With that explanation, and in the spirit of full disclosure, for Monterey County this means that the change to VMT analysis will result in an increase of the number of residential subdivisions that are found to have potentially significant traffic impacts, while smaller retail and commercial operations will likely see a reduction in potential traffic-related impacts (new commercial uses can reduce VMT by providing options for shorter home-based vehicle trips).

A “Technical Advisory on Evaluating Transportation Impacts in CEQA,” was issued by OPR in 2018, that provides guidance on how to implement the new VMT analysis. Within that document, OPR states the following:

“A per capita or per employee VMT that is fifteen percent below that of existing development may be a reasonable threshold.”

Bisecting the VMT threshold guidance from OPR, the County would need to identify the per capita or per employee VMT of existing development and then apply a percentage reduction from that (OPR recommends a 15% reduction). Under this scenario, a project with a projected VMT that is over 15% below the current development average would have a potentially significant impact on traffic.

Staff has been coordinating with the Transportation Agency of Monterey County (TAMC) to identify the existing per capita or per employee VMT of existing development within Monterey County. This has been a collaborative effort to provide consistency with County and Cities.

Although OPR has provided a recommended threshold of significance, CEQA generally defers to lead agencies on the choice of methodology to analyze impacts, and VMT analysis is no different in this respect. Latitude

within CEQA, and within OPR's technical advisory, is explicitly provided for each agency to determine appropriate methodologies and thresholds for their jurisdiction. As such, the County could establish our own local procedures for VMT analysis provided there is substantial evidence to support the local decision. In fact, there is no mandate to adopt a local threshold in the law and the County could decide to review each project on a case-by-case basis. Staff believes that not adopting a threshold in this case would be problematic because there would be no guidance to staff or the public on how to implement VMT analysis locally, how to identify boundaries from which to measure current average VMT (County-wide or by region), and there is a greater chance for lack of consistency across all projects.

There are benefits and drawbacks to both approaches that are described. As it pertains to the suggested threshold from OPR of achieving a 15% reduction, staff is still in the process of determining if the County has substantial evidence to warrant different thresholds for consideration locally. The County may choose to follow OPR guidance and adopt the 15% reduction threshold or may propose some other reduction percentage if warranted based on the facts and circumstances applicable to our County. If staff determines that some other reduction percentage is warranted, staff will return to the Planning Commission or Board for a separate discussion on that topic.

California Environmental Quality Act (CEQA):

This policy direction is not a project pursuant to the California Environmental Quality Act (CEQA). Section 15378 of the Guidelines defines a "project" under CEQA. The definition of project specifically excludes policy and procedure making that will not have a direct or indirect physical impact on the environment. The proposed policy decision is administrative in nature and will not result in any physical changes to the environment.

OTHER AGENCY INVOLVEMENT:

The following Departments or Agencies have been involved in drafting this ordinance:

- Housing and Community Development
- Public Works, Parks, and Facilities
- Transportation Agency for Monterey County (TAMC)

FINANCING:

Funding for staff time associated with development of VMT thresholds is included in the FY20-21 Adopted Budget for each of the involved Departments/Agencies.

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Approved by: Carl Holm, AICP, Director of Housing and Community Development

The following attachments are on file with the HCD:

Exhibit A - Maps of Traffic Impact Fee zones in Monterey County

Exhibit B - Table summary of preliminary VMT figures

Exhibit C - Office of Planning and Research Technical Guidance Document