

CITY OF MOUNTAIN VIEW

ENVIRONMENTAL PLANNING COMMISSION

STAFF REPORT

WEDNESDAY, APRIL 15, 2020

6. STUDY SESSION

6.1 Senate Bill 743: CEQA Transportation Analysis

RECOMMENDATION

That the Environmental Planning Commission (EPC) review information and policy options regarding the implementation of California Senate Bill 743.

PUBLIC NOTIFICATION

The Commission's agenda is advertised on Channel 26, and the agenda and this report appear on the City's Internet website. All interested stakeholders were notified of this meeting.

MEETING PROCEDURE

The purpose of this meeting is to study policy options for compliance with California Senate Bill 743 (SB 743).

Staff recommends the following meeting procedures, which reflect standard practice for this type of item:

1. Staff presentation.
2. Public comments.
3. Commission questions.
4. Commission discussion.

EXECUTIVE SUMMARY

SB 743 requires cities to evaluate transportation impacts with metrics that support the reduction of greenhouse gas emissions, development of multi-modal transportation networks, and diversification of land uses. The Governor's Office of

Planning and Research (OPR), therefore, requires California Environmental Quality Act (CEQA) lead agencies replace Level of Service (LOS) with Vehicle Miles Traveled (VMT).

Using LOS as a transportation metric has led to widening of streets to increase roadway capacity mainly for automobiles, which further increases congestion. This has also focused roadway improvements on motor vehicles instead of devoting limited street right-of-way for other modes, such as sidewalks, bicycle lanes, and transit stops. Using VMT as a metric for transportation analysis instead of LOS reduces the vehicle-centric approach to transportation analysis and mitigation, incentivizes infrastructure and policies which support modes of transportation besides the vehicle, incentivizes development near transit facilities, and creates greater policy consistency between regional and local goals when measuring traffic and greenhouse gas emissions.

State guidance from the OPR gives wide discretion to lead agencies in implementing SB 743 to establish new thresholds of significance and screening criteria in terms of VMT for development projects. This report includes analysis of policy options based on State guidance and best practices employed by other jurisdictions.

Staff has developed a proposed framework for screening criteria and thresholds of significance that will streamline environmental review while resulting in more local flexibility regarding required transportation improvements.

Staff is, therefore, suggesting screening criteria that presumes projects would have a less-than-significant transportation impact under CEQA if they meet any of the following criteria:

- Are located in an area with low VMT;
- Are located within one-half mile of transit;
- Are considered a small project; or
- Feature 100 percent affordable residential units.

Areas of low VMT are defined according to the following suggested thresholds:

- Fifteen percent (15%) below existing nine-County Bay Area regional average VMT per capita for residential land use projects;

- Fifteen percent (15%) below existing Santa Clara County average VMT per employee for office land use projects;
- Any net increase in total VMT for retail projects; and
- Evaluate each component of the project independently, by applying the corresponding significance threshold, for mixed-use and other project types.

If a project is screened out from CEQA review by the criteria above, then it will be required to conduct a Multi-Modal Transportation Analysis (MTA). Key components of the MTA will include, among other things, multi-modal analysis, project compliance with the General Plan and VTA Congestion Management Program, and an analysis of the effects of a project on surrounding neighborhoods.

BACKGROUND

California lawmakers have identified sustainability as a Statewide goal. Specifically, the reduction of greenhouse gases is of critical importance for the State, nation, and world at large. SB 743, as codified in California Public Resources Code Section 21099, will help the State reach its climate action targets. Section 21099 calls for “Modernization of Transportation Analysis for Transit-Oriented Infill Projects” and does this through reform of CEQA.

The CEQA Guidelines state LOS can no longer be used as a threshold to establish significance for transportation impacts, as defined by SB 743. SB 743 requires cities to evaluate transportation impacts with metrics that support the reduction of greenhouse gas emissions, development of multi-modal transportation networks, and diversification of land uses. OPR, therefore, requires CEQA lead agencies replace LOS with VMT. The law does not prohibit use of automobile delay metrics for any supplemental analysis. All lead agencies must adopt new thresholds of significance by July 1, 2020. For more background information on LOS and CEQA, please see Exhibit 1.

Vehicle Miles Traveled Overview

VMT analysis measures the distance driven in a specific geography and is used to understand how vehicle mileage throughout a jurisdiction or region is affected by a project. VMT is useful because it more comprehensively quantifies transportation system performance than LOS analysis, examining transportation impacts not just during peak periods and at select roadway segments. VMT calculation can be in the

form of regional VMT, City VMT, VMT per capita, or VMT per employee, among other rates.

The City's 2030 General Plan and other adopted documents include land use and transportation goals that support the transition to using VMT in transportation analyses (see Exhibit 2). Specifically, a key General Plan Mobility Element implementation action (MOB 8.1.2) calls for innovation in transportation performance measurement by developing alternative impact thresholds that balance needs of all modes.

CEQA Guidelines and OPR state that using VMT for assessing transportation impacts allows streamlined review of infill projects and transit-oriented development because they are generally considered to be beneficial to the environment as they incentivize development in low-VMT locations. Maps showing low and high VMT locations within Mountain View are included in the Map Based Screening discussion later in this report.

VMT Thresholds of Significance and Mitigation Measures

Per CEQA Guidelines, a project is presumed to have a significant transportation impact if it results in an increase in VMT compared to an adopted threshold. Thresholds of significance vary depending on the type of land use project and are further discussed under Analysis section b. of this report.

Lead agencies have discretion in selecting VMT mitigation measures if a project results in a significant transportation impact. OPR suggests several mitigations to reduce VMT, including Transportation Demand Management (TDM) strategies, such as setting vehicle trip caps or providing shuttles for residents and employees; diversifying land uses; and restricting parking. VMT mitigations can also take the form of additional investment in multi-modal infrastructure. The variety of mitigation options provides flexibility for lead agencies to assign measures best suited to mitigate impacts from a project.

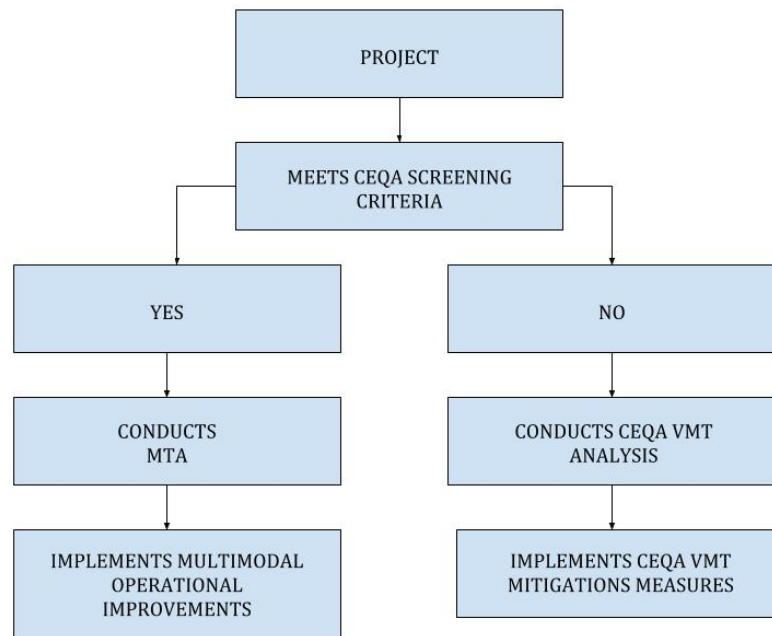
EPC Study Session – October 23, 2019

On October 23, 2019, the EPC reviewed background information on SB 743 (see Exhibit 1). The EPC had general questions on what modes are counted toward VMT, how OPR arrived at its recommended thresholds, how VMT is calculated, and how SB 743 implementation fits into other City land use actions.

Transportation Analysis Under SB 743

The following flowchart describes a general approach to transportation analysis under SB 743. The sections following include a more detailed discussion, including: (i) a CEQA screening criteria for land use projects; (ii) policy options for considering VMT thresholds of significance; and (iii) analysis of a project's transportation effects outside CEQA through MTA.

Figure 1: General Transportation Analysis Process Flowchart Under SB 743



In support of implementing SB 743 and in its capacity as the Congestion Management Agency in Santa Clara County, VTA has worked with cities to calculate existing baseline VMT data for residential and employment land uses, summarized in Table 1 below. All maps and suggested policies in this report are created with this data from VTA. VTA has also created a VMT Evaluation Tool, where a project's address and characteristics can be entered to output project-generated VMT, applicability to screening criteria, impact significance level, and recommended mitigation measures if applicable. The tool is not yet launched for public use but is expected to go live in late spring of this year.

Table 1: Average Residential and Employment VMT Rates by Geography (2015)

Geography	2015 Average Residential Daily VMT per Capita (mi)	2015 Average Employment Daily VMT per Worker (mi)
Nine-County Bay Area	13.95	15.33
Santa Clara County	13.33	16.64
Mountain View	10.32	18.54

ANALYSIS

a. **Screening Criteria**

Best Practices and Proposed Approach for Consideration in Mountain View

If a development project meets adopted VMT screening criteria, then it may be presumed to have a less-than-significant transportation impact under CEQA and is “screened out” from being required to conduct a detailed CEQA VMT analysis in environmental documents. It is important to note that projects screened out from CEQA may still be required to conduct an MTA, discussed later in Analysis section b. of this report. The following discussion presents suggested criteria that can be used to screen projects from conducting CEQA VMT analyses.

Development in Low-VMT Areas/Map-Based Screening

OPR advises residential and office projects in areas of low VMT that are compatible with surrounding development in terms of density, mix of uses, and transit accessibility will tend to exhibit similarly low VMT. These projects would, therefore, be presumed to have a less-than-significant VMT impact.

Maps displaying existing VMT values within a city are referred to as heat maps. These maps display colors representing the level of variation from a local or regional average VMT value for a jurisdiction. The purpose of these heat maps is to determine if a project could be located in an area with low existing VMT.

The data informing these heat maps is from VTA and includes some anomalies in Mountain View, such as the downtown Mountain View area, shown in yellow in Heat Map 1 (Exhibit 3). This area is intuitively expected to be low VMT because it is located close to the Downtown Transit Center; is comprised

of dense, mixed-use development; and is profoundly walkable. Despite these facts, the map shows much of downtown as a high VMT area. VTA has stated they do not have the ability to modify the data used within their model at this time, so staff will be further considering implementation options for addressing these discrepancies.

OPR recommends cities compare residential development relative to either a local (Citywide) or regional average VMT per capita and employment projects relative to a regional average VMT per employee or worker. For the purposes of this discussion, Heat Maps 1 and 2 are shown in Exhibits 3 and 4, and are relative to the nine-County Bay Area and Santa Clara County regional average VMT rates for residential and employment land uses, respectively.

Heat Map 1 – Residential

Heat Map 1 displays the difference from the regional average VMT per capita for different areas in Mountain View. The colors on the map represent variation from the average regional VMT per capita of 13.95 miles. Green areas on the map represent locations in the City with average VMT per capita 15 percent below the nine-County regional average VMT per capita. Residential projects in those areas are presumed to have a less-than-significant transportation impact and would be exempted from further CEQA VMT analysis.

Mountain View's Citywide residential VMT per capita of 10.32 miles is considerably lower than the comparative regional figures for the County and Bay Area region. Therefore, defining the residential threshold based on the regional average VMT per capita value means there are more parcels in Mountain View with daily VMT per capita beneath the threshold, or in other words, have low VMT.

Proposed Approach: Staff suggests use of Heat Map 1 as it includes a large number of parcels with low VMT that will be screened out from further CEQA analysis. Staff also suggests use of Heat Map 2 to represent the relationship between VMT per employee and the threshold of significance for office land uses in Mountain View. Because no parcels in Mountain View are below the threshold, no locations will be screened out based on low VMT per employee.

Heat Map 2 – Employment (Office)

Heat Map 2 shows the percent difference from the Santa Clara County average VMT per employee of 16.64 miles. No areas in Mountain View exhibit VMT per employee below a 15 percent reduction from the Countywide mean. The Santa Clara County average VMT per employee (16.64) is higher than the Bay Area nine-County regional average VMT per employee (15.33). Heat Map 2 cannot be used as a low-VMT map for office project screening analysis, given the high VMT per-worker values.

Proximity to Transit Screening

Per CEQA guidelines, if a project is proposed within a transit priority area (TPA), defined as areas within one-half mile of an existing major transit stop or an existing stop along a high-quality transit corridor, then the project may be presumed to have a less-than-significant impact on VMT. TPA Map 1 (Exhibit 5) shows buffered areas in Mountain View that would be screened out from further CEQA VMT analysis by virtue of their proximity to transit.

In TPA Map 1, the TPA buffer zone is shown with a black outline to show the street network and employment heat map beneath. The TPA buffer would also apply to residential projects. This map illustrates that even if a land use project is located in an area with high VMT, it may be presumed to have a less-than-significant transportation impact. OPR suggests this presumption holds true unless the project within the TPA:

- Has a floor area ratio (FAR) less than 0.75;
- Provides more than the maximum parking required by the City;
- Is inconsistent with Plan Bay Area; or
- Replaces affordable residential units with a smaller number of moderate- or high-income residential units.

Proposed Approach: Use TPA Map 1 for screening projects close to transit.

Small Project Screening

OPR recommends that certain small residential and office projects can be presumed to have a less-than-significant VMT impact. Table 2 shows small

project size criteria recommended by OPR; criteria adopted by the City of San Jose; and suggested criteria for Mountain View.

Table 2: Small Project Screening Thresholds

Land Use	OPR	San José	Mountain View
Residential	Single family: 12 units Multi-family: 20 units	Detached housing: 15 units Attached housing: 25 units	Single family: 12 units Multi-family: 30 units
Employment	Approximately 10,000 square feet ¹	Office: 10,000 SF Industrial: 30,000 SF	Approximately 10,000 square feet ¹

¹ 10,000 square feet or 110 daily trips; this presumption is consistent with categorical exemption Section 15301, Existing Facilities, of the CEQA Guidelines. The exemption applies to new projects, or additions to existing structures, of up to 10,000 square feet. This exemption should hold true for project types whose VMT increases relatively linearly with square footage (i.e., general office building, single-tenant office building, office park, and business park).

OPR recommends if an employment project is consistent with the City’s General Plan and Plan Bay Area and would generate less than 110 trips per day, which is approximately 10,000 square feet, then it may be presumed to have a less-than-significant transportation impact. Cities have discretion to set their own small project criteria, provided the thresholds are supported by substantial evidence.

Proposed Approach: Employment land use projects of approximately 10,000 square feet or less can qualify for small project screening.

Staff notes the OPR-recommended thresholds for residential project size are low relative to new housing typically approved in Mountain View. New single-family development in the City generally does not involve construction of more than 10 detached units. However, the City does routinely entitle new multi-family projects in excess of 20 units. To inform the suggested threshold for small project size, staff analyzed 25 multi-family projects entitled in the last 10 years, ranging from four to 115 units in size. The average project size among these examples was 33 units, and that size dropped to 30 when the 115-unit project was removed, as an outlier.

Proposed Approach: To be consistent with the approach of supporting the development of additional multi-family housing close to regional job centers, staff suggests projects with 12 single-family or 30 multi-family units, or fewer, be classified as small residential projects.

Affordable Housing Project Screening

OPR notes that developments with a high proportion of affordable housing (more specifically, “subsidized” housing) typically generate fewer vehicle trips than market-rate projects when located on infill sites. Evidence suggests projects with 100 percent affordable units should be presumed to have a less-than-significant transportation impact. OPR advises that cities develop their own affordable housing screening criteria, including proportion of affordable units, based on local circumstances and evidence, and recommends requiring VMT analyses for projects resulting in tenant displacement.

Proposed Approach: Screen out projects from further CEQA analysis which feature 100 percent affordable units.

b. **VMT Thresholds of Significance**

Best Practices Overview

Lead agencies have discretion in setting thresholds of significance for what constitutes a significant impact under CEQA. The criteria for determining the significance of transportation impacts must promote the reduction of greenhouse gas emissions, develop multi-modal transportation networks, and create a greater diversity of land uses. OPR recommends cities adopt thresholds of significance for residential, office, and retail land use projects because those project types have the greatest influence on VMT. Cities are encouraged to adopt their own thresholds of significance that can best meet their own local context, including their desired land use development and transportation goals, as discussed further below.

Residential and Office Land Use Projects

OPR recommends lead agencies use an efficiency metric (reduction per capita or employee) to define thresholds of significance for residential and employment land use projects. OPR suggests a 15 percent VMT reduction relative to local or regional average VMT levels is achievable at the project level

in a variety of land use contexts and is consistent with achieving the State’s climate goals.

Table 3 summarizes thresholds of significance for residential and office land use projects that have been recommended by OPR and adopted by the cities of San Jose and Oakland, including suggested thresholds for the City of Mountain View, with additional discussion below.

Table 3: Thresholds of Significance for Residential and Office Projects

	OPR	San Jose	Oakland	Mountain View
Residential	15% below existing citywide average VMT per capita, or 15% below existing regional average VMT per capita.	Whichever is lower: 15% below existing citywide average VMT per capita; or 15% below existing regional average VMT per capita.	15% below existing regional average VMT per capita.	15% below existing regional (nine-County Bay Area) average VMT per capita.
Office	15% below existing regional average VMT per employee.	General employment: 15% below existing regional average VMT per employee. Industrial Employment: below existing regional average VMT per employee. ¹	15% below existing regional average VMT per employee.	15% below existing regional (Santa Clara Countywide) average VMT per worker.

¹ San Jose generally followed OPR’s recommendations for all uses with an added exception: industrial land uses. San Jose created a distinct threshold for industrial land use because most areas zoned for industrial use are disconnected from other land uses and tended to have a higher VMT per worker. Therefore, the threshold for industrial uses was adjusted to acknowledge that industrial projects are a valuable part of their local economy.

VMT Thresholds of Significance: Proposed Approach for Consideration in Mountain View

Thresholds of significance can be set relative to existing Citywide or regional VMT averages. The discussion below compares the differences between using

the Citywide, Countywide, or regional VMT reference averages for different land uses, including potential strategies for Mountain View.

Existing baseline average VMT has been mapped and analyzed for Mountain View, Santa Clara County, and the nine-County Bay Area regional geographies. The average VMT values that correspond to these three geographies, as well as the 15 percent reduction from these averages, are summarized in Table 4 below.

Table 4: Existing City and Regional Average VMT Comparison

	Residential Daily VMT per Capita (miles)		Employment Daily VMT per Worker (miles)	
Geography	Average for 2015	15% reduction below average (miles)	Average for 2015	15% reduction below average (miles)
Mountain View	10.32	8.77	18.54	15.76
Santa Clara County	13.33	11.33	16.64	14.14
Nine-County Bay Area	13.95	11.86	15.33	13.03

Residential

Mountain View's average residential Citywide VMT per capita (10.32) is lower than the average Countywide or nine-County Bay Area residential VMT per capita values. Therefore, if the Citywide average VMT is adopted, more projects would be subject to CEQA VMT analysis, which would result in less streamlining of residential projects. In other words, if adopting a threshold based on a more permissible regional average VMT per capita (in this case the nine-County Bay Area average), then residential projects would require less CEQA VMT analysis, and the process would be more streamlined. This approach is generally consistent with City policy goals balancing the high amount of office development with new residential land uses.

Proposed Approach: Use a threshold of 15 percent below existing nine-County Bay Area regional VMT per capita for residential projects.

Office

For office development, Mountain View's Citywide average VMT per employee (18.54) is greater than the regional reference averages (16.64 and 15.33), which reflects the City's strong employment base and resulting large number of commuter trips. OPR advises adopting the 15 percent below existing regional average VMT per employee threshold for employment projects ("regional" can be defined by the City). OPR does not support using local (citywide) averages because the geography in which workers in a city are expected to live is generally larger than that city's boundary. This is particularly valid in Mountain View, where workers are known to commute from well outside the City limits. If Mountain View adopts the more restrictive threshold of 15 percent below existing Citywide average VMT per employee for office projects, then more projects would have significant transportation impacts that would require additional mitigations.

The Santa Clara Countywide average is higher than the Bay Area nine-County regional average VMT per employee and, therefore, a threshold based on this higher reference average would be the most permissible. As such, staff notes that it may be most appropriate for Mountain View to adopt the Santa Clara County regional VMT average for the office project threshold. This would require less CEQA VMT analysis and resulting mitigations than using the more stringent nine-County Bay Area average VMT. Most importantly, this approach is more realistic in that the City of Mountain View has more local control over office entitlements and transportation conditions of approval as described below.

Staff notes that, for a number of years, Mountain View has placed special conditions and requirements on office developments in order to reduce their overall vehicle trips. For example, the City has required many office developments to reduce their vehicle trips through project trip caps and other TDM strategies. These requirements align with the City's broad goals and programs to reduce single-occupancy vehicle trips to both increase multi-modal travel and help reduce greenhouse gas emissions.

Proposed Approach: Use a threshold of 15 percent below existing Santa Clara Countywide VMT per worker for office land use projects.

Retail Land Use Projects

For retail projects, OPR advises that any net increase in total VMT may indicate a significant impact. However, local-serving retail is exempted from further analysis because these neighborhood-serving uses tend to result in shorter trips. Cities can use existing definitions of local-serving or regional-serving retail, taking into consideration any project-specific information, such as market studies or economic impacts analysis, that might provide information about customers' travel behavior. Alternatively, OPR suggests that projects which include stores larger than 50,000 square feet should not be considered local-serving.

Table 5 provides a summary of the OPR recommendation and the adopted policies in San Jose and Oakland for retail land use projects along with staff's suggestion for Mountain View.

Table 5: City Comparison of Thresholds of Significance for Retail Land Uses

	OPR	San Jose	Oakland	Mountain View
Retail	Net increase in total VMT or 50,000 square feet	Net increase in total VMT	15% below existing regional average VMT per employee	Net increase in total VMT

New retail development typically redistributes existing shopping trips rather than creating new ones. That said, the effect new retail has on trips is best understood by estimating how overall VMT changes in a geography. The change in total VMT is calculated as the difference in total VMT in the affected area with and without the project.

Proposed approach: Consistent with OPR guidance, staff suggests using a threshold of any net increase in total VMT for retail projects.

Mixed-Use Projects

OPR advises cities to evaluate mixed-use projects based on each separate use or by considering the primary use in the project. For example, if the mixed-use project contains mostly housing with some local-serving retail, the lead agency should only analyze the residential use because local-serving retail is presumed to not cause a significant impact on VMT. OPR does not require all

mixed-use projects be evaluated with the same approach and gives cities discretion on how to evaluate these projects.

If the City chooses to evaluate mixed-use projects based on its primary, dominant land use, then the threshold for that primary use would be applied, and a determination of significance would be made for the whole project based solely on one of its land uses. This is a reasonable approach for projects where ground-floor retail or other accessory uses are clearly subordinate to the primary land use. However, the hierarchy of uses may not be as clear within all mixed-use projects.

Proposed approach: Staff suggests mixed-use projects and other project types not already discussed be evaluated by analyzing each land use separately with its applicable threshold of significance.

Implications of Suggested Policy Options: Example Projects Analysis

Staff reviewed several recently approved land use projects in Mountain View to visualize how the threshold and screening policies suggested in this report would affect project review and development if adopted. See Exhibit 6 for a table of the example projects and their transportation outcomes from applying the thresholds and screening criteria suggested in this report.

Screening Criteria Implications

Of the several example projects analyzed, all residential components of the projects, with the exception of a mixed-use development in North Bayshore, are presumed to have a less-than-significant transportation impact. Notably, however, the residential component of the North Bayshore mixed-use project would likely be able to mitigate the VMT impact with modest investment in TDM because the project lies in a yellow area of the residential threshold map, meaning the project's VMT is between the average and 15 percent below the average VMT per capita.

None of the employment projects analyzed complied with the threshold for that land use, but one large office project analyzed was located within a transit priority area and would thus be screened out from further CEQA VMT analysis.

Furthermore, several residential projects were analyzed to provide an idea of how housing projects routinely entitled would be affected by the suggestions

in this report. These projects are located throughout the City where multi-family residential development is permitted by right. The projects were compatible with their surrounding neighborhoods and ranged in size from four to 115 units. All but one project complied with the residential threshold and would be screened out by virtue of transit proximity, being located in a low-VMT area, or would qualify for CEQA's categorical exemption for Infill Development Projects.

Thresholds Implications

The discussion below includes some example projects overlaid on heat maps showing variation from *local, Santa Clara Countywide, and nine-County Bay Area regional average VMT per capita* to illustrate implications of choosing among thresholds options for the example projects (see Exhibits 7, 8, and 9).

Residential

The attached maps illustrate implications of using the least permissible (15 percent below existing Citywide average VMT per capita) to most permissible (15 percent below existing nine-County Bay Area regional average VMT per capita) threshold for residential land use projects.

Use of the Citywide VMT reference average yields a map with fewer low-VMT areas than either the Santa Clara County or nine-County Bay Area regional reference average maps. Thus, using the Citywide average VMT per capita for the threshold would require more housing projects to mitigate transportation impacts. It can be seen that the low-VMT areas on the Santa Clara County and nine-County Bay Area regional maps are more similar in size than those on the Citywide average VMT per capita map.

As evident in the maps in Exhibits 7, 8, and 9, a threshold of 15 percent below the existing nine-County Bay Area regional average VMT per capita is the most permissible among the options and would allow for the most streamlined environmental review for residential land use projects.

Employment

The following discussion analyzes implications of adopting a threshold of significance for employment (office) projects that is 15 percent below existing VMT per worker for either the Santa Clara County or nine-County Bay Area regions (see Exhibits 10 and 11).

The maps in Exhibits 10 and 11 show a significant amount of red, meaning neither shows a large number of parcels in low-VMT areas. Given the Santa Clara County average VMT per worker (16.64) is higher than the nine-County Bay Area average (15.33), the Santa Clara County map shows more areas with average employment VMT that are closer to the mean and is consequently the more permissible of the two options presented.

Despite being the more permissible option, the Santa Clara County map still does not show any low-VMT areas for employment. However, if this threshold is adopted, employment projects would be able to mitigate transportation impacts more easily relative to the nine-County Bay Area average-based threshold. This is evident in the Santa Clara County map, where downtown Mountain View is shown with yellow, meaning the average VMT per worker there is below the mean. The TPA screening applied to this area notwithstanding, development in the downtown area would only require modest investment in TDM to comply with the Santa Clara County reference average-based threshold.

As noted earlier, using the Santa Clara County threshold, although more permissive under CEQA, is more relevant since the City has more control over the local entitlement process and conditions of approval for office projects. The City has been successfully requiring conditions on office projects to help reduce vehicle trips, including project trip caps and other TDM strategies, and this trend can continue with use of the Santa Clara County threshold.

EPC Question: Does EPC support staff's suggested screening criteria and VMT thresholds of significance?

c. **Multi-Modal Transportation Analysis**

VMT is the new metric for assessing transportation environmental impacts under CEQA. However, VMT does not provide a means for understanding the functionality of local roads for users and does not identify potential issues related to site access and circulation, intersection safety and queuing, bicycle/pedestrian/public transit accessibility, and neighborhood impacts or spillovers. For this reason, there continues to be a need to manage a project's adverse effects on local roadways by imposing conditions related to design changes and operational improvements during the project review and permitting phases. This process is proposed to be called a Multi-Modal Transportation Analysis (MTA) and will be conducted outside the CEQA

process. The City of San Jose has developed a similar process and has been using it since early 2018.

Projects above a certain threshold may be required to prepare an MTA. The determination of whether an MTA is required will be based upon screening criteria to be outlined in an MTA Handbook currently under development by the Public Works Department. The MTA Handbook will be in place by July 1, 2020. If an MTA is required, project applicants must complete the MTA prior to, or in conjunction with, the project's environmental review requirements.

Components of an MTA will include:

- Identification of existing multi-modal transportation conditions;
- Identification of relevant City plans and projects under way or planned;
- Consistency with the General Plan or other City requirements;
- Analysis of project adverse transportation effects related to site access and circulation, pedestrian and bicycle quality of service, public transit effectiveness, local automobile operations, local transportation safety, and neighborhood impacts or spillovers;
- Compliance with the applicable County Congestion Management Program; and
- Proposed design changes and operational improvements to address adverse effects.

As part of the project conditions of approval, the City may require: design changes; multi-modal operational improvements; multi-modal transportation improvements from City planning documents, or a combination of the above. During the environmental review process, applicants may also be credited for VMT benefits associated with project design and operational improvements. The City may choose to recommend project approval with or without multi-modal operational improvements.

ENVIRONMENTAL REVIEW

Adopting new thresholds of significance itself is not considered a project under CEQA.

NEXT STEPS

Staff will gather feedback on the proposed framework from the EPC and return to the EPC for a final policy hearing to adopt a recommendation to Council in May, which will be forwarded to the City Council for a final adoption hearing in June.

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SA-RHL/6/CDD
870-04-15-20SR

- Exhibits:
1. EPC 10-23-2019 Study Session Staff Report
 2. Existing Supporting Policies
 3. Heat Map 1 – Variation from the Regional Average VMT per Capita
 4. Heat Map 2 – Variation from the Santa Clara Countywide Average VMT per Employee
 5. Transit Priority Area Map 1
 6. Example Projects Analysis Table
 7. Example Projects Mapped on Variation from Citywide Average VMT per Capita
 8. Example Projects Mapped on Variation from Santa Clara County Average VMT per Capita
 9. Example Projects Mapped on Variation from Nine-County Bay Area Average VMT per Capita
 10. Example Projects Mapped on Variation from Santa Clara County Average VMT per Employee
 11. Example Projects Mapped on Variation from Nine-County Bay Area Average VMT per Employee
 12. Glossary
 13. SB 743 Fact Sheet and FAQ