DISCUSSION ITEMS

Agenda Item # 12

AGENDA REPORT SUMMARY

Meeting Date: May 12, 2020

Subject: Level of Service to Vehicles Miles Traveled Policy

Prepared by: Guido F. Persicone, Planning Services Manager, AICP
Reviewed by: Jon Biggs, Community Development Director
Approved by: Chris Jordan, City Manager

Attachment(s):
1. Hexagon Transportation Consultant PowerPoint Presentation

Initiated by:
City Staff

Previous Council Consideration:
Not Previously Considered

Fiscal Impact:
A $25,000 dollar contract was processed so City staff could receive Vehicle Miles Traveled guidance from Hexagon Transportation Consultants, who has experience with this subject.

Environmental Review:
- This is exempt from CEQA pursuant to Section 15061(b)(3) as it can be stated with certainty that accepting a receiving policy direction from the City Council will not have a significant effect on the environment.

Policy Question(s) for Council Consideration:
- Following the presentation from the consultant, is there direction that the City Council would like to provide to City staff?

Summary:
- The City is required to change how it assesses transportation impacts through the environmental review process pursuant to SB 743 by July 1, 2020. The consultant will provide a broad overview of Vehicle Miles Traveled (VMT) and receive initial direction from the legislative body.

Staff Recommendation:
- To receive the presentation from the consultant and to provide initial direction to City staff.

Reviewed By:

City Manager	City Attorney	Finance Director
CJ	JH	SE

Subject: Level of Service to Vehicles Miles Traveled Policy

Background

Hexagon Transportation Consultants will be presenting the Level of Service (LOS) to Vehicle Miles Traveled (VMT) Policy overview as part of study session to provide background information for the City Council to consider.

In 2013, Senate Bill 743 was signed by Governor Brown. SB 743 directed the State Office of Planning and Research (OPR) to develop new California Environmental Quality Act (CEQA) guidelines and to replace Level of Service (LOS) as the evaluation measure for transportation impacts under CEQA with another measure such as Vehicle Miles Traveled (VMT). VMT measures the amount of vehicle trip making and trip length and is a direct measurement of greenhouse gas emissions. A reduction in VMT would promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses that reduces the reliance on individual vehicles.

By July 1, 2020, all California cities are required to update their transportation impact analyses from LOS to Vehicle Miles Traveled (VMT). Rather than treating traffic congestion faced by drivers as an environmental impact, this new metric instead considers distance traveled by vehicles as the environmental impact.

VMT is calculated by multiplying the number of vehicle trips that a proposed development will generate by the estimated number of miles driven per trip. While LOS often required wider roads as a mitigation measure, projects expected to induce significant increases in VMT will likely be able to mitigate their impacts through measures such as car-sharing services, unbundled parking, improved transit, and enhanced pedestrian and bicycle infrastructure.

OPR has posted video presentations explaining the rationale for the move away from LOS and towards VMT. Staff encourages Councilmembers to view these videos in order as they provide an excellent introduction to this topic:

- Problems with LOS – https://tinyurl.com/Problems-with-LOS
- Benefits of VMT – https://tinyurl.com/Benefits-of-VMT
- Methods for Land Use Projects – https://tinyurl.com/Methods-for-Land-Use-Projects

Discussion/Analysis

To assist agencies in establishing a significance threshold and metrics for VMT analysis, OPR issued a guidance document, Technical Advisory on Evaluating Transportation Impacts in CEQA (https://bit.ly/3e32RU9). Staff derived many of the options for establishing a VMT threshold from this technical advisory document. Staff requests Council consideration in three key areas: 1. methodology; 2. metrics, screening criteria; and 3. thresholds

Methodology/Metrics

The City of Los Altos has discretion to select its preferred method for calculating VMT. The method used for setting VMT impact thresholds must be the same method used for project impact analysis. CEQA requires environmental analyses to reflect a "good faith effort at full disclosure." Lead agencies should not truncate any VMT analysis because of jurisdictional or other boundaries, for example, by failing to count the portion of a trip that falls outside the jurisdiction or by discounting the VMT from a trip that crosses a jurisdictional boundary. Thus, where methodologies exist that can estimate the full extent of vehicle travel from a project, CEQA specifies that a lead agency should apply them. The following describes both a screening methodology and a quantitative VMT evaluation method.

The Santa Clara Valley Transportation Authority (VTA) is leading the development of a web-based countywide Santa Clara Countywide VMT Evaluation Tool. This tool will provide the basis for identifying developments in Los Altos that would be located in a low VMT area and/or would be located in a transit priority area and could thus be screened out from preparing a quantitative VMT analysis. For projects that are screened out, the City would provide a qualitative discussion of the project characteristics that form the basis for determining that the project is presumed to have a less than significant VMT impact. The VMT screening would streamline the environmental review process by determining whether a project is likely to result in significant VMT impacts.

The VTA VMT Evaluation Tool would also be used to estimate the Project VMT for most common land use developments that do not meet the screening criteria. The tool will estimate a project's potential VMT based on the project's description, location, and attributes including proposed Travel Demand Management (TDM) measures. It is anticipated to be complete and available for use by July 1, 2020.

For very large developments, unique land uses, and projects that can potentially shift travel patterns, the VTA VMT Evaluation Tool would not be appropriate or adequate for the CEQA transportation analysis. In such cases, the VTA travel demand model should be used to develop quantitative VMT forecasts because it allows for a more complete accounting of all vehicle trips and trip lengths, and can produce estimates for the project's cumulative impacts on VMT that account for changes in behavior. The models can also account for the potential induced travel effects of a project on VMT.

Screening Criteria

The Office of Planning and Research (OPR) recommends a screening process for project types known to be low VMT generators. Projects that meet screening criteria can be determined to have a less than significant VMT impact without conducting a quantitative VMT analysis unless there is information indicating that the project is unique in some way that determines it may not be a low VMT generator. The City could choose to screen out some, or all, of these project types to enable only a qualitative discussion in their associated CEQA documents. This assumes that cumulative VMT impacts are consistent with long-term air pollution and GHG reduction expectations. This screening approach

would enable project streamlining by eliminating the need to prepare a quantitative analysis for low VMT-generating projects that meet the screening criteria. OPR's Technical Advisory document includes the following list of project types presumed to have a less than significant' impact on VMT and that the City may choose to screen:

• Small Projects – Projects that generate or attract fewer than 110 trips per day. Based on research for small project triggers, this may equate to nonresidential projects of 10,000 square feet or less and residential projects of 20 units or less.

• Local-Serving Retail Projects – The City of Los Altos may also screen local-serving retail projects of less than 50,000 square feet, on the basis that they attract trips that would otherwise travel longer distances. Staff would evaluate both the project characteristics and the context of the project location to determine whether a given retail project is local-serving. Regional-serving retail projects would not be subject to screening.

• Local-Serving Public Facilities – Like local-serving retail uses, publicly owned or controlled facilities (e.g. branch libraries, community or senior centers, fire stations, and public elementary schools) produce very low VMT or replace trips to existing facilities without increasing trips outside of the area. Regional-serving facilities such as private schools and high schools would not be subject to screening.

• Transportation Projects-Transit projects, bicycle and pedestrian projects, and roadway projects that do not result in an increase in vehicle capacity or VMT.

Thresholds

Threshold OPR's technical advisory document recommends thresholds that vary by project and land use type. The thresholds are generally based on applying Total VMT or VMT efficiency metrics. For residential and office projects, OPR indicates that a "per capita or per employee VMT that is 15 percent below that of existing development may be a reasonable threshold." The recommended OPR thresholds are based on substantial evidence that aligns CEQA transportation analysis to meet statewide targets for GHG emission reductions. The 15 percent VMT reduction target could be refined in the future to reflect GHG emission reduction goals. In order to align the City with current state VMT reduction targets before July 1, 2020, staff anticipates recommending the City Council adopt initial thresholds for residential and office projects consistent with OPR's recommendations. OPR's recommendation to evaluate retail projects based on total VMT has been problematic when used in other jurisdictions due to the limitation of the travel demand model. Thus, it is recommended that retail projects be evaluated following the same methodology and threshold as office developments. For individual land use projects that are not screened out and require a quantitative VMT assessment, this would mean the following:

• Residential Projects – A proposed project exceeding a level of 15 percent below existing (baseline) city-wide average home-based VMT per resident would indicate a significant transportation impact.

• Office and Retail Projects – A proposed project exceeding a level of 15 percent below existing (baseline) city-wide average home-based work VMT per employee would indicate a significant transportation impact.

• Mixed-Use Projects – The City will evaluate each land use independently by applying the relevant threshold above.

• Other Project Types – The City will either develop an ad hoc (i.e., project-specific) VMT threshold for a unique land use type or apply the most applicable of the above thresholds depending on project characteristics.

Conclusion

In conclusion, much work is needed to get the VMT policy completed. The goal for the May 12, 2020 meeting with the City Council is to provide background information related to VMT, and the three key areas moving forward with the preparation of a policy, namely: methodology/metrics, screening criteria, and thresholds. City staff look forward to receiving direction from the City Council as to the formation of this policy.

Some other Questions for Council consideration –

1. Should projects that would generate fewer than 110 daily trips be screened out?
2. Should the definition of local-serving retail be less than 50,000 square feet?
3. Should the impact threshold be 15% below the current citywide average VMT per resident and per employee?
4. Should an LOS policy be maintained?

Options

1) Provide direction to City staff regarding next steps.

Advantages: Clear direction from the City Council will ensure a timely preparation of a VMT policy which has to be implemented by July 1, 2020.

Disadvantages: There is no disadvantage to City staff receiving clear direction from the City Council.

2) The City Council declines to provide direction to Staff.

Advantages: None identified.

Disadvantages: There is no advantage to this and it may delay providing a policy for consideration by the City Council by July 1, 2020.

Recommendation: Staff recommends Option 1

City of Los Altos

Vehicle Miles Traveled Policy

City Council Study Session

5/12/20

Agenda

I. Background

II. Pertinent Plans and Policies

III. VMT Policy Framework

IV. Level of Service Policy

V. VMT Policy Timeframe

Background: LOS and VMT

Vehicular **Level of Service (LOS)** – a way of measuring transportation performance of a specific location that focuses on delay and congestion; letter scale from A to F

Vehicle Miles Traveled (VMT) – measures amount of vehicular travel across the system, usually expressed per person

Background: LOS and VMT

For the past few decades, transportation analysis of projects has focused on **Level of Service (LOS)**

Senate Bill 743 is shifting the emphasis to **Vehicle Miles Traveled (VMT)**

Background: Senate Bill 743

- Became state law in September 2013
- Governor's Office of Planning and Research (OPR) established new California Environmental Quality Act (CEQA) criteria for transportation impacts (December 2018)
- "Automobile delay… shall not be considered a significant impact on the environment"
- New metric for evaluating impacts is daily VMT.
- Statewide mandatory adoption date: **July 1, 2020**

Background: Senate Bill 743

- Aligns with climate goals
- Intended to promote:
  - Reduction of greenhouse gas emissions
  - Multimodal transportation networks
  - Diversity of land uses
- Does not preclude local agencies from applying LOS in policies, codes, conditions of approval, etc.

Background: Transportation Impact Analysis

Good grade in LOS ≠ Success in Transportation

45 min commute (5 min from congestion)	20 min commute (10 min from congestion)
	
Good LOS Grade Bad Accessibility	Bad LOS Grade Good Accessibility

Which is better?

Background: Transportation Impact Analysis

Good grade in LOS ≠ Success in Transportation

LOS A

(Courtesy of Governor's Office of Planning and Research)

LOS F

Source: Neighborhoods.org

Which is better?

Background: Benefits of VMT as a Measure of Transportation Impact

- Streamline CEQA Analysis
  - TOD
  - Infill
  - Multimodal projects
  - Locally-serving retail
- Reduce regional congestion more effectively
- Reduce future pavement maintenance deficits
- Improve public health
- **Reduce GHG and other emissions**

(Courtesy of Governor's Office of Planning and Research)

Pertinent Plans and Policies

1. Los Altos Climate Action Plan (2013)
   - GHG Emissions Target: 15% below 2005 levels by 2020
   - VMT Target: 8% below 2005 levels by 2020*
     - *excluding VMT reduction for alternative fuel vehicles*

2. California Air Resources Board – SB 375 (2018)
   - GHG Emissions Target for MTC/ABAG: 19% below 2005 by 2035

VMT Policy Framework: Screening Criteria

Location Based Criteria:

- Sites within ½ mile of existing major transit stop or existing stop along high-quality transit corridor presumed to cause *less than significant* transportation impact

- Sites located within an area where the VMT is less than or equal to the CEQA VMT threshold for the proposed land uses (based on VMT Heat Maps by Parcel developed using the VTA Travel Demand Forecast Model)

VMT Policy Framework: Screening Criteria

Per OPR's technical advisory, **small infill projects*** can be assumed to cause a *less-than-significant* transportation impact.

*Projects generating fewer than 110 daily trips

These projects would be "screened out" (i.e. no VMT analysis):

- Residential: 10 single family dwelling units or 20 multifamily dwelling units
- Office: 10,000 square feet gross floor area
- Industrial: 20,000 square feet gross floor area
- Nursing Home: 40 beds

VMT Policy Framework: Screening Criteria

Per OPR's technical advisory, **local-serving retail projects** can be assumed to cause a *less-than-significant* transportation impact.

Recommend retail projects up to 50,000 square feet be "screened out" and not require a VMT analysis

Example Retail Developments in Los Altos

Use (Location)	Approximate Gross Floor Area	Retail Type
Rancho Shopping Center (Foothill Expwy)	74,000 s.f.	Regional
Whole Foods (El Camino Real)	51,000 s.f.	Regional
Lucky Supermarket (Grant Rd)	45,000 s.f.	Local-Serving
Walgreens (2nd St)	15,000 s.f.	Local-Serving

VMT Policy Framework: Screening Criteria

Local-serving public facilities* can be assumed to cause a *less-than-significant* transportation impact as they produce very low VMT or replace trips to existing facilities without increasing trips outside of the area.

Example publicly owned or controlled projects that would be "screened out" (i.e. no VMT analysis):

- Branch Library
- Community or Senior Center
- Fire Station
- Public Elementary School

*Screening criterion would not apply to private schools or high schools

VMT Policy Framework: Analysis Methodology

- VMT Metric:
  - Home-based trip VMT per capita for residential land uses
  - Home-based work trip VMT per employee for employment uses
- Calculate Project VMT using:
  - VTA VMT Evaluation Tool – online tool used for most projects
  - VTA Travel Demand Forecast Model – very large projects, unusual land uses, and projects that shift travel patterns

VMT Policy Framework: Analysis Methodology

VTA VMT Evaluation Tool calculates Project VMT based on:

- Project Description
- Location
- Attributes (e.g. Multimodal network improvements, parking, TDM Measures)

VMT Policy Framework: Significance Thresholds

Area	Residential VMT	Population	Residential VMT per Capita	Employment VMT	Jobs	Employment VMT per Job
9-County Region	104,671,663	7,501,728	13.95	57,692,944	3,762,965	15.33
Santa Clara County	24,738,650	1,856,250	13.33	17,318,960	1,040,507	16.64
Los Altos	391,551	32,038	12.22	310,669	16,291	19.07
City / County Average			**-8%**			**+15%**

Source: VTA Final Model Forecasts for Year 2015 based on ABAG Projections 2017

Los Altos Residential VMT < Countywide average

Los Altos Employment VMT > Countywide average

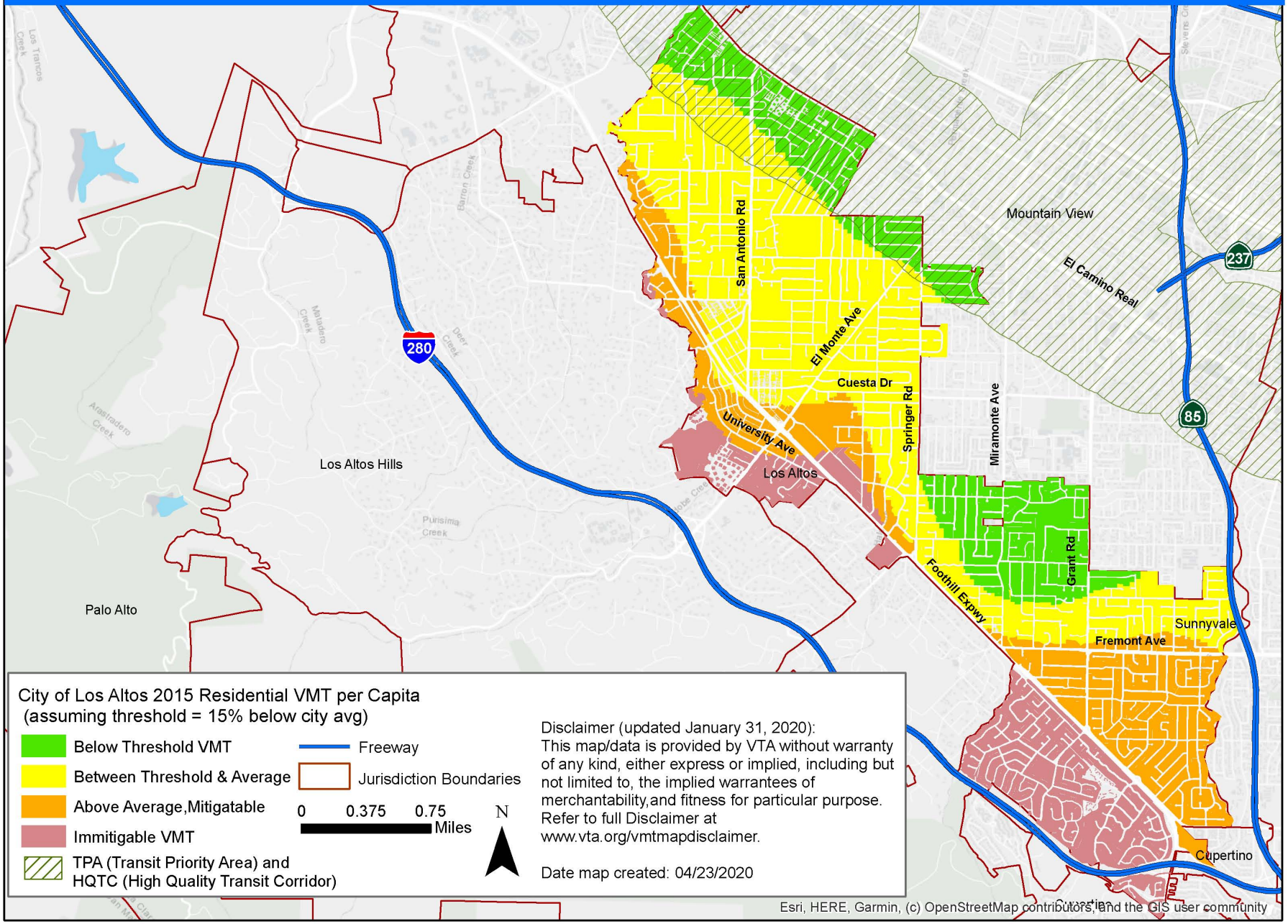
VMT Policy Framework: Significance Thresholds

Recommended Significance Criteria:

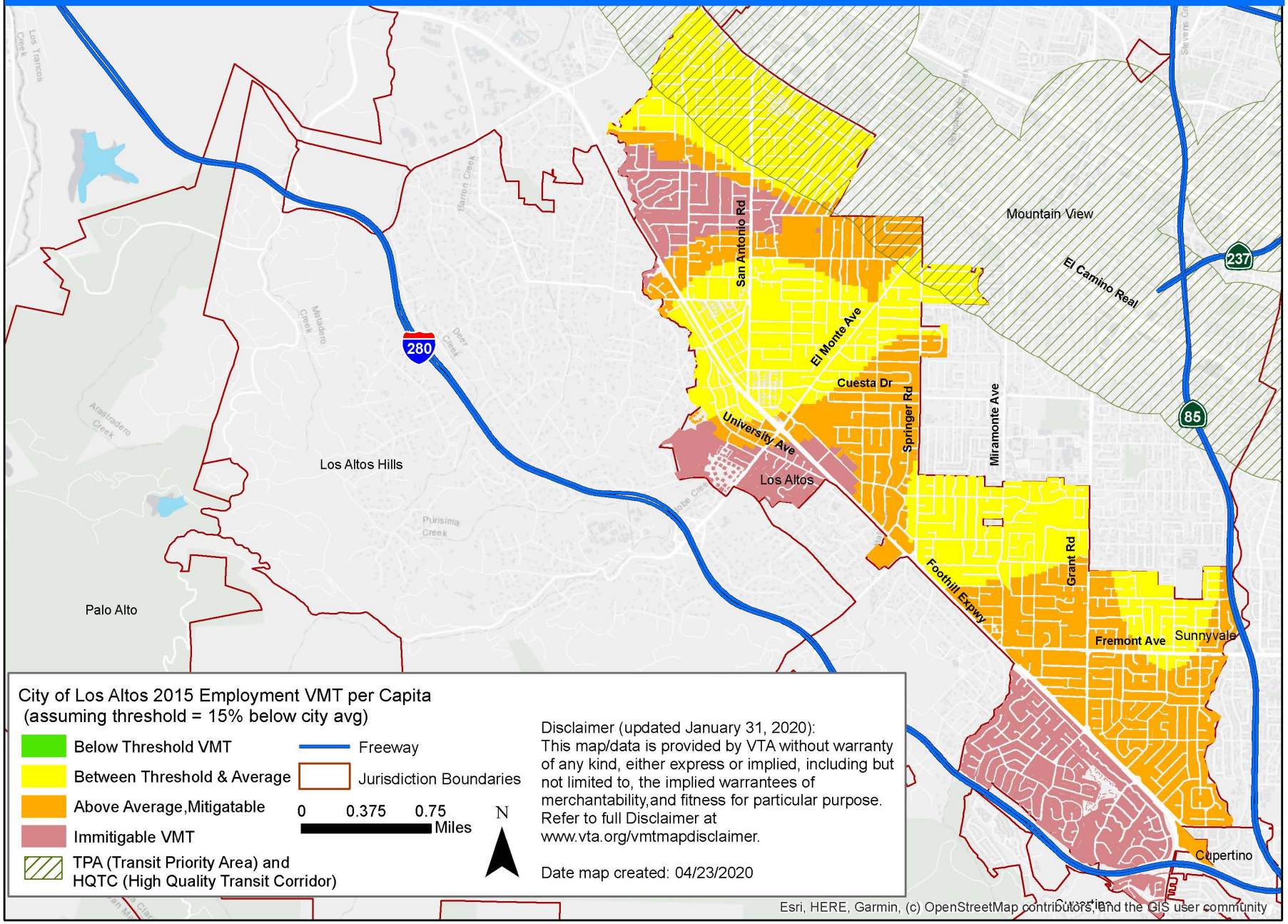
- **Residential** – Project VMT per capita exceeds existing Citywide average VMT per capita minus 15 percent
  - *Current Level:* 12.22 VMT per capita (Citywide average)
  - *Threshold:* 10.39 VMT per capita
- **Office & Retail*** – Project VMT per employee exceeds existing Citywide VMT per employee minus 15 percent
  - *Current Level:* 19.07 VMT per employee(Citywide average)
  - *Threshold:* 16.21 VMT per capita

**Note: VMT analysis for retail projects applies to employee trips not customer trips*

2015 Baseline VMT Residential by City Average (Draft)



2015 Baseline VMT Employment by Citywide Average (Draft)



VMT Screening Criteria & Methodology: Other Land Uses

Treat the following uses as **office** for screening & analysis:

- Private schools (all grades)
- Public & private high schools
- Congregate care/assisted living
- Medical/dental office
- Research and development
- Industrial/manufacturing/ warehouse

Treat the following uses as **retail** for screening & analysis:

- Childcare
- Religious institutions
- Business hotels
- Athletic/Fitness clubs

VMT Analysis Methodology: Mixed-Use Projects

- Evaluate each land use component separately as described above
- Reduce VMT to account for internal trips
- Evaluate impacts based on significance criteria for each land use as described above

VMT Policy Framework: Mitigation Measures

- Reduce single-occupant vehicle trips
- Implement multimodal transportation network improvements (e.g. a new trail connection) – must reduce existing VMT by an amount equal to the project's VMT reduction goal

Los Altos LOS Policy

- LOS will no longer be used to evaluate transportation impacts under CEQA
- Los Altos may retain existing LOS policy in GP and require improvements to local transportation facilities to address LOS deficiencies
- Recommend City continue to require non-CEQA transportation analysis for projects that exceed the VMT screening criteria

Questions for City Council

1. Should projects that would generate fewer than 110 daily trips be screened out?
2. Should the definition of local-serving retail be less than 50,000 square feet?
3. Should the impact threshold be 15% below the current citywide average VMT per resident and per employee?
4. Should a LOS policy be maintained?