

# County of Santa Clara

Roads and Airports Department  
Department of Planning and  
Development



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## MEMORANDUM

DATE: July 27, 2020

TO: Honorable Board of Supervisors

FROM: Jacqueline R. Onciano, Director, Dept. of Planning and Development  
Harry Freitas, Director, Roads and Airports Department

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SUBJECT: Implementation of County Thresholds and Procedures for Evaluating Vehicle Miles Travelled (VMT) in California Environmental Quality Act Documents

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This memorandum provides an update to the Board of Supervisors regarding the Administration's methodology for implementing Senate Bill (SB) 743, which requires that the County evaluate Vehicle Miles Traveled (VMT) under the California Environmental Quality Act (CEQA), starting July 1, 2020. The memo also discusses issues for consideration as the County continues the process of establishing its VMT threshold policy.

### **BACKGROUND**

In 1970, CEQA legislation was enacted to require state and local agencies to identify the significant environmental impacts resulting from the discretionary approval of projects and policies, and to identify measures to avoid or mitigate those impacts. For environmental impacts associated with traffic and transportation, most agencies in California, including the County, have evaluated impacts to intersection Level of Service (LOS). LOS is a quantitative measure of traffic congestion and delay in traffic flow due to congestion. For signalized intersections, LOS is measured by the average delay experienced by motorists during peak hour traffic.

SB 743 disallows the County from using LOS as an environmental metric under CEQA for traffic and transportation impacts, and instead requires the County to evaluate

transportation impacts associated with VMT. As opposed to the evaluation of traffic congestion, VMT measures the distance of new travel trips associated with new land development projects. The distance of travel trips, or vehicle miles traveled, is an indicator of urban form and urban sprawl. Development projects in suburban or greenfield (agricultural) settings normally have a higher VMT than projects located within the central urban core or near mass transit. As indicated by the Governor's Office of Planning and Research (OPR), implementation of the VMT standard contributes to other state goals, like reducing greenhouse gas emissions, developing multimodal transportation, preserving open spaces, and promoting diverse land uses and infill development.

The Department of Planning and Development (DPD) and Roads and Airports Department (collectively, "two Departments") have the following objectives regarding the implementation of SB 743 and the new VMT threshold:

- For the Department of Planning and Development, SB 743 requires the County to identify a defensible VMT standard to apply for CEQA evaluation of private development projects in the unincorporated areas; and
- For the Department of Roads and Airports, the removal of LOS as a CEQA threshold under SB 743 requires the County to identify if it should adopt policies requiring the maintenance of LOS standards to address congestion issues on County roads and the expressway network.

To that end, DPD and Roads and Airports ("Roads") staff have been jointly utilizing consultant support to develop a methodology and criteria that enable the County to appropriately: a) evaluate and identify a defensible VMT standard, and b) evaluate traffic impacts on the County road system in compliance with SB 743 and OPR's guidance. The County's ability to adhere precisely to the OPR guidelines is challenging for several reasons as further discussed below.

First, as per OPR guidance, jurisdictions are encouraged to establish a threshold related to per capita percent reduction in VMT. This reduction is compared against a VMT per capita base year (for the County it is based on VTA's travel demand model base year of 2015). This approach works well in urban areas, where higher density residential and mixed-use office/commercial uses, can be developed near multimodal travel options to meet the VMT thresholds.

However, in rural areas, which make up most of the County's unincorporated jurisdiction, development projects that provide any base for employment do not have many viable options to reduce their per capita VMT, as they are not located near mass transit. Many of the types of uses allowed within the rural unincorporated areas, such as surface mining and wineries, are resource-dependent and cannot be relocated to an urban setting near mass transit, resulting in a lower VMT. OPR guidance allows the County to develop its own local threshold(s) and criteria to fit the County's zoning and land use policies with the condition that the County's methodology can justify its purpose

and need for the recommended threshold. County and consultant staff are working to develop this methodology and criteria so that development permits for uniquely rural activities are adequately compliant with SB 743 and defensible under CEQA.

Second, the County along with the cities have long utilized intersection LOS to determine the degree to which a project's impact on congestion and signal operations is significant, avoidable, and/or mitigatable in compliance with CEQA. Unlike LOS mitigation, VMT mitigation is not related to vehicle delay and is aimed at reducing trips and length of trips instead of building improvements to increase roadway capacity. In areas of the rural roadway network, especially around farmland manufacturing areas or recreational residential vehicle (RV) parks where heavy trucks or large vehicles are affected by sudden interruptions to speed, the County will want to maintain the ability through a policy framework to enforce safe operations of the roadway and signal network without reliance on CEQA to determine mitigatable impacts. This is particularly important for the County in the incorporated Cities where the County owns the County Expressway right of way but has no land use authority. SB 743 does not prohibit the County from adopting and implementing its own local LOS policies; however, those policies may not be used as a determinant of significant impacts under the CEQA review process. To that end, County staff is working with Legal Counsel to review and determine if existing General Plan policies and ordinances adequately enable the County to address operations and congestion issues on the Expressway network.

### **IMPLEMENTATION OF SB 743 AND VMT IN THE COUNTY**

SB 743 requires the use of VMT measures for the purpose of determining CEQA transportation impacts of proposed land use projects beginning July 1, 2020. The two Departments are continuing to work with a traffic consultant on a defensible and systematic approach for implementation of the new SB 743 standards; however, the work was not been completed as of July 1, 2020.

This delay has been due to several factors, which have included the updates to the OPR guidance documents modifying the State's position on statewide thresholds, as well as the confusion on understanding the application of the new VMT metric. OPR eventually settled on granting lead agencies authority to determine their own thresholds, provided they can provide adequate justification for them. However, this delay in guidance has impacted the County's process for preparing a VMT standard, including hiring a consulting firm to assist.

For the purposes of evaluating VMT within CEQA starting July 1, 2020, the Administration will utilize the regional guidelines and metrics set by OPR and the Valley Transportation Authority (VTA).

Under this approach, DPD and Roads staff will evaluate VMT in CEQA based on two broad categories: projects that are within Urban Service Areas (USAs) of cities, and projects that are in the rural unincorporated County. The projects within USAs will be evaluated using the VTA VMT evaluation tool and the VMT standards from the adjacent city. This approach aligns with County policies requiring new development within a City's USA to conform with the applicable City's General Plan. For the rural unincorporated area, staff is reviewing projects on a case-by-case basis and will use a default VMT threshold based on the existing VMT per Capita in the rural unincorporated County (based on VTA's travel demand model base year of 2015). The Administration is continuing to work with a consultant to develop the County's systematic approach for rural unincorporated areas.

Based on the ongoing evaluation and identification of a defensible VMT threshold with the assistance of the consultant, the two Departments are preparing to bring final draft SB 743 implementation policies for consideration by the Board in September 2020, after review by the Housing, Land Use, Environment and Transportation (HLUET) Committee.

Based on ongoing evaluation of potential VMT threshold options for the rural unincorporated areas, the tentative approach is to classify projects into two broad groups—residential uses and non-residential uses—and for non-residential uses, evaluate the VMT for employees and visitors separately. For visitor-based VMTs, the Administration plans to identify uncommon use-types that are regional in nature, and that will require some VMT reduction mitigation measures (such as shuttles or visitors reserve parking spaces prior to visiting). DPD and Roads staff are with working with consultants to establish these screening and mitigation requirement thresholds, including an evaluation of current and past projects as test cases to determine the feasibility of the different thresholds.

Cc: Megan Doyle, bosagenda@cob.sccgov.org