

**BUSINESS OF THE PLANNING COMMISSION
OF THE CITY OF HALF MOON BAY**

AGENDA REPORT

For meeting of: **April 25, 2023**

TO: Honorable Chair and Planning Commissioners

FROM: Veronika Vostinak, Public Works and Sustainability Programs Manager
Sam Treanor, CivicSpark Fellow

TITLE: **Senate Bill 743: California Environmental Quality Act (CEQA) Transportation Impact Updates**

RECOMMENDATION

Conduct a study session regarding Senate Bill 743 CEEQA Transportation Updates: receive a staff presentation, provide for public comment, discuss, and provide input to staff.

PROJECT BACKGROUND

California continues to lead the fight against climate change at both the state, county, and local levels. The State passed the following legislature establishing ambitious statewide greenhouse gas (GHG) reduction goals.

- Executive Order S-3-05 (2005) – Sets a GHG emissions reduction target of 80% below 1990 levels by 2050.
- Senate Bill 32 (2006) - California Global Warming Solutions Act: Ensure that statewide greenhouse gas emissions are reduced to 40% below the 1990 level by 2030.
- Senate Bill 391 (2021) - requires the California Transportation Plan to support 80% reduction in GHGs below 1990 levels by 2050.
- Assembly Bill 1279 (2022) - Established the goal of achieving carbon neutrality by 2045 at the latest and maintaining net negative emissions from that point forward, enacted 2018.

The transportation sector accounts for 48% percent of the city’s greenhouse gas emissions and 50% of California’s total emissions and Vehicle Miles Traveled (VMT) continues to increase yearly. Due to these facts, policymakers determined that the previous method of measuring the environmental impact of transportation through CEQA did not align with state’s ambitious environmental policies and goals and that a change was needed to help curb emissions.

Senate Bill 743 (SB 743) was signed into law in 2013 and became effective starting in July 2020. SB 743 changes how transportation-related studies will be conducted under the California Environmental Quality Act (CEQA). VMT will be used as the new performance measure to determine significant transportation impacts from development projects, replacing automobile level of service (LOS).

LOS measured the impact a proposed project will have on traffic by calculating the speed and delay time that vehicles experience on the roadway. The state adopted LOS because it suited the country's transportation goals of creating an expansive network of interstates and high automobile usage. The LOS approach does not take into consideration the amount of Greenhouse Gases (GHG's) and air pollutants being emitted from driving.

The updated performance measure, VMT, is calculated by accounting for the total number of vehicle trips, including electric vehicles, and the length of each of those trips to a specific development project. Using VMT as the main metric helps cities focus on the amount of GHG's and pollutants being emitted, how much energy consumption there is from driving, and adopt smarter development planning approaches. SB 743 promotes denser infill development with the goal of decreasing the reliance of individual vehicles which will reduce the state's GHG emissions.

DISCUSSION

The California Office of Research and Planning (OPR) was designated to write guidelines for the implementation of SB 743. The OPR began writing in 2014 and concluded in 2018, with the release of the OPR's VMT Technical Advisory on evaluating Transportation Impacts in CEQA. The Advisory provides guidance on how jurisdictions can comply with CEQA's transportation impact updates.

OPR's recommendations for local jurisdictions can be broken down into 5 main components, listed below:

1. Metrics used to categorize VMT averages for different development projects.
2. Method to calculate a projects VMT.
3. Specific projects screened from a VMT analysis.
4. Setting a threshold of significance level to determine if a project has unavoidable transportation impacts.
5. VMT Mitigation.

Metrics. To calculate a projects VMT, cities must first decide what metrics to use to express a projects VMT. A table of the recommended VMT metrics and how they work can be found in **Attachment 1.**

Method. Most jurisdictions use a Travel Demand Forecasting Model, which is a highly complex computer model that estimates future travel patterns. The Models that jurisdictions use is commonly found to be offered by regional and state-wide transportation agencies. The city of Half Moon Bay does not currently have a Travel Demand Forecasting model that provides accurate VMT data. Due to the distinctive circumstances in Half Moon Bay, the city will likely need to hire an engineering consultant to provide more precise VMT data for potential development projects.

Project Screening. Due to Half Moon Bays unique location, the city may explore options of adding specific development projects that will not cause a significant environmental impact. Through the OPR’s research, it was found that CEQA allows for jurisdiction to use a screening criteria to identify specific projects that are not expected to cause a significant environmental impact, therefore, not needing to conduct a transportation analysis, (CEQA Guideline section 15063(c)(3)(C).

The types of projects listed below were determined by the OPR to not cause significant transportation impacts. Most cities follow the OPR’s designated list of screened out projects.

Table 1. California Office of Planning and Research Project-based Screening Thresholds

Project-based screening Requirements:
Small Developments - Generate fewer than 110 trips per day.
100% Affordable Housing projects.
Local and Regional Serving Retail: The retail Projects need to be 10,000 sq. ft or less.
Public Facilities: Fire/Police Stations, Libraries, community centers, parks, public utilities, post office, government buildings...etc.

Table 2. California Office of Planning and Research Location-based Screening Thresholds

Location-Based Screening Requirements:
Near High Frequency Transit: Project is within a ½ mile of a major transit stop or an existing stop along a high-quality transit corridor.
Projects in Low-VMT zones (Map-based Screening): Residential and office projects located in Transportation Analysis Zone (TAZ) where baseline VMT is below the City Average.

Threshold of Significance. The city will need to have precise VMT data to establish an accurate threshold of significance. Once accurate VMT data is acquired, the OPR has recommended a threshold of significance that is 15% below the city’s average VMT. They have found that 15% VMT reduction is generally achievable and supported by evidence that this level of reduction connects to State’s emissions goals” (OPR, *Technical Advisory*). If a project induced VMT is over the identified threshold, then the developer must submit an environmental impact report or find ways to mitigate the VMT.

VMT Mitigation. Mitigating a projects VMT can be achieved through on-site mitigation and/or the implementation of a VMT mitigation program. On-site mitigation could be achieved when a developer makes changes to the project itself that results in a lower VMT, such as increasing the density of the development. A mitigation program can occur when a city offers developers the opportunity to help fund VMT mitigation projects elsewhere in the City. For example. This could include the funding of a new bicycle lane or pedestrian path. The city is currently exploring which VMT mitigation approaches would be most appropriate for future developments in Half Moon Bay.

Listed VMT reducing actions can be found in the Association's (CAPCOA) Handbook for analyzing Greenhouse Gas Emission Reduction, Assessing Climate Vulnerabilities, and Advancing Health and Equity Guidance on how to calculate the impact of VMT mitigation actions can be found in the handbook as well.

CONCLUSION

The purpose of this memo is to be informational in nature, no action by the commission is requested. Staff will be working over the next 12-18 months to determine what approaches are most appropriate for Half Moon Bay and will return to the Commission for further consideration once more relevant data is available.

ATTACHMENTS

1. Fehr & Peers Table on Common VMT Metrics.