



PLANNING COMMISSION STAFF REPORT

APPLICATION: City Council Resolution
No. 2020-52

AGENDA ITEM: AR-1

PREPARED BY: John Mayer
Senior Planner

MEETING DATE: June 17, 2020

SUBJECT: Adopt "Vehicle Miles Traveled" Baseline and Thresholds of Significance for the Purposes of Analyzing Transportation Impacts under the California Environmental Quality Act

REQUEST: Recommend City Council Adoption of the Proposed Vehicle Miles Traveled Baseline and Thresholds of Significance

APPLICANT: City of Monrovia

ENVIRONMENTAL DETERMINATION: Categorical Exemption (Class 8 - Actions by Regulatory Agencies for Protection of the Environment)

BACKGROUND: One of the components of the California Environmental Quality Act (CEQA) is to evaluate the future transportation impacts of various projects including long-term land use plans, development projects, and roadway projects. For decades, the transportation impacts of all projects subject to CEQA have been evaluated by whether they will create traffic congestion and additional delays to drivers on local streets and intersections. The metric that has been used to quantify potential traffic impacts is Level of Service (LOS) of any given street intersection. LOS is a grading system that evaluates how well an intersection operates during morning and evening rush hour. There are six designations that range from grade A to grade F, with LOS "A" representing the best conditions (free flowing) to "F" representing the worst conditions (congested).

Starting on July 1, 2020, the traditional LOS metric will be eliminated as a basis for determining transportation impacts under CEQA. This is in response to SB743 which was signed into law by Governor Jerry Brown on September 27, 2013. SB743 changes the transportation impact analysis component of CEQA in order to fully analyze a project's environmental effects associated with fuel consumption, emissions, and public health. CEQA will no longer consider traffic congestion an environmental impact. The intent of SB743 is to support the State's goals of reducing greenhouse gas emissions, encouraging a compact mix of uses, and improving public health through active transportation such as walking and bicycling.

SB743: Driver impacts will be measured by miles traveled, not minutes delayed.

SB743 directed the Governor's Office of Planning and Research (OPR) to update the CEQA Guidelines with a different way by measuring transportation impacts in terms of a project's

effect on vehicle trips and miles traveled. In response to the law, OPR selected Vehicle Miles Traveled (VMT) as the new transportation impact metric. VMT is a metric used extensively in transportation planning and is currently used in CEQA documents for measuring greenhouse gas emissions. Instead of measuring traffic congestion faced by drivers (LOS) at the local level, VMT considers the environmental impacts of driving throughout the entire region. With respect to Monrovia, this would be the San Gabriel Valley.

VMT takes into account the total number of miles that a vehicle must travel in one day, including the number and length of all daily trips. Typical “trips” for a resident might include: commuting to work, dropping off children at school, and running errands. Location within the San Gabriel Valley is a key determinant of VMT because residents’ trips may be local within city boundaries, or beyond city boundaries at the regional level. Areas that have a high VMT tend to be places where a vehicle is necessary for commuting and running daily errands. Areas that have a low VMT are places where housing, employment, shopping, and public transit are in close proximity and within a reasonable walking distance (see Figure 1). The environmental goal is to approve projects that will result in a lower number of vehicle miles traveled, which in turn lowers fuel consumption and vehicle emissions.

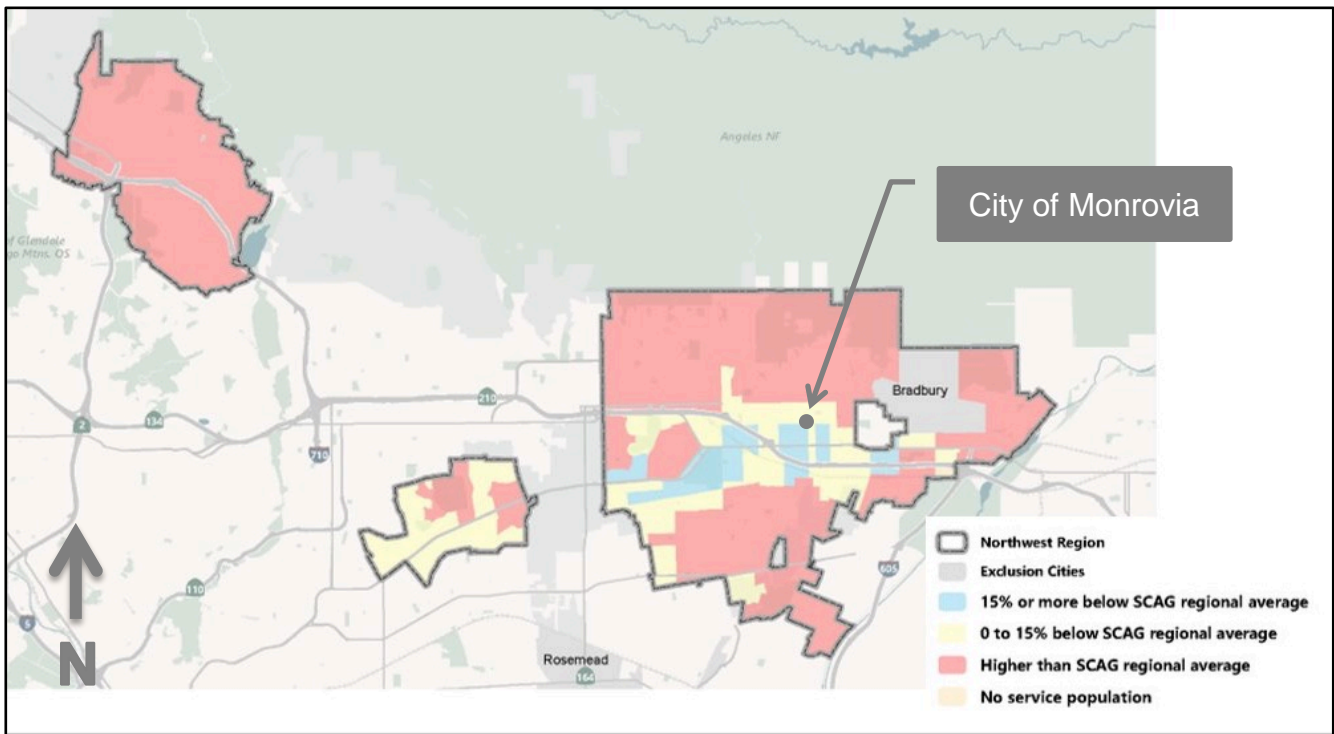


Figure 1. VMT Map of Northwest Region of San Gabriel Council of Governments (COG). Monrovia is located within the northwest region of the San Gabriel Valley COG spanning from La Canada Flintridge to Duarte. This map compares the region’s VMT with the larger Southern California Association of Governments (SCAG) six-county planning area. The areas in red indicate high VMT where vehicle travel for residents is essential for mobility. Based on transportation demand models, the areas in red show that residents are driving more than the SCAG average. The areas in blue show areas of low VMT where residents have access to compact mixed uses and the option to walk or bicycle to their destinations.

State Mandate to Implement VMT CEQA Thresholds

All cities in California, including the City of Monrovia, have been given until July 1, 2020 to adopt VMT-based transportation requirements for CEQA review. To encourage and facilitate a regional approach to the state mandate, the San Gabriel Valley Council of Governments’ (SGVCOG) hired a transportation consulting firm (Fehr and Peers) to develop a VMT analysis method to help cities complete these VMT requirements. This joint approach not only provided

a cost savings to member cities, it yielded a methodology that will be consistent across all jurisdictions in the study area. This joint approach also strengthens the validity of transportation impact studies in the future, thereby creating legally defensible CEQA documents for the City.

Monrovia's participation in this effort was approved by the City Council on April 7, 2020. SGVCOG has provided guidance through an implementation process, which allowed City staff to prepare the new CEQA transportation evaluation requirements. This is presented to the Planning Commission for review in its advisory role to the City Council regarding CEQA. This report discusses the recommendations, and includes a draft City Council Resolution (Attachment A) for the Council's adoption. Exhibit "A" of that resolution contains the new CEQA transportation requirements. Once the VMT requirements are adopted by the City Council, formal implementing guidelines will be prepared.

DISCUSSION/ANALYSIS:

Under CEQA, a project's future environmental conditions must be compared to the setting at a certain point in time known as the "baseline." The changes in the environmental conditions between the baseline and the future reveal the environmental impacts. Each environmental impact must be evaluated to determine if it is significant or not. The point at which an environmental impact becomes "significant" is referred to as the threshold, or "threshold of significance."

Cities may choose their own baselines and thresholds. The State's Office of Planning and Research (OPR) has provided guidance on evaluating VMT based on a large volume of research. In coordination with the SGVCOG and the assistance of Fehr & Peers, City staff is proposing a VMT baseline for Monrovia and thresholds of significance for the purposes of analyzing transportation impacts under CEQA. The recommendations outlined below have been developed in accordance with OPR's guidelines.

The following are three questions regarding the new VMT requirements for the Planning Commission's consideration:

- How does the City define its Baseline VMT?
- What is an appropriate VMT significant impact threshold?
- Which projects should be assumed exempt, or screened out from the VMT analysis requirement?

How does the City define its Baseline VMT?

The City of Monrovia will define its Baseline VMT as the average VMT for the surrounding northwest subarea of the San Gabriel Valley Council of Governments. To evaluate whether a proposed project will have a significant impact under CEQA, the City will compare a project's VMT with this baseline. A new residential project will be measured by VMT per capita, which involves the number and length of trips made by residents originating from their homes (home-based trips). A new office project will be measured by VMT per employee which is the length of workers' commutes between the office and their homes. All other projects will be measured by VMT per service population which involve vehicle trips within the City of Monrovia's boundaries.

What is an appropriate VMT significant impact threshold for projects subject to CEQA?

Projects subject to CEQA will have a “less than significant” impact if it results in a 15% VMT reduction compared to the sub-region’s Baseline. OPR has determined that this is a reasonable threshold to establish because it promotes the reduction of Greenhouse Gas Emissions (GHG), it is achievable at the project level in a variety of places, and it helps achieve the State’s GHG reduction targets. Most cities in the SGVCOG are using the 15% threshold.

The following are subject to CEQA, along with the thresholds.

- **Land Use Plans**

Examples of land use plans include General Plans, General Plan Amendments, Specific Plans and Precise Plans. A VMT impact becomes “Significant” for a Land Use Plan if the VMT per service population for the land use plan exceeds 15 percent below the baseline VMT.

- **Development Projects**

A VMT Impact becomes “Significant” for a development project if the VMT per service population exceeds 15 percent below the baseline VMT.

- **Transportation Projects**

A VMT Impact becomes “Significant” for transportation projects if the VMT per service population for the transportation project exceeds 15 percent below the baseline VMT.

If a project will likely have an impact on VMT, it will need to be analyzed through the Southern California Association of Governments and its Regional Transportation Plan (RTP) travel demand model to determine if there is a significant impact.

Mitigation measures may be imposed on a project in order to help lower the VMT and reduce the impacts down to a “less than significant” level. Some measures may include:

- *Increase diversity of land uses* – This strategy focuses on inclusion of mixed uses within projects or in consideration of the surrounding area to minimize vehicle travel in terms of both the number of trips and the length of those trips.
- *Provide ride-sharing program* – This strategy focuses on encouraging carpooling and vanpooling by project site/building tenants.
- *Implement subsidized or discounted transit program* – This strategy reduces the need to own a vehicle or reduces the number of vehicles owned by a household by incentivizing individuals to use transit for their daily commute.
- *Encourage telecommuting and alternative work schedules* – For office projects, this strategy provides the opportunity for telecommuting.

Which projects should be assumed exempt, or screened out from VMT Analysis?

Under SB743, a City may decide to screen out certain projects from needing a complete VMT analysis. OPR has advised that certain projects could be cleared from further analysis based on size, type, location, and/or proximity to a major transit stop, such as the Monrovia Gold Line Station, or high quality transit. “High quality transit” refers to a street with fixed route bus service with intervals no longer than 15 minutes during peak commute hours. Cities may also screen

out projects that they want to encourage, if they will most likely not have significant transportation impacts.

Based on OPR's guidance to cities, staff is recommending that the following projects be exempt from VMT analysis based on their type and location.

- **Project Type Screening**

- Retail projects up to 50,000 square feet in floor area.
- Projects generating fewer than 110 daily trips.

OPR considers retail projects (up to 50,000 s.f.) "local-serving" and thus eligible to be screened out from requiring VMT analysis¹. An example of a local-serving project type would be a small neighborhood shopping center including a grocery store, restaurant, café, with some personal service businesses. Locating retail and personal service opportunities within close proximity to residents and workers is likely to encourage the use of alternative transportation such as walking and bicycling.

According to OPR's research, a land use that generates 110 or fewer trips would not likely lead to a significant impact. Typical uses include: 11 single-family units, 16 multi-family units, 10,000 square feet of office space, and 15,000 square feet of industrial space. A list of typical projects that meet this threshold is found in Attachment B for reference.

- **Low VMT Screening**

- Residential projects located in low VMT areas of Monrovia.

Based on OPR's guidelines, the City may screen out residential projects that are located within areas of the City that are performing well and already have a low VMT when compared to the surrounding region. Based on OPR's standard, low VMT is defined as 15% below the Baseline. In land use terms, these are places that have higher densities, an ideal mix of land uses (commercial near residential), and transit accessibility. OPR has advised that cities can assume that new residential projects in these areas will incorporate similar low VMT features, thus having a "less than significant impact."

In order to determine which areas in Monrovia have low VMT, Fehr & Peers used travel demand models based on data collected from the Southern California Association of Governments (SCAG). The data included socio-economic information such as land use, household size, and employment by sectors. This information provided the Fehr & Peers' transportation planners with a broad look at all the trip patterns across the San Gabriel Valley. It also facilitated VMT predictions within the sub region around Monrovia (Figure 1). Lastly, maps were created using this data to illustrate areas of the City that are currently below the SGVCOG's northwestern sub-region, "threshold Baseline VMT" (see Figure 2).

With respect to home-based VMT, there are areas of the City that are well below OPR's recommended CEQA impact threshold (shaded in blue). Therefore, new residential

¹ OPR advises that market studies and economic impacts may bear on customers' travel behavior and should consider the likely travel behaviors of future project users when deciding whether a project is "local-serving."

projects in these areas would be exempt from needing VMT analysis. These projects would be consistent with General Plan Land Use policies that encourage high density residential development in close proximity (within walking distance) of the downtown, major retail commercial areas, and/or transit facilities.

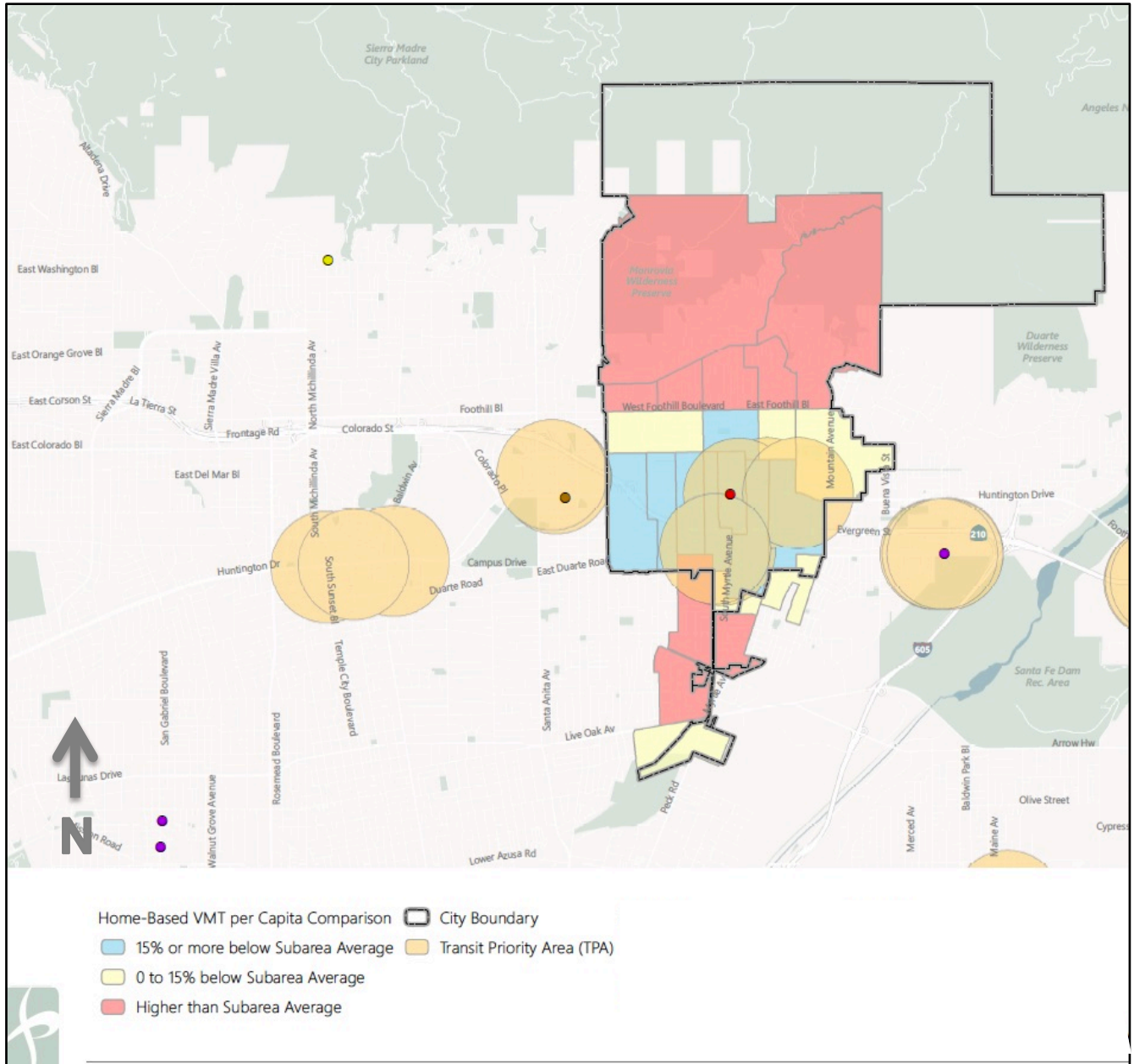


Figure 2. VMT Map of Monrovia. Compared to the northwest region of the San Gabriel Valley COG (Figure 1), Monrovia has areas of low VMT shown in blue shade and may be screened out for VMT analysis. Based on transportation demand models, the areas in blue show that residents are within close proximity to goods and services, compared to the northwest sub-region of the San Gabriel Valley. The orange circles represent Transit Priority Areas (½ mile radius surrounding the transit stops). Projects located within those areas may also be screened from VMT analysis.

- **Transit Priority Area (TPA) Screening**

- Projects located within a ½ mile of major transit stop or high quality transit stop, with exceptions.

The City may screen out projects that are located in areas that are within Transit Priority Areas (TPAs). OPR has defined TPAs as being areas that are within a 1/2 mile radius of existing or planned major transit stops or existing stops along a high quality transit corridor.

There are five TPAs in Monrovia that overlap with one another, all concentrated around the intersection of Huntington Drive and Myrtle Avenue (see Figure 2). Consistent with OPR's advice, Staff recommends that the City screen out projects that fall within these TPAs, with exceptions.

Exceptions to TPA Screening: Although projects located within a TPA may be presumed to have a less than significant impact, OPR opines that this presumption may not be appropriate if the project:

1. Has a Floor Area Ratio less than 0.75 FAR;
2. Has more parking for residents, customers, or employees than required by the City's minimum parking requirements;
3. Is inconsistent with the applicable Sustainable Communities Strategy; or
4. Replaces affordable residential units with a smaller number of moderate or high income residential units.

Consistent with OPR's recommendations, Staff advises that these four criteria be used to disqualify a specific project from Transit Priority Area Screening. However, Staff recommends an exception related to the parking provisions. If a project has more parking that is intended for design feasibility (such as completing a full floor in an above- or below-grade parking structure) or is provided for public parking, this exception would not apply.

- **Affordable Housing Screening**

- Affordable housing developments.
- Affordable housing units within mixed-use developments.

Staff's recommendation is to be consistent with OPR guidance to screen out affordable housing developments or affordable housing units within mixed-use developments. Based on research conducted for the California Household Travel Survey, affordable housing tends to generate fewer vehicle trips than market rate housing.

Conclusion

Changes in state law require the City to adopt new California Environmental Quality Act (CEQA) baseline and thresholds of significance for analyzing transportation impacts. For the purposes of CEQA these changes will modify how the City evaluates projects for transportation impacts. Specifically, the City is required to use Vehicle Miles Traveled (VMT) instead of Level of Service (LOS) as the metric to evaluate transportation impacts in CEQA documents such as Environmental Impact Reports.

Outside of the CEQA process, the City will continue to evaluate projects using the LOS metric for the purpose of evaluating traffic flow and assessing traffic impact fees. City staff and the transportation consulting firm Fehr & Peers have prepared new CEQA baselines and transportation impact thresholds for the Commission's consideration.

RECOMMENDATION: Staff advises that the Planning Commission recommend City Council adoption of the attached City Council Resolution which contains the new Vehicle Miles Traveled Baseline and Thresholds of Significance for the purposes of analyzing transportation impacts under the California Environmental Quality Act (City Council Resolution No. 2020-52). If the Planning Commission concurs with this recommendation then, the appropriate actions would be:

1. Pursuant to the California Environmental Quality Act ("CEQA") and the City's local CEQA Guidelines, the Planning Commission in the exercise of its independent judgment finds that the adoption of the Vehicle Miles Traveled Baseline and Thresholds of Significance for the purposes of analyzing transportation impacts will not have a significant environmental impact. It is therefore exempt from CEQA pursuant to Section 15308 (Class 8) of Title 14 of the California Code of Regulations because this action is undertaken by the City for the protection of the environment.
2. The Planning Commission finds that the custodian of records for all other materials that constitute the record of proceeding upon which this decision is based is the Planning Division Manager. Those documents are available for public review in the Planning Division located at 415 South Ivy Avenue, Monrovia, California, 91016.
3. The Planning Commission hereby recommends approval of the Vehicle Miles Traveled Baseline and Thresholds of Significance outlined in the proposed City Council Resolution, subject to recommendations in the Staff Report, all of which are incorporated herein by this reference.

MOTION: Recommend that the City Council adopt the Vehicle Miles Traveled Baseline and Thresholds of Significance, as presented in the Staff Report.

Attachment "A"

RESOLUTION NO. 2020-52

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONROVIA ADOPTING "VEHICLE MILES TRAVELED" BASELINE AND THRESHOLDS OF SIGNIFICANCE FOR PURPOSES OF ANALYZING TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

RECITALS

i) The California Environmental Quality Act Guidelines ("CEQA Guidelines") encourage public agencies to develop and publish generally applicable "thresholds of significance" to be used in determining the significance of a project's environmental effects; and

ii) CEQA Guidelines section 15064.7(a) defines a threshold of significance as "an identifiable quantitative, qualitative or performance level of a particular environmental effect, noncompliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect normally will be determined to be less than significant"; and

iii) CEQA Guidelines section 15064.7(b) requires that thresholds of significance must be adopted by ordinance, resolution, rule, or regulations, developed through a public review process, and be supported by substantial evidence; and

iv) Pursuant to CEQA Guidelines section 15064.7(c), when adopting thresholds of significance, a public agency may consider thresholds of significance adopted or recommended by other public agencies provided that the decision of the agency is supported by substantial evidence; and

v) Senate Bill 743, enacted in 2013 and codified in Public Resources Code section 21099, required changes to the CEQA Guidelines regarding the criteria for determining the significance of transportation impacts of projects; and

vi) In 2018, the Governor's Office of Planning and Research ("OPR") proposed, and the California Natural Resources Agency certified and adopted, new CEQA Guidelines section 15064.3 that identifies vehicle miles traveled ("VMT") – meaning the amount and distance of automobile travel attributable to a project – as the most appropriate metric to evaluate a project's transportation impacts; and

vii) As a result, automobile delay, as measured by "level of service" and other similar metrics, generally no longer constitutes a significant environmental effect under CEQA; and

viii) The City's project review process will retain "level of service" analysis to ensure consistency with the General Plan and compliance with the City's traffic impact fee program;

ix) CEQA Guidelines section 15064.3 goes into effect on July 1, 2020, though public agencies may elect to be governed by this section immediately; and

x) The adoption of the VMT Thresholds of significance, which is an action consistent with Senate Bill ("SB") 743, will not result in a direct or reasonably foreseeable indirect physical change in the environment. Accordingly, the adoption of these thresholds is not a "project" within the meaning of CEQA pursuant to Section § 15378(a) of the CEQA Guidelines. In addition, the adoption of the VMT Thresholds of significance is not a "project" pursuant to Section 15378(b)(5) of the CEQA Guidelines and instead constitutes an action involving procedures for the protection of the environment, which is exempt from CEQA pursuant to 14 CCR Section 15308. Finally, even if the adoption of the VMT Thresholds of significance is determined to be subject to CEQA, they are exempt therefrom because it can be seen with certainty that there is no possibility that the adoption of the VMT Thresholds of significance will have a significant effect on the environment, pursuant to Section 15061(b)(3) of the CEQA Guidelines because the proposed action falls under the general rule that CEQA applies only to actions that have the potential for causing a significant effect on the environment, and it can be seen with certainty that adoption of the VMT Thresholds of significance will not have a significant effect on the environment since they are designed to protect the environment;

RESOLUTION

NOW, THEREFORE the City Council of the City of Monrovia hereby finds and resolves as follows:

1. Each of the foregoing recitals is true and correct and is hereby incorporated by reference as part of this determination.
2. The City of Monrovia hereby adopts the VMT thresholds of significance attached as Exhibit A. These new standards will be used in lieu of any prior standards with respect to performing any analysis required by CEQA for new projects that have not already received final approval from the City.
3. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk shall certify to the adoption of this Resolution..

PASSED, APPROVED AND ADOPTED this 7th day of July, 2020.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, CMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia

DRAFT

Exhibit "A"
City of Monrovia VMT Baselines and Thresholds of Significance

Consistent with State CEQA guidelines section 15064.3, the City of Monrovia has adopted the project baselines and thresholds of significance set forth in Table 1 to guide in determining when a project will have a significant transportation impact.

Project Type	Thresholds
Land Use Plan	<ol style="list-style-type: none"> 1) Project Impact: A significant impact would occur if the VMT rate for the plan would exceed a level of 15% below the applicable baseline VMT rate. 2) Cumulative Project Effect: A significant impact would occur if the project increases total regional VMT compared to cumulative no project conditions.
Land Use Project	<ol style="list-style-type: none"> 1) Project Impact: A significant impact would occur if the VMT rate for the project would exceed a level of 15% below the applicable baseline VMT rate. 2) Cumulative Project Effect: A significant impact would occur if the project increases total regional VMT compared to cumulative no project conditions.
Retail Project (over 50,000 square feet)	<ol style="list-style-type: none"> 1) Project Impact: A significant impact would occur if the VMT rate for the project would exceed a level of 15% below the applicable baseline VMT. 2) Cumulative Project Effect: A significant impact would occur if the project increases total VMT in the study area compared to baseline conditions.
Transportation Project	A significant impact would occur if the project causes a net increase in total regional VMT compared to baseline conditions, opening year no project conditions, or cumulative no project conditions.
All land use and transportation projects	A significant impact would occur if the project is inconsistent with the RTP/SCS.

Note: Baseline VMT rate is defined as the average VMT for the area represented by the northwest sub-region of the San Gabriel Valley Council of Governments (SGVCOG) per applicable service population. The baseline may be changed pending updates to the Southern California Association of Governments Regional Transportation Model (RTP) model.

Attachment “B”

Project Type Screening

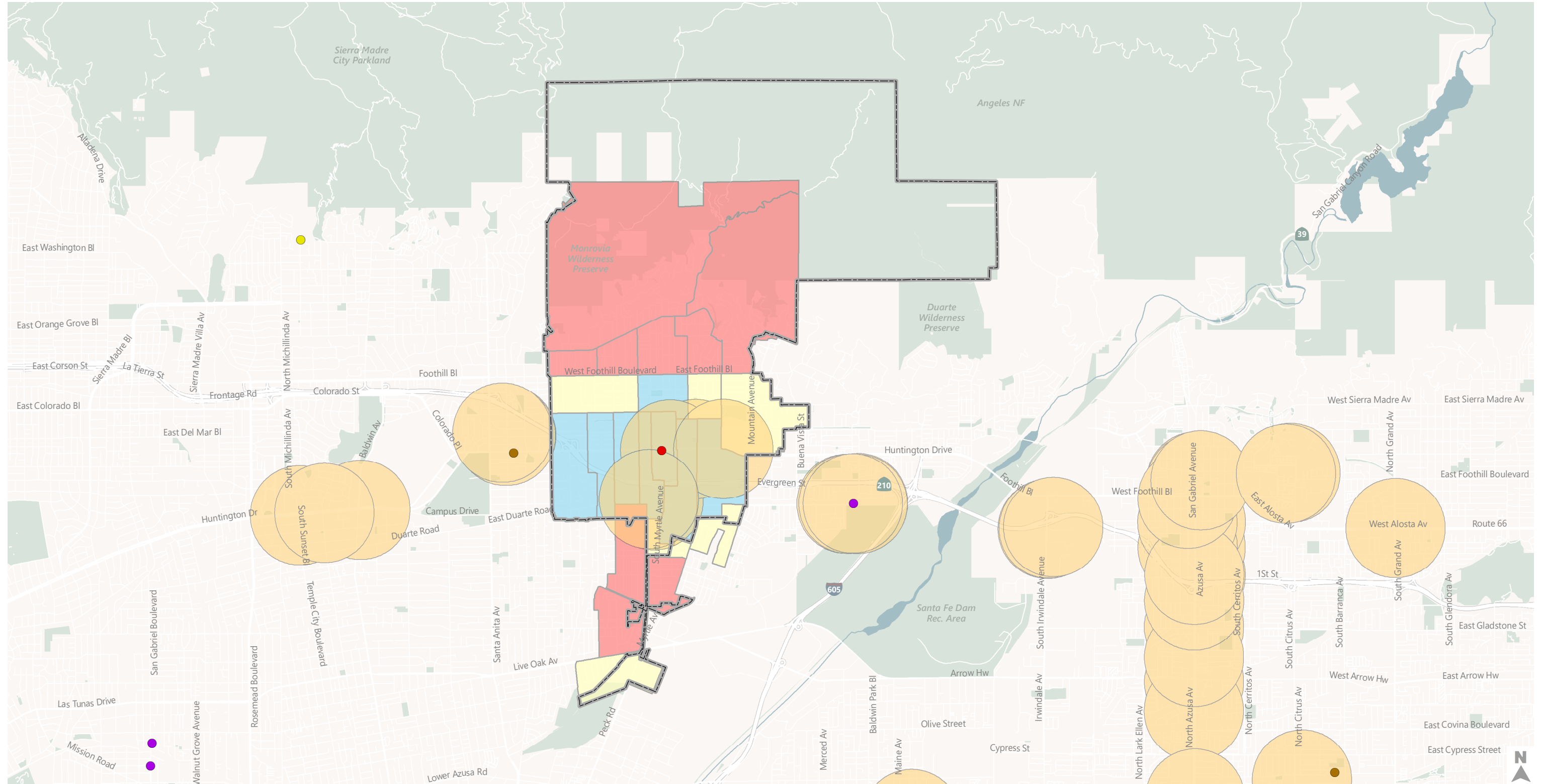
OPR identified local serving project types that may be presumed to have a less than significant impact absent substantial evidence to the contrary. Local serving retail projects (less than 50,000 square feet) generally improve the convenience of shopping close to home and has the effect of reducing vehicle travel; therefore, these projects may be screened out if a community opts to adopt this screening criteria.

In addition to local serving retail, the following uses can also be presumed to have a less than significant impact (absent substantial evidence to the contrary) as their uses are local serving in nature:

- Local-serving K-12 schools
- Local parks
- Day care centers
- Local-serving retail uses less than 50,000 square feet, including:
 - Gas stations
 - Banks
 - Restaurants
 - Shopping Center
- Local-serving hotels (e.g. non-destination hotels)
- Student housing projects on or adjacent to a college campus
- Local-serving assembly uses (places of worship, community organizations)
- Community institutions (public libraries, fire stations, local government)
- Affordable, supportive, or transitional housing
- Assisted living facilities
- Senior housing (as defined by HUD)
- Local serving community colleges that are consistent with the assumptions noted in the RTP/SCS
- Projects generating less than 110 daily vehicle trips¹
 - This generally corresponds to the following “typical” development potentials:
 - 11 single family housing units
 - 16 multi-family, condominiums, or townhouse housing units
 - 10,000 sq. ft. of office
 - 15,000 sq. ft. of light industrial²
 - 63,000 sq. ft. of warehousing²
 - 79,000 sq. ft. of high-cube transload and short-term storage warehouse²
 - Alternatively, a VMT threshold could be developed based on a ‘dwelling unit equivalent’ measure similar to impact fee programs. OPR estimated that non-residential uses could generate 110 daily

trips based on a maximum project exemption size of 10,000 sq. ft. Using the California Household Travel Survey (CHTS) trip lengths produces a VMT equivalent for 10,000 sq. ft. for CA of 836 VMT. The California average household generates approximately 41.6 VMT per day, which equates to about 20 residential units using a 'dwelling unit equivalent.'

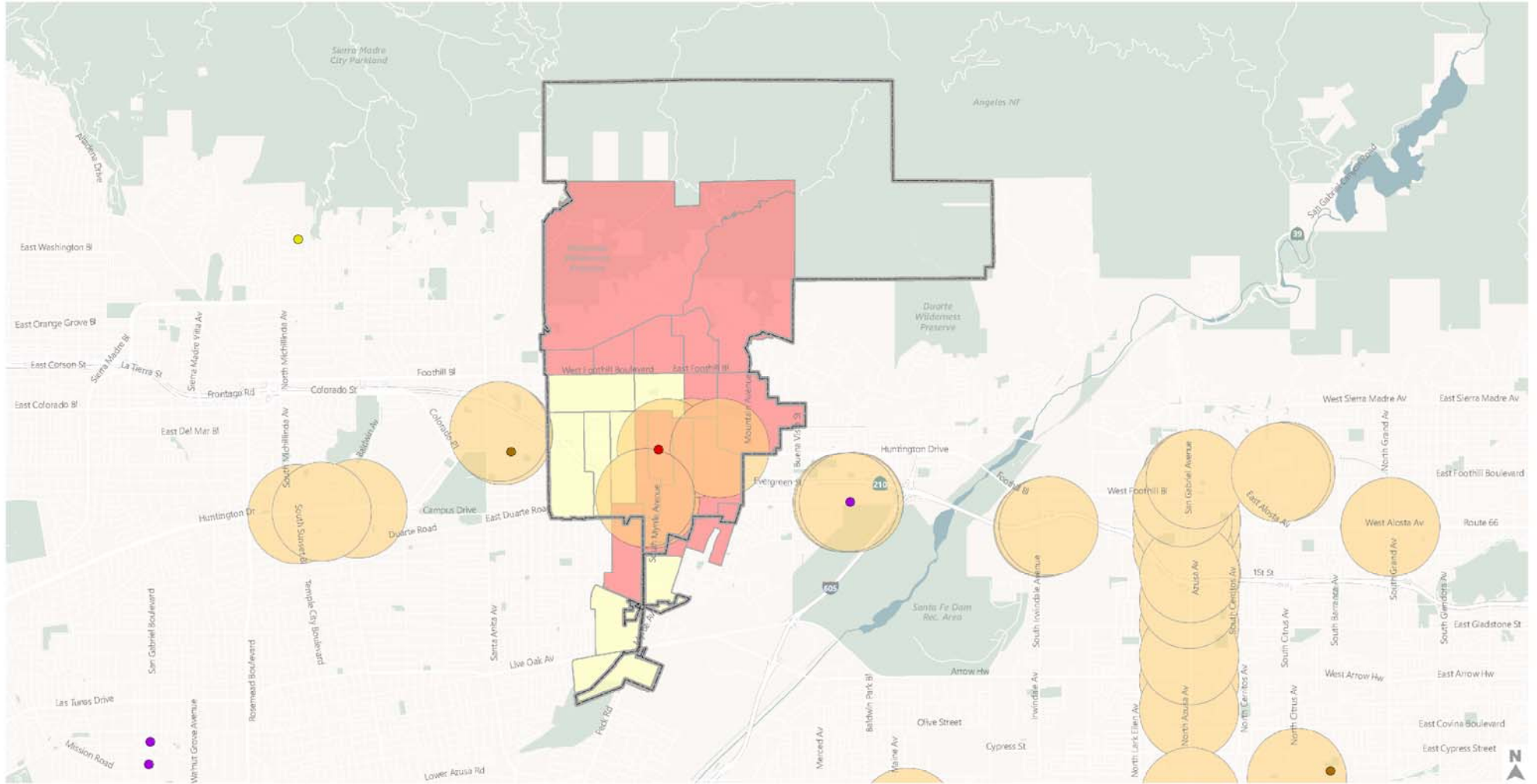
Attachment "C"



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|--------------------------------------|-----------------------------|---------------------------|------------|
| Home-Based VMT per Capita Comparison | City Boundary | Land Use | Hotel |
| 15% or more below Subarea Average | Transit Priority Area (TPA) | Mixed Use | Medical |
| 0 to 15% below Subarea Average | | Multi-Family Residential | Industrial |
| Higher than Subarea Average | | Single-Family Residential | |



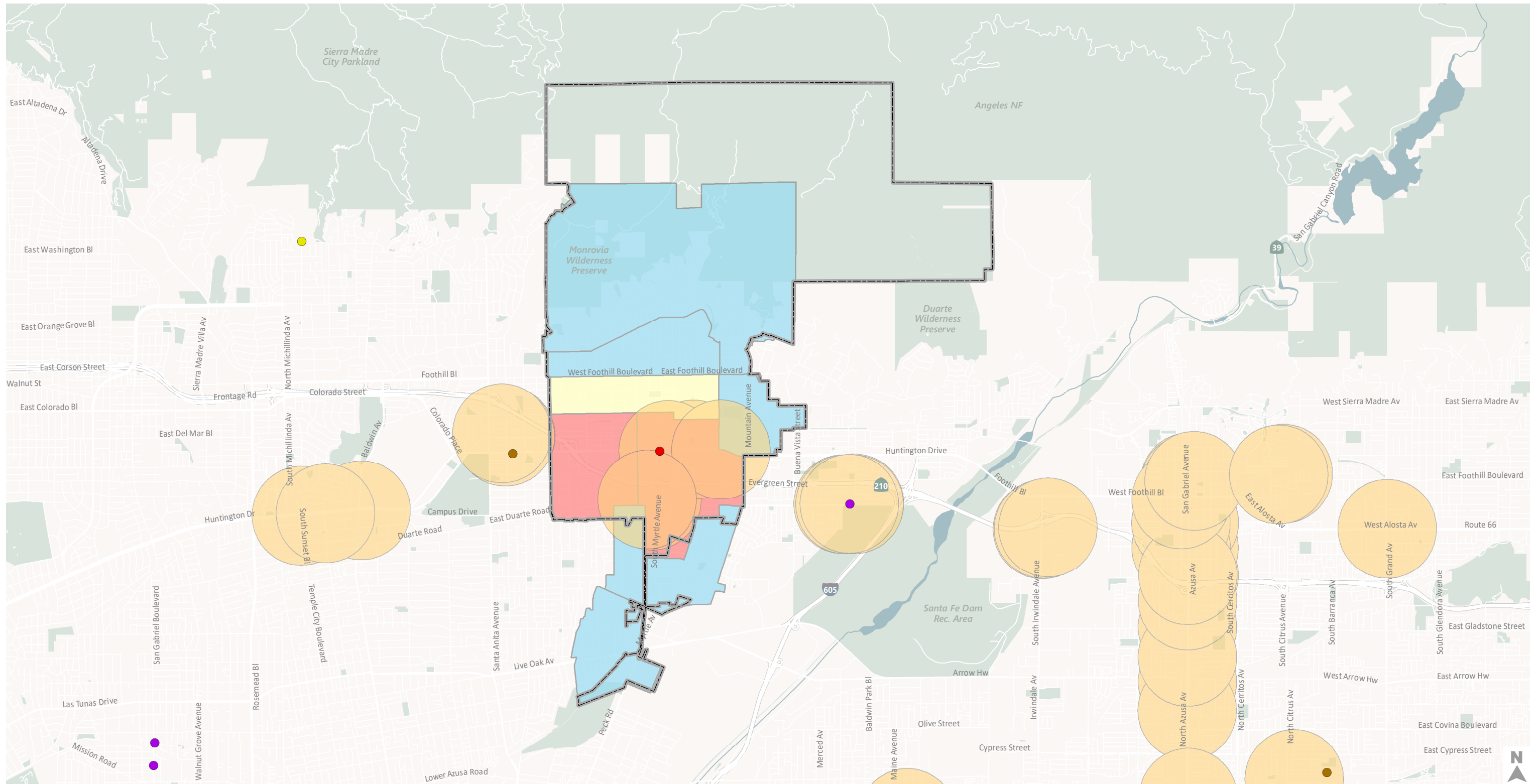
Daily Residential Home-Based VMT per Capita for Monrovia (2012)



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|---------------------------------------------|-----------------------------|---------------------------|------------|
| Home-Based Work VMT per Employee Comparison | City Boundary | Land Use | Hotel |
| 15% or more below Subarea Average | Transit Priority Area (TPA) | Mixed Use | Medical |
| 0 to 15% below Subarea Average | | Multi-Family Residential | Industrial |
| Higher than Subarea Average | | Single-Family Residential | |



Daily Home-Based Work VMT per Employee for Monrovia (2012)



- | | | | |
|---------------------------------------|-----------------------------|--------------------------|---------------------------|
| VMT per Service Population Comparison | City Boundary | Land Use | Single-Family Residential |
| 15% or more below Subarea Average | Transit Priority Area (TPA) | Mixed Use | Hotel |
| 0 to 15% below Subarea Average | | Multi-Family Residential | |
| Higher than Subarea Average | | | |



Daily VMT per Service Population for Monrovia (2012)