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Research Results

The Role of Level of Service in Post-SB 743 California (UTC-NCST-TO 072)

The research process will begin with a review of literature on CEQA, LOS, impact fees, and other pertinent topics.

Planning/ Policy/ Programming

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Project Title: The Role of Level of Service in Post-SB 743 California (UTC-NCST-TO 072)

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WHAT WAS THE NEED?

California's Senate Bill (SB) 743, adopted in 2013, eliminated the traditionally-used metric of Level of Service (LOS) under the California Environmental Quality Act (CEQA) and other roadway processes, which aimed to eliminate traffic delay, resulting in greater roadway capacity and increased vehicle miles traveled. State implementing guidelines for SB 743, adopted in 2018, instead require assessment of impacts of development projects and plans upon vehicle miles traveled (VMT). This project responded directly to an identified the California Department of Transportation (Caltrans) research need for FY 2022-23, to evaluate the "future of the role of level of service in transportation."

WHAT WAS OUR GOAL?

The goal of this research is to address the following questions:

- What methods (metrics, standards for approval, measurement tools) do the study cities use for review of transportation impacts of development projects, both under CEQA and "off-CEQA"?
- For what reasons and specific purposes does the city want to continue to employ LOS analysis? What are the consequences of discontinuing use of LOS?
- What challenges, if any, have arisen in integrating application of both LOS and VMT standards in project review, and how has this city addressed them?
- How will the new VMT metrics, and integrating them with LOS goals and standards affect costs of project- and plan-level environmental review in the city?
- What changes, if any, are needed to improve LOS and VMT integration, and why?

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- Has or will this city revise its General Plan and/or associated plans such as a Climate Action Plan to address VMT reduction goals, pursuant to SB 743? How and why?
- Does the city include LOS standards in the General Plan?

WHAT DID WE DO?

The research team initiated this project with a review of literature on CEQA, LOS, impact fees, and other pertinent topics. This literature review was facilitated by the co-Principal Investigators on previous research on topics related to SB 743 adoption and implementation, as well as related to California city strategies for supporting TOD, transit, and active transport.

Following the literature review, the research team proceeded by developing an interview and public documents research protocol and procedure, based on a set of defined research questions, for determining how California cities are integrating VMT- and LOS-related metrics in their conditions for development approval and/or impact fee structures. City policies were the primary focus for this research project because city governments are the primary lead agencies for CEQA review of development projects in California.

The researchers identified and approached a number of experts to ask for their advice and feedback in developing the interview protocol and research procedures. These experts included academics, practicing local (and possibly regional) planners, and professional transportation planning and CEQA consultants. The researchers will pre-test the interview protocol with these experts, to gain their feedback and refine the protocol.

WHAT WAS THE OUTCOME?

Survey findings indicate that most jurisdictions are implementing VMT analysis and mitigation into CEQA analyses at the development project level, as called for under SB 743. However, 83% of respondent jurisdictions continue to require project-level LOS analysis outside of CEQA as part of the permitting process for land development projects. Only 15% of localities reported having reduced LOS requirements and associated costs to developers. When considering the combined costs to developers of the analysis and mitigation of both VMT and LOS impacts, most jurisdictions reported that the total costs were about the same (18%) or just slightly higher (40%) or slightly lower (6%) than pre-SB 743 costs. However, a sizeable minority (26%) deemed the costs to be much higher, while only 9% considered them to be much lower. Denser and more urban localities were more likely to report lower combined costs relative to pre-SB 743 costs.

In addition to changing development costs on average, our survey findings also indicate that the LOS-to-VMT shift is expected to change the number, type, and location of development projects requiring mitigation of transportation impacts under CEQA. For example, 42% of respondents indicated that fewer projects would have potentially significant transportation impacts than before SB 743, while 43% thought more projects would have significant transportation impacts. Collectively, the survey findings confirm that SB 743's impacts vary by community type. For many, the expected pattern is occurring, in which the type and location of development projects requiring mitigation has shifted to lower-density localities, and within localities, to lower-density, less transit-proximate parts of town.

At the planning and program level, we found that about half of jurisdictions have incorporated VMT goals and standards into their General Plans. However, only a few localities have correspondingly revised their LOS standards and analysis requirements, and those which are doing so are mostly in denser and more urban areas. In addition, jurisdictions are still only beginning to extend SB 743 implementation beyond project-level review to also serve as a basis for systematically reconfiguring transportation impact fees and TDM programs and policies. However, the two cities we studied in depth, San Francisco and San Diego, serve as models for

basis for this sort of systematic policymaking.

WHAT IS THE BENEFIT?

This research gives a better understanding of the value of the LOS metric for California cities. This research in particular is beneficial in determining various potential utilizations of the large body of data and research related to LOS that has been collected and documented over the past decades.

The report presents findings that address the research questions related to city intentions and perceptions of opportunities and challenges of integrating LOS- and VMT-related metrics and standards in a fashion that supports attainment of SB 743 and broader sustainability goals and objectives, when applying conditions of development approval, structuring impact fee requirements, and otherwise attaining related city-level policy goals. Special attention will be paid to how integrating LOS and VMT will affect the costs of development project approval and affordable housing provision.

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