

# Memorandum

*Making Conservation  
a California Way of Life*

To: TRANSPORTATION STAKEHOLDERS

Date: February 28, 2020

From: ELLEN GREENBERG  
Deputy Director, Sustainability

CHRIS SCHMIDT  
SB 743 Program Manager

Subject: **Caltrans Draft VMT-Focused Transportation Impact Study Guide (Draft TISG) – 30 Day Informal Review Period**

Senate Bill (SB) 743, signed in 2013 and incorporated into the California Environmental Quality Act (CEQA) Guidelines in 2018, better aligned CEQA with the State's climate and air quality goals. It is changing CEQA analysis of transportation impacts associated with both land development and infrastructure projects.

## Overview

SB 743 means major changes in CEQA review of transportation analysis of local land use projects. These changes follow both the CEQA Guidelines revisions (§15064.3) published by the Natural Resources Agency in December 2018<sup>1</sup>, and the "Technical Advisory on Evaluating Transportation Impacts in CEQA" prepared by the Governor's Office of Planning and Research (OPR)<sup>2</sup>. Caltrans supports implementation of the guidance from these State Agency partners.

**For land use projects**, SB 743 prohibits identification of automobile delay as a significant impact on the environment within CEQA transportation analysis. By July 1, 2020, public agencies evaluating the impact of development projects are required to use vehicle miles traveled (VMT) to evaluate transportation impacts. This change removes the focus on traffic at intersections and roadways immediately around project sites. Instead, the focus will be on how new development projects may influence the overall amount of automobile use. Some project types are exempted in order to streamline developments not likely to cause additional automobile travel, such as those in infill areas.

---

<sup>1</sup> California Department of Natural Resources, 2018. "CEQA Guidelines."  
[https://resources.ca.gov/CNRALegacyFiles/ceqa/docs/2018\\_CEQA\\_FINAL\\_TEXT\\_122818.pdf](https://resources.ca.gov/CNRALegacyFiles/ceqa/docs/2018_CEQA_FINAL_TEXT_122818.pdf)

<sup>2</sup> California Governor's Office of Planning and Research (OPR), 2018. "Technical Advisory on Evaluating Transportation Impacts in CEQA." [http://opr.ca.gov/docs/20190122-743\\_Technical\\_Advisory.pdf](http://opr.ca.gov/docs/20190122-743_Technical_Advisory.pdf)

February 28, 2020  
Page 2

These changes to the environmental review process aim to reduce automobile dependency by supporting infill development, reducing average length of vehicle trips, and increasing use of more sustainable modes including carpooling, cycling, walking, and transit. These shifts are essential to supporting the State's growing population and economy while meeting climate and air quality goals.

### **Request for Review and Feedback**

Caltrans Draft VMT-Focused Transportation Impact Study Guide is attached to this memorandum. It is guidance to Caltrans Districts, lead agencies, developers and consultants regarding Caltrans review of a land use project or plan's transportation analysis using a VMT metric. **Caltrans invites your informal review and feedback on the Draft TISG by close of business on March 30, 2020.** The Draft TISG is posted on Caltrans SB 743 implementation webpage. Click the link on the webpage to provide informal feedback on it.

Caltrans will hold a webinar to discuss the content of the Draft TISG and hear your comments, concerns, and questions. Members of Caltrans' SB 743 Implementation Team are also available to discuss the document. Please contact Ali Doerr-Westbrook (916-653-2580) to schedule a call or meeting.

Thank you in advance for your contributions to this important work.

Attachment: Draft VMT-Focused Transportation Impact Study Guide

1

2

3



4

5

6

7

# Transportation Impact Study Guide

8

9

10

Vehicle Miles Traveled-Focused DRAFT

12

February 2020

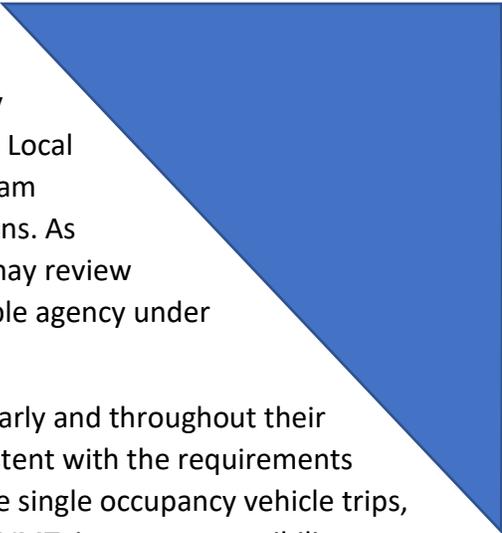
14

## 15 TABLE OF CONTENTS

|    |  |    |
|----|--|----|
| 16 | Use of this Guidance.....  | 3  |
| 17 | 1. Introduction .....  | 4  |
| 18 | 1.1 Changes to CEQA.....   | 4  |
| 19 | 1.2 Caltrans Updates Our Review of Land Use Decisions and Projects .....                   | 5  |
| 20 | 2. Reducing Greenhouse Gas Emissions and Vehicle Miles Traveled.....                       | 7  |
| 21 | 3. Caltrans Review of Local Development Projects .....                                     | 8  |
| 22 | 3.1 VMT Analysis is Caltrans’ Focus .....  | 8  |
| 23 | 3.2 VMT Calculation .....  | 9  |
| 24 | 4. Projects Presumed to Have a Less than Significant Transportation Impact.....            | 10 |
| 25 | 4.1 Caltrans’ Review of Projects Presumed to Have A Less Than Significant Impact.....      | 11 |
| 26 | 5. Projects Without Presumption of Less Than Significant Impact.....                       | 13 |
| 27 | 5.1 Caltrans’ Review of Projects Without Presumption of Less Than Significant Impact ..... | 13 |
| 28 | 6. Rural Areas Outside of Metropolitan Planning Organizations (MPOs).....                  | 15 |
| 29 | 6.1 Caltrans’ Review of Projects in Rural Areas Outside of MPOs.....                       | 15 |
| 30 | 7. Mitigating Transportation Impacts .....   | 16 |
| 31 | 8. Appendix .....  | 18 |
| 32 |  |    |

### 33 Use of this Guidance

34 The Transportation Impact Study Guide was prepared by the State of California, Department of  
35 Transportation (Caltrans) to provide guidance to Caltrans Districts, lead agencies, developers  
36 and consultants regarding Caltrans review of a land use project or plan's transportation analysis  
37 using a VMT metric. This guidance is not binding on public agencies and it is intended to be a  
38 reference and informational document. The guidance may be updated based upon need, or  
39 updates to Governor's Office of Planning and Research's Technical Advisory on Evaluating  
40 Transportation Impacts in CEQA.



41 **1. Introduction**

42 The Transportation Impact Study Guide (TISG) is used by  
 43 the California Department of Transportation’s (Caltrans) Local  
 44 Development-Intergovernmental Review (LD-IGR) program  
 45 during environmental review of land use project and plans. As  
 46 owner/operator of the State Highway System Caltrans may review  
 47 projects and plans as a commenting agency or responsible agency under  
 48 the California Environmental Quality Act (CEQA).

49 Caltrans LD-IGR program works with local jurisdictions early and throughout their  
 50 land use planning and decision making processes, consistent with the requirements  
 51 of CEQA and state planning law. Caltrans seeks to reduce single occupancy vehicle trips,  
 52 provide a safe transportation system, reduce per capita VMT, increase accessibility to  
 53 destinations via cycling, walking, carpooling, and transit, and reduce GHG emissions. Those  
 54 goals along with standard CEQA practice create the foundation of Caltrans review of proposed  
 55 new land use projects.

56 **1.1 Changes to CEQA**

57 For 50 years CEQA has required that public agencies examine, disclose, and minimize the  
 58 anticipated environmental impacts of public and private investments in the state. These  
 59 investments include both land development projects and infrastructure investments such as  
 60 freeway projects. Senate Bill 743, approved in 2013 and incorporated into the State’s CEQA  
 61 Guidelines in 2018, better aligned CEQA with the State’s climate goals. It is changing CEQA  
 62 analysis of transportation impacts associated with both land development and infrastructure  
 63 projects.

64 For Caltrans, SB 743 means major changes in two activities:

- 65 1. Review of land use project or plan’s potential impact to the State Highway System,  
 66 which are generally addressed through the Caltrans Local Development-  
 67 Intergovernmental Review program, and
- 68 2. CEQA analysis of capacity increasing transportation projects on the State Highway  
 69 System

70 These changes follow both the CEQA Guidelines and the Governor’s Office of Planning and  
 71 Research (OPR) [Technical Advisory on Evaluating Transportation Impacts in CEQA](#). Caltrans  
 72 supports implementation of the guidance published by its State Agency partners.

73 A key change for the LD-IGR program is that CEQA documents will now consider different types  
 74 of transportation impacts than previously examined. When analyzing the impact of VMT on the  
 75 State Highway System resulting from local land use projects, the focus will no longer be on

76 traffic at intersections and roadways immediately around project sites. Instead, the focus will  
77 be on how projects are likely to influence the overall amount of automobile use. SB 743  
78 specifies that "...automobile delay, as described solely by level of service or similar measures of  
79 vehicular capacity or traffic congestion, shall not be considered a significant impact on the  
80 environment" (California Public Resources Code Section 21099)

81 Caltrans supports these changes, which aim to reduce automobile use while increasing use of  
82 more sustainable modes that are essential to supporting our growing population and economy  
83 while meeting climate goals.

84

## 85 1.2 Caltrans Updates Our Review of Land Use Decisions and Projects

86 For land use projects and plans, automobile delay is no longer considered a significant impact  
87 on the environment under the California Environmental Quality Act. (SB 743, 2013). Caltrans  
88 review of land use projects and plans is focused on a vehicle miles traveled metric, consistent  
89 with changes to the CEQA Guidelines (California Code of Regulations Section 15064.3(b)(1)).  
90 This VMT-focused Transportation Impact Study Guide (TISG) provides a foundation for review  
91 of how lead agencies apply the VMT metric to CEQA project analysis.

92 Beyond or in addition to the use of the VMT metric, determining how the State Highway System  
93 (SHS) may otherwise be affected by a land use project may still be necessary at times. **A future  
94 update of this Transportation Impact Study Guide will include the basis for requesting  
95 transportation impact analysis that is not based on VMT (including multimodal  
96 conflict/access management issues). It will also define the elements to be included in non-  
97 VMT analysis.**

98 This VMT-Focused Transportation Impact Study Guide is intended for use by the Caltrans Local  
99 Development-Intergovernmental Review program, lead agencies, developers, and consultants  
100 in preparing a transportation impact analysis for land use projects or plans that may impact or  
101 affect the State Highway System. It supports CEQA streamlining for qualifying projects as  
102 identified by CEQA Guidelines (California Code of Regulations Section 15064.3(b)(1)).

103 The objectives of this Guide are to provide:

- 104 a. Guidance in determining when a lead agency for a land use project or plan should  
105 analyze possible impacts to the State Highway System, including its users.
- 106 b. An update to the *Guide for the Preparation of Traffic Impact Studies* (Caltrans, 2002)  
107 that is consistent with SB 743 and the CEQA Guidelines adopted on December 28, 2018.
- 108 c. Guidance for Caltrans land use review that supports state land use goals, state planning  
109 priorities, and GHG emission reduction goals.

- 110 d. Statewide consistency in identifying land use projects' possible transportation impacts  
111 to the State Highway System, and to identify potential non-capacity increasing  
112 mitigation measures.
- 113 e. Assumptions, data requirements, study scenarios, and analysis methodologies for a high  
114 quality analysis of impacts to the State Highway System.
- 115 f. Recommendations for early coordination during the planning phase of a land use  
116 project to reduce the time, cost, and/or frequency of preparing a Transportation Impact  
117 Study or other indicated analysis.

118 The TISG replaces the *Guide for the Preparation of Traffic Impact Studies* (Caltrans, 2002). We  
119 continue to emphasize the importance of coordination early in the land use project  
120 approval/CEQA review process. Early coordination ensures transportation impacts analysis  
121 and/or site design elements that address the needs of all users are identified. Early  
122 coordination can also minimize costs and time associated with analysis of transportation  
123 impacts. The information herein may be used as part of a land use project's CEQA  
124 transportation analysis as well as for other elements of a project's review, analysis, or approval  
125 processes to determine impacts or potential and appropriate changes or mitigation  
126 necessitated by such projects.

127

## 128 2. Reducing Greenhouse Gas 129 Emissions and Vehicle Miles Traveled

130 California law, including Assembly Bill 32 (Nunez, 2006), known  
131 as the California Global Warming Solutions Act of 2006, requires  
132 greenhouse gas emissions reductions. California Air Resources Board  
133 (CARB) developed a Scoping Plan that describes the approach California  
134 will take to reduce greenhouse gas emissions. CARB finds per capita  
135 vehicle travel needs to be below what today's policies and plans would  
136 achieve. CARB's assessment is based on data in the 2017 Scoping Plan Update  
137 and 2016 Mobile Source Strategy. In those documents, CARB examined the  
138 relationship between VMT and the state's GHG emissions reduction targets. Most  
139 recently, CARB's 2018 Progress Report stated:

140 "With emissions from the transportation sector continuing to rise despite increases in  
141 fuel efficiency and decreases in the carbon content of fuel, California will not achieve the  
142 necessary greenhouse gas emissions reductions to meet mandates for 2030 and beyond  
143 without significant changes to how communities and transportation systems are  
144 planned, funded, and built." ([https://ww2.arb.ca.gov/sites/default/files/2018-  
145 11/Final2018Report\\_SB150\\_112618\\_02\\_Report.pdf](https://ww2.arb.ca.gov/sites/default/files/2018-11/Final2018Report_SB150_112618_02_Report.pdf) Page 5)

146 SB 743, through a new CEQA metric for transportation impacts, sought to promote the  
147 reduction of greenhouse gas emissions, the development of multimodal transportation  
148 networks, and a diversity of land uses (Public Resources Code Section 21099 (7)(b)(1)). That is,  
149 it sought to modernize CEQA transportation analysis in a way that supports these goals. A new  
150 metric, vehicle miles traveled, was selected for land use development based on the expectation  
151 that a vehicle miles traveled metric will better support greenhouse gas emission reductions and  
152 improve multimodal transportation options for land use development.

### 153 3. Caltrans Review of Local 154 Development Projects

155 Caltrans Local Development-Intergovernmental Review  
156 program's focus is aligned with Caltrans Strategic Management  
157 Plan's goals and targets to reduce single occupancy vehicle trips,  
158 provide a safe transportation system, reduce per capita VMT, increase  
159 accessibility to destinations via cycling, walking, carpooling, and transit, and  
160 reduce GHG emissions.

161 CEQA Guidelines, and OPR's Technical Advisory distinguish types of development  
162 projects that are presumed to have a less than significant impact on vehicle miles  
163 traveled and therefore, a less than significant adverse impact on transportation. Caltrans  
164 review of land use projects is attentive to the distinction and encourages development in low  
165 VMT areas while at the same time maintaining safety for the State Highway System and all its  
166 users.

#### 167 3.1 VMT Analysis is Caltrans' Focus

168 Many lead agencies are adopting VMT metrics in advance of it becoming the standard CEQA  
169 transportation metric on July 1, 2020. VMT analysis replaces Level of Service, the prior widely  
170 applied metric used for CEQA transportation analysis. Caltrans' primary review focus for a land  
171 use project's impacts is now VMT.

172 Caltrans references OPR's December 2018 SB 743 Technical Advisory as a basis for this guidance  
173 document. We recommend use of OPR's recommended thresholds for land use projects. As  
174 each lead agency develops and adopts its own VMT thresholds for land use projects, Caltrans  
175 will review them for consistency with OPR's recommendations, which are consistent with the  
176 state's GHG emissions reduction targets and CARB's Scoping Plan.

177 Caltrans supports CEQA streamlining for land use projects in transit priority areas and areas  
178 with existing low VMT, as described in OPR's Technical Advisory. We recommend following the  
179 guidance on methods of VMT assessment found in OPR's Technical Advisory. **Our comments on  
180 a CEQA document may note methodological deviations from those methods and may  
181 recommend that significance determinations and mitigation be aligned with state GHG  
182 reduction goals as articulated in that guidance, CARB's Scoping Plan, and related  
183 documentation.**

184 OPR's Technical Advisory is available online at <http://opr.ca.gov/ceqa/updates/sb-743/>.

185 **3.2 VMT Calculation**

186 A lead agency has discretion to choose the most appropriate methodology to evaluate a  
187 project's vehicle miles traveled (Public Resources Code 15064.3 (b)(4)). Caltrans will review an  
188 agency's VMT calculator or VMT calculation for consistency with technical considerations in  
189 OPR's Technical Advisory.

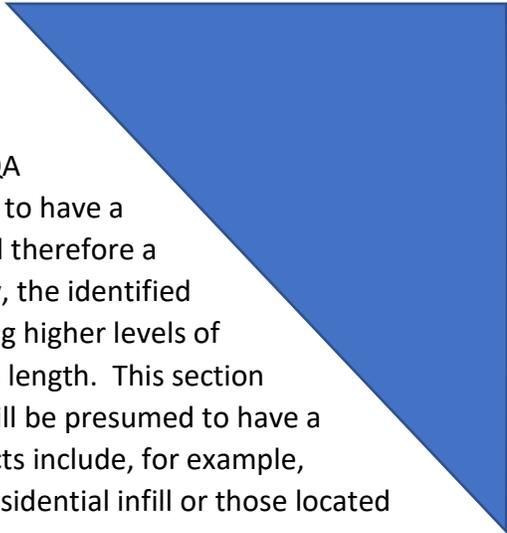
190

191 **4. Projects Presumed to Have a Less**  
 192 **than Significant Transportation Impact**

193 Certain types of projects as identified in statute, the CEQA  
 194 Guidelines, or in OPR’s Technical Advisory are presumed to have a  
 195 less than significant impact on vehicle miles traveled and therefore a  
 196 less than significant impact on transportation. Generally, the identified  
 197 projects contribute to efficient land use patterns enabling higher levels of  
 198 walking, cycling, and transit as well as lower average trip length. This section  
 199 addresses how Caltrans will determine which projects will be presumed to have a  
 200 less than significant transportation impact. These projects include, for example,  
 201 projects in transit priority areas, projects consisting of residential infill or those located  
 202 in low VMT areas.

203 Caltrans references OPR’s December 2018 Technical Advisory on Evaluating Transportation  
 204 Impacts in CEQA, which identifies projects and areas presumed to have a less than significant  
 205 transportation impact. Those include:

- 206 1. Residential, office, or retail projects within a Transit Priority Area, where a project is within  
 207 a ½ mile of an existing or planned major transit stop or an existing stop along a high quality  
 208 transit corridor.
  - 209 a. A major transit stop is defined as a site containing an existing rail transit station, a ferry  
 210 terminal served by either a bus or rail transit service, or the intersection of two or more  
 211 major bus routes with a frequency of service interval of 15 minutes or less during the  
 212 morning and afternoon peak commute periods (Pub. Resources Code, § 21064.3)
  - 213 b. A high-quality transit corridor is defined as a corridor with fixed route bus service with  
 214 service intervals no longer than 15 minutes during peak commute hours (Pub. Resources  
 215 Code, § 21155).
- 216 2. An area pre-screened by an agency as having low residential or office VMT:
  - 217 a. An area where existing residential projects exhibit VMT per capita 15 percent or more  
 218 below city or regional average.
  - 219 b. An area where existing office projects exhibit VMT per capita 15 percent or more below  
 220 regional average.
- 221 3. Residential projects composed of 100 percent or near-100 percent affordable housing  
 222 located in any infill location. Additionally, per OPR’s Technical Advisory, “Lead agencies may  
 223 develop their own presumption of less than significant impact for residential projects (or  
 224 residential portions of mixed use projects) containing a particular amount of affordable  
 225 housing, based on local circumstances and evidence. Furthermore, a project which includes



226 any affordable residential units may factor the effect of the affordability on VMT into the  
227 assessment of VMT generated by those units.”

228 4. A locally-serving retail project (such a project typically reduces vehicle travel by providing a  
229 more proximate shopping destination, i.e. better accessibility).

230 5. Mixed-use projects composed entirely of the above low-VMT project types.

231

232 6. In any area of the state, absent substantial evidence indicating that a project would generate  
233 a potentially significant level of VMT, or inconsistency with a Sustainable Communities  
234 Strategy (SCS) or general plan, projects that generate or attract fewer than 110 trips per day  
235 generally may be assumed to cause a less-than significant transportation impact.

236

237

238 Construction of such projects is consistent with state VMT and GHG emissions reduction goals.  
239 Caltrans supports CEQA streamlining for these projects and acknowledges the importance of  
240 streamlining them in improving access to destinations, livability, and community vibrancy.  
241 Further, Caltrans encourages these projects because they will help achieve VMT reduction and  
242 mode shift goals.

243 Note, however, a land use project near transit may have a significant impact on VMT if it:

244 1. Has a floor area ratio less than 0.75.

245 2. Includes more parking than required by the local permitting agency.

246 3. Is inconsistent with the region’s Sustainable Communities Strategy (i.e., development is  
247 outside region’s development footprint, or in area specified as open space).

248 4. Replaces affordable residential units with a smaller number of moderate- or high-income  
249 residential units.

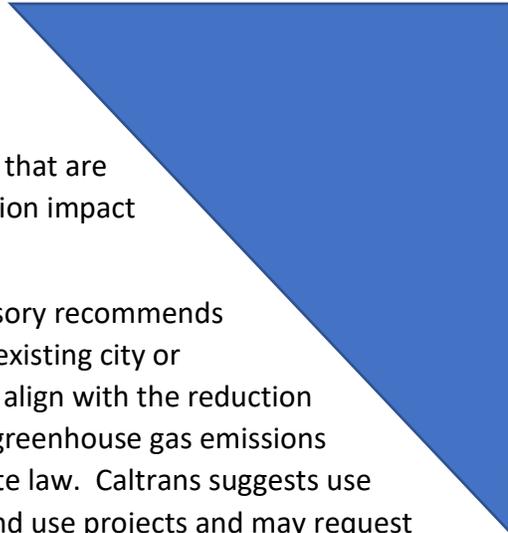
250 In very limited situations, analysis or mitigation may be appropriate in low VMT areas to  
251 address specific multimodal access management issues directly caused by the project such as  
252 issues related to line of sight caused by the placement of a driveway. These situations are to be  
253 determined based on the details of specific development proposals and their setting and will be  
254 addressed in future guidance.

#### 255 4.1 Caltrans’ Review of Projects Presumed to Have A Less Than Significant 256 Impact

257 Caltrans will review a proposed land use project in a low VMT area to determine consistency  
258 with the OPR SB 743 Technical Advisory’s recommendations and that the proposed project has a  
259 less than significant transportation impact (using a VMT metric). Where projects will further  
260 California’s VMT goals consistent with CARB’s Scoping Plan and OPR’s Technical Advisory,

261 Caltrans may provide comments to underscore that consistency and achievement. For example,  
262 Caltrans may send a comment letter to describe how the project helps achieve state planning  
263 priorities contained in state law (i.e., AB 857, 2002 Wiggins) and meets state policy goals on  
264 transportation (improving access to destinations), VMT reduction, GHG emissions reduction,  
265 and/or betterment of the environment and human health.

266



267 **5. Projects Without Presumption of**  
268 **Less Than Significant Impact**

269 This section addresses how Caltrans will review projects that are  
270 not presumed to have a less than significant transportation impact  
271 (using a VMT metric).

272 For residential and office projects, OPR’s Technical Advisory recommends  
273 VMT per capita or per employee thresholds 15% below existing city or  
274 regional VMT per capita. The recommended thresholds align with the reduction  
275 in per capita vehicle miles traveled required to achieve greenhouse gas emissions  
276 reductions sufficient to achieve targets contained in State law. Caltrans suggests use  
277 of OPR’s recommended thresholds of significance for land use projects and may request  
278 mitigation from projects and plans which do not meet those thresholds.

279 Caltrans' comments on the transportation impacts portion of a particular CEQA document may  
280 note methodological deviations from OPR’s Technical Advisory and may strongly recommend  
281 significance determinations and project changes or mitigation aligned with state GHG and VMT  
282 reduction goals as articulated in that guidance and in the California Air Resources Board’s  
283 Scoping Plan and related documentation.

284 For the State Highway System and connections with the State Highway System, Caltrans may  
285 request a targeted operational and safety analysis to address a specific geometric or  
286 operational issue, particularly issues that impact multimodal access or conflicts between  
287 modes. Improvements requested by Caltrans should avoid increases in VMT and should avoid  
288 degrading or adding stressors to pedestrians, bicyclists, and transit users.

289 **5.1 Caltrans’ Review of Projects Without Presumption of Less Than**  
290 **Significant Impact**

291 Caltrans will review a land use project not presumed to be less than significant (as defined by  
292 Statute, CEQA Guidelines, or OPR’s Technical Advisory) to determine consistency with OPR’s  
293 Technical Advisory. Where projects would not support reduction of vehicle miles traveled and  
294 greenhouse gas emissions, or where VMT analysis deviates from recommendations for analysis  
295 thereby preventing a clear determination, Caltrans may provide comments on the analysis,  
296 project details or mitigation. Caltrans may comment in the following instances.

- 297 1. Where project VMT analysis and significance determination are undertaken in a manner  
298 consistent with OPR’s Technical Advisory and state GHG emissions reduction goals, and  
299 where transportation impacts (using a VMT metric) are found to be less than significant:
- 300 a. Caltrans may send a comment letter to describe how the project helps achieve state  
301 planning priorities codified in state law (i.e., AB 857, 2002 Wiggins) and meet state

302 policy goals on transportation (improving access to destinations), VMT reduction,  
303 GHG emissions reduction, and/or betterment of the environment and human health.

304

305 2. Where project VMT analysis and significance determination are undertaken in a manner  
306 consistent with OPR's Technical Advisory and state GHG emission reduction goals, and the  
307 project is found to have a significant transportation impact (using a VMT metric), Caltrans  
308 may provide comments:

309 a. Recommending changes in the proposed project or mitigation which would reduce  
310 the impact to less than significant

311

312 3. Where VMT analysis and significance determination are undertaken in a manner which is  
313 inconsistent with OPR's Technical Advisory or state GHG emissions reduction goals, Caltrans  
314 may provide comments:

315 a. Noting methodological deviations from OPR's Technical Advisory in VMT  
316 assessment;

317 b. Recommending significance determinations, project changes or mitigation which is  
318 aligned with state GHG reduction goals as articulated in OPR's Technical Advisory  
319 and in the California Air Resources Board's Scoping Plan and related documentation;

320 c. Pointing out inconsistency with the region's Sustainable Communities Strategy  
321 (development is outside region's development footprint, or in area specified as open  
322 space); or

323 d. Suggesting project revisions or mitigation be undertaken to reduce project-  
324 generated VMT

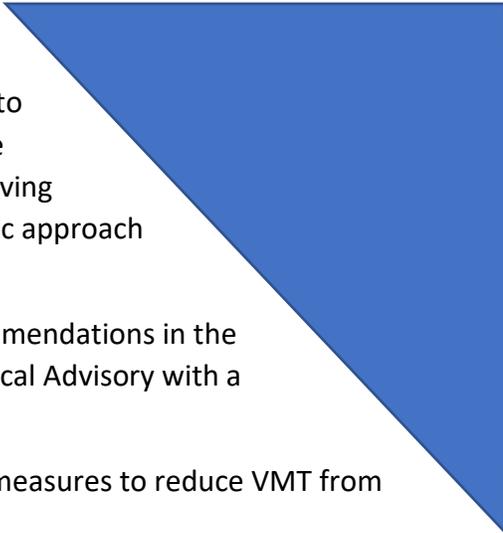
325



326 6. Rural Areas Outside of  
327 Metropolitan Planning Organizations  
328 (MPOs)

329 OPR’s Technical Advisory indicates significance thresholds for  
330 projects in rural areas, i.e. in non-MPO counties, may be best  
331 determined on a case-by-case basis. In rural areas, programmatic VMT  
332 mitigation is sometimes the most effective. Caltrans may comment  
333 requesting VMT-reducing strategies for the rural area be included  
334 programmatically, including at the General Plan level, for example. Caltrans will  
335 also recommend establishment of programs or methods to reduce VMT and support  
336 appropriate bicycle, pedestrian, and transit infrastructure, services or incentives.

337



338 **7. Mitigating Transportation Impacts**

339 For years, transportation impacts under CEQA often led to  
 340 mitigation in the form of roadway widening or otherwise  
 341 addressing traffic operations with the intention of improving  
 342 automobile level of service. Based on SB 743, the historic approach  
 343 to mitigating transportation impacts is being modified.

344 Caltrans reviews projects for consistency with the recommendations in the  
 345 VMT Mitigation and Alternatives section of OPR’s Technical Advisory with a  
 346 focus on:

- 347 1) Whether the lead agency considered applicable measures to reduce VMT from
- 348 the project, and
- 349 2) Whether the lead agency identified feasible alternatives that could avoid or
- 350 substantially reduce a project’s significant transportation impacts.

351 As noted above, reducing or mitigating VMT will serve many state goals, including providing  
 352 more multimodal transportation options and supporting air quality, public health, and climate  
 353 goals.<sup>1</sup> The TISG Appendix includes a partial list of resources to reference for supporting  
 354 information on VMT reduction measures. Caltrans supports both on-site and off-site mitigation  
 355 measures to reduce VMT.

356 On-site design features that reduce VMT may minimize or eliminate mitigation necessary to  
 357 achieve a less than significant transportation impact. For example, a project may incorporate  
 358 transportation demand management strategies (such as parking supply reduction, on-street  
 359 bicycle facilities improvements, or pedestrian network improvements) into project design to  
 360 reduce project VMT. Some local agencies provide online calculator tools to assess a project’s  
 361 VMT and estimate reduction achieved through project design features.

362 Where further on-site design features are infeasible or not proven to be effective, it may be  
 363 appropriate and feasible to mitigate VMT associated with a project through direct investments  
 364 in off-site VMT mitigation. Off-site mitigation measures may include programmatic methods  
 365 that implement mitigation in advance of and in anticipation of transportation impacts  
 366 generated by land use projects or plans. Programmatic methods may include, but are not  
 367 necessarily limited to, VMT mitigation banks, VMT mitigation exchanges, or VMT impact fee  
 368 programs:

- 369 1) Jurisdictions that document appropriate nexus and proportionality between a
- 370 transportation impact fee and VMT reduction may rely on such fees to mitigate VMT

---

<sup>1</sup> Documented benefits of VMT reduction are available at <http://opr.ca.gov/ceqa/updates/sb-743>

371 transportation impacts from land use development projects. For example, a nexus  
372 study that contemplates a capital improvement program consisting of projects that  
373 would demonstrably reduce VMT within the jurisdiction’s geographic scope and within  
374 the buildout time horizon of the proposed project could serve as adequate fair share  
375 VMT mitigation.

376  
377 Similar support for this “fair share” approach comes from CEQA Guidelines and OPR’s  
378 General Plan Guidelines which advise jurisdictions to collaborate proactively with their  
379 regional public and private sector partners to develop and adopt multi-party fair share  
380 impact fee programs needed to finance planned transportation infrastructure  
381 improvements. The guidelines suggest basing such impact fee programs on multi-modal  
382 system improvements with a demonstrated ability to reduce the VMT generated by new  
383 development.<sup>2</sup>

384  
385 2) Jurisdictions can pool fees from individual development projects to facilitate feasible  
386 project-level mitigation at a programmatic level, known as a VMT mitigation bank. The  
387 improvements must have “additionality”, generally meaning they would not have  
388 occurred without funding from the VMT mitigation bank.

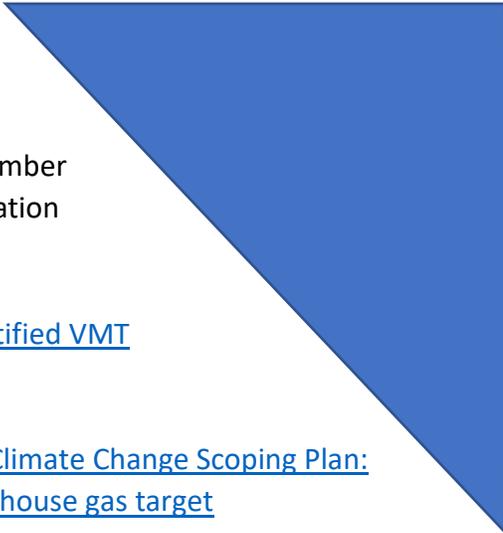
389  
390 3) Jurisdictions can also develop a VMT mitigation exchange which would allow a  
391 developer to fund off-site VMT mitigation projects from a pre-approved list of  
392 mitigation projects that are proportional in size to the transportation impact (using a  
393 VMT metric) from the development project. The need for “additionality” applies to  
394 exchanges, also.

395 Caltrans supports efforts to identify and pilot reasonable, feasible, and enforceable  
396 programmatic mitigation mechanisms that equitably reduce transportation impacts to the  
397 greatest extent feasible.

398 Caltrans will coordinate with cities, counties, and regional transportation planning agencies to  
399 develop and pilot programmatic methods that fund off-site VMT mitigation projects. Such a  
400 framework could provide funding necessary for projects that reduce VMT, while providing more  
401 transportation options, safer connections between new development and the existing  
402 community, and a pathway to mitigating transportation impacts from land use projects to less-  
403 than-significant levels.

---

<sup>2</sup> Governor’s Office of Planning and Research. 2017. *General Plan Guidelines Update*. Chapter 9: Implementation. Available at: [http://opr.ca.gov/docs/OPR\\_C9\\_final.pdf](http://opr.ca.gov/docs/OPR_C9_final.pdf). (Page 251)



404 **8. Appendix**

405 Links to key resources

- 406 1. Governor’s Office of Planning and Research December  
 407 2018 [Technical Advisory](#) on Evaluating Transportation  
 408 Impacts in CEQA  
 409
- 410 2. California Air Resources Board [Scoping Plan-Identified VMT](#)  
 411 [Reductions and Relations to State Climate Goals](#)  
 412
- 413 3. California Air Resources Board [California’s 2017 Climate Change Scoping Plan:](#)  
 414 [the strategy for achieving California’s 2030 greenhouse gas target](#)  
 415
- 416 4. California Air Resources Board [2018 Progress Report: California’s Sustainable](#)  
 417 [Communities and Climate Protection Act](#)  
 418
- 419 5. Public Resources Code, Chapter 2.7: Modernization of Transportation Analysis for  
 420 Transit-Oriented Infill Projects, [Section 21099](#) (SB 743 in Public Resources Code)  
 421
- 422 6. California Code of Regulations, Title 14, Division 6, Chapter 3, [Section 15064.3](#) (SB 743-  
 423 related CEQA Guidelines)  
 424
- 425 7. VMT Mitigation Resources.  
 426 Strategies to mitigate VMT are available within the following resources. Additional  
 427 mitigation resources will be added to Caltrans SB 743 Implementation webpage.  
 428
- 429 a. Governor’s Office of Planning and Research’s CEQA Guidelines Update and  
 430 Technical Advisory [website](#) has information on VMT reduction strategies, even  
 431 for rural areas.  
 432
- 433 b. California Air Pollution Control Officers Association’s (CAPCOA) [2010](#)  
 434 [Quantifying GHG Mitigation Measures](#) is a current source of VMT reduction by  
 435 mitigation strategy.  
 436
- 437 c. A 2018 [research paper](#) from University of California Berkeley School of Law’s  
 438 Center for Law, Energy & the Environment focuses on two innovative models  
 439 that could be used to implement programmatic VMT mitigation strategies for  
 440 land use or transportation projects. VMT mitigation “banks” and “exchanges”  
 441 are compared, and examples provided of ways to mitigate VMT under CEQA or

442 the mitigation fee act. These models are conceptually similar to existing  
443 mitigation frameworks such as regional impact fee programs or habitat  
444 conservation banks.

445  
446 d. A 2020 white paper prepared by Fehr & Peers VMT Mitigation Through Banks  
447 and Exchanges: Understanding New Mitigation Approaches highlights potential  
448 VMT mitigation programs including impact fee programs, mitigation exchange,  
449 and mitigation bank.

450  
451 e. State Smart Transportation Initiative (SSTI) 2018 report Modernizing Mitigation:  
452 A Demand-Centered Approach outlines partnerships possible to reduce the  
453 demand for driving.

454  
455 8. Additional Resources

456 a. Governor's Office of Planning and Research [Key Resources on SB 743](#): Studies,  
457 Reports, Briefs, and Tools

458