SB 743: Rethinking How We Build so Californians Can Drive Less

Caltrans and local agencies are now using a new method to analyze the transportation impacts of land development and infrastructure projects, aimed at improving health, equity and our quality of life, while letting Californians drive less.

In December 2018, after over five years of stakeholder-driven development, updated CEQA Guidelines were adopted to change the way agencies measure the transportation impacts of land development and infrastructure projects so Californians can drive less. SB 743 goes into full effect in summer 2020.

SB 743 goals include reducing greenhouse gas emissions and air pollution, streamlining development near public transit and employment centers, and supporting a transportation system that moves people efficiently. The main strategies:

- Streamline land development projects that address the affordable housing crisis and deliver walkable, livable neighborhoods.
- Promote building in locations where there are alternatives to driving alone, in cities and towns of all sizes.
- Support walking, bicycling and transit use.
- Move more people with fewer cars, so we’re not stuck in traffic.

Implementing SB 743 will complement other State strategies, such as shifting to zero-emission vehicles, when driving is the right choice.

Focus on Mileage

For land development projects, with implementation of SB 743, we will measure vehicle miles traveled (VMT) rather than level of service (LOS). Using VMT puts a focus on the likely change in the number and length of car trips associated with new projects. Measuring VMT takes into account whether a new development is located close to jobs, businesses and services that enable short trips and travel choices besides driving alone. Projects that create facilities for pedestrians and about half of housing projects will not need to analyze VMT. When VMT assessment is required, it could cost 80% less than it previously cost to do LOS analysis and mitigation.

Maintenance projects like re-paving and filling potholes are unaffected by the change, as are many safety improvements, including traffic calming measures to slow traffic. This change does not alter the State’s commitment to the Road Maintenance and Rehabilitation program that was approved as part of SB 1.

For transportation projects that increase capacity, such as freeway lane additions, Caltrans will analyze VMT using a method that reflects a phenomenon called “induced travel.” Drivers often change their habits to take advantage of the new capacity, spurring induced travel. In the long term, studies show that new roadway capacity stimulates additional land development, often in outlying locations, which then induces more car travel. Transportation projects resulting in induced travel will generally be determined to have a significant transportation impact, requiring consideration of alternatives and feasible mitigation.
New CEQA Transportation Process for Housing Projects

Streamlining
For Projects That Are:
- Within 1/2 mile of transit, or
- Within low VMT “Green Zone,” or
- Affordable, or
- Small (<110 daily trips)

YES Streamlined
No VMT Analysis
No VMT Mitigation

NO Not Streamlined

Analyze VMT
~20% time and cost of CEQA LOS analysis*

YES
No VMT Mitigation

NO Has Significant Impact

Mitigation
Urban
- Reduce parking
- Parking pricing
- Bike/pedestrian facilities
- Bike parking
- Transit station improvement
- Transit fare subsidy
- Car sharing prog
- Impact fee prog
- Concierge App
- Mixed uses

Suburban
- Grid/connectivity
- Neighborhood commercial control
- Bike/pedestrian paths
- Transit fare subsidy
- Impact fee prog
- Concierge App
- Less parking at transit
- Trip reduction prog
- ADUs
- Live/work space
- Telecommuting

Rural
- Bike/pedestrian trails
- Grid/connectivity
- Cluster zoning
- Workforce housing
- Concierge App
- Pooled shuttles
- Telecommuting
- Mix uses
- Car Sharing
- Facilitate pooling
- Land preservation

YES VMT Mitigation

NO Still Significant Impact

Statement of Overriding Considerations

YES Mitigated to the Maximum Extent Feasible

*LOS analyses outside of CEQA, if needed, are 5–10% the cost and time of LOS analyses within CEQA

New Caltrans Guidance Documents for Transportation Impact Analysis


The Transportation Analysis Framework (TAF) identifies the best approach for analyzing induced travel in terms of VMT under CEQA for State Highway System projects, and goes into full effect September 15, 2020.

Transportation Analysis Under CEQA (TAC) provides guidance for making CEQA significance determinations for transportation projects on the SHS and goes into full effect September 15, 2020.

Learn more at dot.ca.gov; enter SB 743 in the search bar