

SB 743 Policy Adoption Technical Assistance program

Memo Template

Overview of SB 743, Review of Existing Policies and engagement needs

How to Use This Template

The template is intended to serve as an introductory staff memo to facilitate VMT conversations and identify your jurisdiction’s approach to adopting VMT policies. strategy for stakeholder involvement in this effort.

This memo is a first step jurisdictions usually complete to VMT policy adoptions as it summarizes the connections to other staff and jurisdiction policies. Therefore, the sections included in this memo template are:

* Overview and requirements of SB 743
* Existing processes and practices
* Stakeholder engagement needs
* List of transportation policies and programs relevant to CEQA mitigations and VMT

The template provides text and instructions for jurisdiction specific information that you will need to fill in are provided in italicized text that should be removed from the final memo.

Abbreviations and Glossary

* **CEQA** – California Environmental Quality Act requires proposed discretionary projects to disclose to the public the significant environmental effects caused by the project, through the preparation of an initial study, negative declaration, mitigated negative declaration, or environmental impact report
* **LOS** – level of service
* **Mitigation –** feasible measures required as part of the approval process to reduce impacts below the threshold of significance
* **OPR** – Governor’s Office of Planning and Research
* **Thresholds of Significance** – used to determine whether an impact is significant or not
* **Screening Thresholds** – also knowns as screens, are used to quickly identify when a project should be expected to cause a less-than-significant impact without conducting a details study.
* **Significant Impact –** an impact greater than the threshold of significance, requires mitigation
* **VMT** – Vehicle miles traveled

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Memorandum

**To:**

**From:**

**Date:** [Pick the date]

**Subject: MTC Technical Assistance on VMT Policy Adoption. Module 1 – Overview of SB 743, Review of Existing Policies, and Engagement Needs**

# Purpose of Memo

To provide an overview of SB 743 and requirements and identify JURISDICTION’S existing policies that align with SB 743. Additionally, stakeholders who will be part of the VMT adoption process are also identified.

# Senate Bill 743 Overview

The California Environmental Quality Act (CEQA) requires land use development and transportation projects to identify, disclose, and mitigate environmental impacts. Transportation is one of 18 environmental resources studies in CEQA analysis. Historically, many lead agencies chose to use Level of Service (LOS), a measure of vehicle delay, to define transportation impacts under CEQA. Mitigations of LOS impacts compelled communities to widen roads and incentivized spread out land use patterns resulting over time in more driving, congestion, and pollution.

Senate Bill 743 (Steinberg, 2013), codified in [Public Resources Code section 21099](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PRC&division=13.&title=&part=&chapter=2.7.&article=), requires lead agencies to replace LOS to better align transportation impact criteria with State environmental, economic, and public health goals. The criteria for determining the significance of transportation impacts and setting new thresholds must “promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses.”

The Governor’s Office of Planning and Research (OPR) supports the implementation of SB 743 by providing resources including the [Technical Advisory on Evaluating Transportation Impacts in CEQA](https://opr.ca.gov/docs/20190122-743_Technical_Advisory.pdf) (2018). OPR recommends that jurisdictions replace LOS with Vehicle Miles Traveled (VMT) based metrics. This shift will better align transportation impact analysis and mitigation outcomes to reduce greenhouse gas emissions, encourage infill development, and improve public health. Jurisdictions in California are now required to use VMT based metrics to evaluate environmental impacts related to transportation. Cities can still use LOS within the local development review process to inform site access and traffic operations decisions, but LOS cannot be used to evaluate CEQA impacts or mitigations.

VMT measures the amount of driving produced by a project and provides a measure of travel efficiency of a land use project. For most types of projects, VMT-based analysis offers a streamlined analysis that saves jurisdiction staff time and provides clarity for the public and land developers. The shift to VMT policies is intended to help achieve climate commitments, preserve the environment, improve health and safety, create sustainable communities, and provide more travel choices for each jurisdiction, as well as for the region and state..

# Technical Assistance

Our jurisdiction is participating in an MTC/ABAG technical assistance to assist jurisdictions in the Bay Area with adopting VMT thresholds and other policies. To comply with SB 743, jurisdictions will need to select new metrics, establish thresholds, and develop mitigations by answer key implementation questions such as those listed below:

* What will be the preferred methodology for estimating and forecasting VMT for transportation impact analysis in CEQA?
* How does our jurisdiction want to use screens and screening criteria to simplify the CEQA transportation review for low-VMT projects?
* What mitigation does our jurisdiction consider to be feasible for VMT impacts? If TDM is used, how will the lead agency verify its effectiveness over time (since many TDM programs depend on implementation by individual tenants that may change over time)?

This Technical Assistance will provide the background, information, resources, and tools to support each participating jurisdiction in answering the questions and adopting and implementing VMT policies.

# Review of Policies

*Section instructions: To effectively implement SB 743 jurisdiction staff should review existing land development and transportation policies, plans, and processes. This review should identify policies that may need updates to align with SB 743 as well as where VMT-metrics and policies can enhance or support existing plans and programs.*

***Fill in the empty cells in Table 1 prior to Module 2*** *to**identify and review policies, plans, and processes for your jurisdiction. Identifying existing CEQA transportation thresholds is an essential step in developing an approach setting new thresholds. Holistically reviewing your jurisdiction’s transportation and land use development goals to provide context to help make the case for VMT thresholds, screens, and mitigations.*

Table 1 Local Transportation Policies

| **Area of Research** | **Research Questions** | **Key Findings** | **Notes** |
| --- | --- | --- | --- |
| CEQA transportation thresholds or LOS goals | Most jurisdictions have a threshold or LOS goal in their general plan. Thresholds may also be documented in ordinances or set at the department level. Review your General Plan for transportation goals and policies that may conflict with VMT-based analysis as well as ones that will be easier to implement with new thresholds. |  |  |
| Transportation Plans | Some types of plans can reinforce or be supported by VMT policies. Identify whether your jurisdiction has a Climate Action Plan, Active Transportation Plan, or other local plan that might support, or be supported by, a VMT policy |  |  |
| Transportation Demand Management (TDM) | TDM is a key tool for mitigation VMT impacts. Does your jurisdiction have a TDM ordinance or program? Are there county or other potential TDM partnerships? What might be needed to manage TDM for land use development? |  |  |
| Parking requirements | VMT-based screens and some mitigations can incentive building less parking. What kind of off-street minimum or maximum parking requirements does your jurisdiction have? Do they vary by district? Is there flexibility such as near transit or with TDM? Is parking management required or encouraged such as shared parking, unbundled parking, or paid parking? Screens can be used to incentivize building less parking in low-VMT areas. |  |  |
| Housing Element | Review where your jurisdiction has identified for new housing and how VMT screens and thresholds may make that easier or more challenging. |  |  |
| Impact fees | Review existing impact fees to see what is charged to new development and if the projects funded support reducing VMT or may induce more VMT. |  |  |

##### Questions

*Use this space to note any questions you or internal stakeholders have for Technical Assistance consultants:*

# Engagement Needs

*Section instructions: Jurisdiction staff, elected officials, and the public will need to understand why VMT per capita is replacing LOS as the required transportation analysis metric for environmental impact review. This Technical Assistance will provide draft education materials for you to adapt to your jurisdiction that explain the reasoning behind VMT and the benefits of the change. Educational materials and other outreach efforts should clearly communicate how VMT-reducing mitigations will support overall traffic mitigation and address concerns about impacts from new development, to build support for the implementation of new VMT policies.*

*Depending on how your jurisdiction establishes CEQA thresholds, the process to update it can vary from a General Plan amendment to a department director approval. This will inform your engagement approach and determines the steps needed to adopt new policies. Table 2 identifies a list of common stakeholders with blank spaces for you to fill in potential concerns, goal outcome, and your engagement approach. Fill in the blank spaces in Table 2 throughout the course of Modules 1, 2, and 3. Presentation templates and talking points will be provided for you to use in your engagement process.*

***Internal stakeholders*** *refers to jurisdiction staff and should include departments that oversee planning and development review, transportation, and legal counsel. This group is typically engaged with first and often throughout the process of developing and adopting VMT policies. Strategies to engage include identifying how new policies can streamline their work and help realize department plans and projects. Having broad staff support for new policies will make the adoption process easier. Get input from internal stakeholders to identify the best approach to VMT policy adoption.*

*Engagement with* ***the public*** *will vary from jurisdiction to jurisdiction. Table 2 identifies sub-groups of the public that are typically involved in public outreach; however, there may be other groups in your jurisdiction to reach out to such as environmental groups or affordable housing developers/operators. Public participation for implementing SB 743 typically takes the form of inform or consult on the spectrum of public participation.*

***Decision-makers*** *such as planning commissions, city councils, and board of supervisors will typically need to formally approve or adopt new CEQA thresholds. Some cities have found that an educational working session with decision-makers made the adoption process easier.*

Table 2 List of Potential Stakeholders

| **Stakeholder** | **Potential Concerns** | **Goal Outcome** | **Engagement Approach** |
| --- | --- | --- | --- |
| Internal stakeholders, including other departments |  |  |  |
| The public, particularly residents, business owners, and landowners/developers |  |  |  |
| Planning Commission |  |  |  |
| City Council/Board of Supervisors |  |  |  |

# Project Schedule

*Section instructions: Use the following table to identify key dates and develop a schedule for your jurisdiction’s project to adopt VMT policies. Your approach may vary; add or remove tasks as needed. Note when to get onto your Commission and/or City Council calendars and the dates of the meetings to assist in understanding the length of time to adopt policy. You are encouraged to adopt policy during or shortly after the SB 743 Policy Adoption Technical Assistance program concludes so that you can receive assistance from the consultant team during the modules and office hours.*

Table Proposed VMT Policy Adoption Project Schedule

| **Task** | **June** | **July** | **August** | **September** | **October** | **November** | **December** | **2023** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Modules | 1 | 2 | 3 |  | 4 | 5 (TBD) |  |  |
| Develop Thresholds |  |  |  |  |  |  |  |  |
| Develop Screens |  |  |  |  |  |  |  |  |
| Develop Mitigation Approach |  |  |  |  |  |  |  |  |
| Internal Engagement (cross-department coordination, Planning Commission) |  |  |  |  |  |  |  |  |
| Decision-Maker Engagement (City Councilmembers) |  |  |  |  |  |  |  |  |
| Target Adoption Date for Thresholds, Screens and Mitigation Approach |  |  |  |  |  |  |  |  |
| Approach to evaluation non-CEQA transportation effects |  |  |  |  |  |  |  |  |
| TDM Policy or Program |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |