

# **City Council Agenda Item**

City Council Meeting Date: August 17, 2021

**TO:** Jim Throop, City Manager

**FROM:** Brian Halvorson, Planning Manager

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SUBJECT: Adoption of Resolution No. 6445(21) Amending Environmental

Review Guidelines and Traffic Study Guidelines (TA 21-02) Incorporating California Environmental Quality Act (CEQA) Thresholds of Significance to Establish Vehicle Miles Traveled (MVT)

## **Recommendation:**

The Planning Commission and staff recommend the City Council:

- 1) Hold a public hearing;
- Adopt Resolution No. 6445(21) Amending Environmental Review Guidelines and Traffic Study Guidelines incorporating California Environmental Quality Act (CEQA) thresholds of significance to establish Vehicle Miles Traveled (VMT) (Attachment 1); or
- 3) Provide other direction.

#### Background

On September 27, 2013, Governor Jerry Brown signed Senate Bill (SB) 743 into law and started a process intended to fundamentally change transportation impact analysis as part of California Environmental Quality Act (CEQA) compliance. Those changes include elimination of level of service (LOS), and other similar measures of vehicular capacity or traffic congestion as a basis for determining significant impacts. Amendments and additions to the CEQA Guidelines eliminate LOS for CEQA purposes and identify VMT as the preferred CEQA transportation metric. Therefore, jurisdictions need to select VMT analysis methodologies, set new VMT thresholds for transportation impacts, and determine what mitigation strategies are most feasible. This change applied statewide on July 1, 2020.

As a basic summary, the VMT method analyzes the number of vehicle miles traveled that a development project will produce, rather than analyzing the amount of traffic congestion a development project will produce.

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CEQA will require the City to adopt and impose mitigation measures to reduce the vehicle miles traveled that are produced by non-exempt proposed development projects to a level that is less than significant, to the extent possible. CEQA no longer will require mitigation measures to reduce traffic congestion impacts caused by development projects, as the state has determined traffic congestion is not an environmental impact. The City may still impose conditions to reduce traffic congestion caused by a project – but CEQA will not require them.

The Community Development Department hired DKS Associates to assist the Planning Division in implementation of SB 743. Over the last six months, DKS has worked with Planning and Engineering Division staff to create methodologies, screening criteria, thresholds of significance, and mitigation procedures to ensure compliance with SB 743.

On July 14, 2021, the Planning Commission adopted Resolution No. 949 (21) as shown in Attachment 2 recommending the City Council adopt VMT thresholds and revisions to the City's local environmental review guidelines and traffic study guidelines for implementing CEQA.

## **Discussion**

DKS prepared a technical memorandum providing the background for implementation of SB 743 and VMT Analysis Procedures (Attachment 3). The purpose of the memo is to document guidance, options, resources, and analytical methodologies for evaluating VMT, as well as detailing the City's recommended VMT thresholds, project screening criteria, and mitigation strategies. In that memo, tables ES-1 and ES-2 provide the basis for how the City will screen each project and outlines the proposed VMT thresholds of significance under consideration for development projects. Projects that exceed the thresholds would have a significant impact under CEQA (unless appropriately mitigated). The information and recommendations in the memo relies heavily on technical guidance published by the Governor's Office of Planning and Research (OPR), and an evaluation of greenhouse gas and VMT mitigation strategies from the California Air Pollution Control Officer's Association (CAPCOA). Staff will provide support to applicants in the understanding those technical procedures and analyses but many projects will require the assistance of transportation engineers-consultants and environmental planners for projects that are not screened and require a more extensive VMT analysis using the technical data provided in the memo.

#### Amendments to Local Environmental Review Guidelines

The City of Lompoc Environmental Review Guidelines were last amended on May 18, 2010 [Resolution No. 5633(10)]. At this time, minor amendments to the Guidelines are proposed and include clarifications to terminology, process, and implementation of the City's Guidelines in accordance with the State Guidelines for implementation of CEQA as adopted by the California Resources Agency. Due to the amount of amendments, strikeout and underlining text has not been included (for ease of review) but the existing environmental review guidelines are shown as Attachment 4 and the amended guidelines are attached to Resolution No. 6445(21) as Exhibit A.

## Amendments to Local Traffic Study Guidelines

Extensive amendments to the City's Traffic Study Guidelines are shown in Exhibit B to Resolution 949 (21) (Attachment 2). Due to the amount of amendments, strikeout and underlining text have not been included (for ease of review); however, the existing Traffic Study Guidelines are attached to the Staff Report as Attachment 5 and the amended guidelines are attached to the Council Resolution as Exhibit B.

The amended Traffic Study Guidelines now include two sections: Section 1 (new) outlines VMT analysis guidelines and Section 2 (revised) includes the amended local traffic study guidelines.

# In summary, <u>Section 1</u> includes:

- Introduction to CEQA VMT Analysis, local traffic study requirements (when a VMT/local traffic study is needed);
- VMT analysis guidelines, consultation, and screening criteria; and
- Significance thresholds, analysis methodology and mitigation.

## Section 2 includes:

- Local traffic study requirements;
- Land use quantities that require a traffic study;
- Minimum requirements for local traffic studies; and
- Local traffic study guidelines.

In addition, appendices A, B, and C have been added to the Traffic Study Guidelines. Appendix A includes VMT analysis land use designations, which will assist staff in defining the type of VMT analysis that is required for CEQA transportation impacts and the land use designations that fit within residential, office/business professional employment, industrial employment, local-serving retail and local-serving public facilities land use categories.

Appendix B outlines VMT neutral infrastructure projects that would not likely lead to a substantial or measurable increase in vehicle travel, and therefore, generally should not require a travel analysis. Finally, Appendix C includes a table describing VMT reduction measures. In short, the intent of having two sections helps to delineate projects that may only need a local traffic study and/or a VMT analysis.

Both sections are used simultaneously and analyze traffic data but use different measures (VMT compared to Trip Generation), methodology (trips based on traffic analysis zones/location compared to only land use designations/peak hour trips), and accomplish

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different goals (reduce vehicular miles traveled/improve air quality/reduce greenhouse gases compared to the reduction of traffic congestion requirement for fair share of infrastructure improvements). The adoption of revised local traffic guidelines that include VMT analysis guidelines will allow the City to be compliant with the previously described State mandate in SB 743.

## <u>Implementation</u>

As part of the City's contract with DKS Associates, a "Sketch Tool" program has been provided for Planning and Engineering staff for the implementation of VMT thresholds of significance. That tool allows staff to quickly review a proposed project and determine if the project can be screened (no VMT analysis is needed) or if additional VMT analysis and/or mitigation is needed for a given project. As described in the Tech Memo (Attachment 3), an applicant will be required to consult with City staff by providing a complete project description including location, zoning, proposed land uses and project features related to travel demand management. This will then allow City staff to utilize the Sketch Tool to determine if a project is exempt or needs further analysis through a CEQA transportation VMT analysis. This process is thoroughly described in the Tech Memo and the proposed amendments to the Traffic Study Guidelines. Furthermore, example projects were run/tested by the consultant with the Sketch Tool. Staff has also used the software to ensure a smooth transition before adoption.

## Conformance with 2030 General Plan

The General Plan has references to LOS standards in the Circulation Element in relation to maintaining intersection traffic levels. Although LOS was previously used in determining CEQA transportation impacts related to a given project, LOS can no longer be used to determine environmental impacts. However, the City can continue to apply LOS (or similar measures) and maintain LOS standards and similar measures as a matter of local policy for determining needed improvements to the City's roadways resulting from discretionary land use decisions and assessing related traffic impact fees. The City can leave those references in the General Plan and still adopt VMT thresholds of significance without making LOS and VMT inconsistent with policies, goals, and implementation measures contained within the General Plan. Furthermore, the City is amending its Traffic Study Guidelines to clarify differences between requirements for a Traffic Study and VMT Analysis. At a later date, staff intends to make minor amendments to the Circulation Element (along with other planned amendments) but such amendments are not required at this time in order to ensure conformance with the General Plan.

#### Conformance with Zoning Code

No amendments to the Zoning Code are proposed or required. Adoption of VMT thresholds of significance is required as part of SB 743 and amendments to the City's Environmental Review Guidelines and Traffic Study Guidelines are consistent with Lompoc Municipal Code section 17.504.070 (Environmental Review) pertaining to CEQA review, procedures, and compliance.

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## **Environmental Review**

Adopting VMT thresholds, and revisions to local environmental review guidelines and traffic study guidelines is not a project for purposes of CEQA (per CEQA Guidelines Section 15378(b)(5)), and therefore does not require environmental review because it involves an administrative activity involving process only and does not have the potential for resulting in either a direct or indirect physical change in the environment.

# **Fiscal Impact:**

In order to provide compliance with State Mandate SB 743, funding in the Biennial Budget Fiscal Years 2019-2021 was allocated to allow the Community Development Department/Planning Division to process the required proposed amendments. Therefore, there is no impact to the City's existing budget in order to complete this project.

#### **Conclusion:**

The proposed amendments to the City's Environmental Review Guidelines and Traffic Study Guidelines are necessary in order to comply with SB 743 through adopted VMT thresholds of significance for the completion of required CEQA review when analyzing potential transportation impacts of projects.

Respectfully submitted,
Brian Halvorson, Planning Manager
APPROVED FOR SUBMITTAL TO THE CITY MANAGER:
Christie Alarcon, Community Development Director
APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:
Jim Throop, City Manager

Attachments: 1) Resolution No. 6445(21)

- 2) Planning Commission Resolution No. 949 (21) without Exhibits
- 3) Technical Memorandum (DKS Associates)
- 4) Existing Environmental Review Guidelines
- 5) Existing Traffic Study Guidelines