CITY OF CUPERTINO

PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: October 1, 2019

Subject

Update on required July 1, 2020 implementation of SB 743 (Environmental quality: transit-oriented infill projects, judicial review streamlining for environmental leadership development projects) and FY 2019-20 budget adjustment request for consultant services to assist the City in the required transition from using Level of Services (LOS) to Vehicle Miles Traveled (VMT) as the measure of transportation impacts under CEQA.

Recommended Action

Adopt Resolution No. 19-XXX amending the FY 2019-20 General Fund budget in the amount of $173,400 for consultant services for the update on implementation of SB 743.

Discussion

The purpose of this report is to provide background information on SB 743 and the July 1, 2020 deadline under State law to begin using Vehicle Miles Traveled (VMT) instead of Level of Service (LOS) as the measure of transportation impacts of proposed development projects.

Background

The California Environmental Quality Act ("CEQA") was enacted in 1970 with the goal of providing a mechanism for disclosing to the public the environmental impacts of proposed actions. Before taking a discretionary action, lead agencies such as the City of Cupertino must determine if that action is subject to CEQA and conduct a review of the effects of that action on the physical environment. The State of California Office of Planning and Research (OPR) prepares and maintains regulatory Guidelines for the implementation of CEQA by public agencies, including orderly environmental review of proposed projects.

On September 27, 2013, former Governor Jerry Brown signed SB 743 (Public Resources Code section 21099) into law and started a process to change how transportation impacts may be analyzed under CEQA. The primary change was the elimination of LOS as a measure of vehicular capacity or traffic congestion as a basis for determining significant transportation impacts under CEQA. The law directed OPR to update the CEQA Guidelines to include new performance criteria for determining the significance of

transportation impacts. In response to SB 743, OPR selected VMT as the new transportation impact metric. OPR then submitted updates to the CEQA Guidelines, and these updates were certified by the Natural Resources Agency in December 2018 adding Section 15064.3 to the CEQA Guidelines and revising the section of CEQA Guidelines Appendix G (Environmental Checklist) concerning transportation impacts.

SB 743 does not prevent an agency from continuing to analyze delay or LOS as part of other planning processes (such General Plan consistency, land use permits), fee programs, or on-going network monitoring, but LOS can no longer constitute the basis for determining whether there are significant transportation impacts due to land use projects for purposes of CEQA.

About LOS

LOS is a qualitative description of traffic flow based on factors of speed, delay, and freedom to maneuver. Six levels are defined, from LOS A, which reflects free-flow conditions where there is very little interaction between vehicles, to LOS F, where the vehicle demand exceeds the capacity and high levels of vehicle delay result. LOS E represents "at-capacity" operations. When traffic volumes exceed the intersection capacity, stop-and-go conditions result, and a vehicle may wait through multiple signal cycles before passing through the intersection; these operations are designated as LOS F. The calculation of vehicle LOS is done through the application of specialized software and is based on traffic counts, observations of vehicle interactions, and data about traffic signal operations (at those intersections that are signalized). LOS impacts can be mitigated several ways, usually improvements are made to a specific intersection or corridor with physical changes such as new turn lanes, roadway widening, traffic signal upgrades, and other physical changes aimed at reducing vehicle delay.

About VMT

VMT is a measure of the total amount of vehicular travel. One vehicle traveling ten miles would equal 10 VMT. Four vehicles traveling ten miles would equal 40 VMT. Typically, development located at greater distance from other land uses or in areas with few transportation options generates more vehicle trips and trips of greater length (and therefore more VMT) than development located near other uses or in areas with many transportation choices. VMT is an important input in the analysis of air quality and greenhouse gas (GHG) emissions and has been used for that purpose in preparing CEQA environmental review documents for several years. What has changed with the implementation of SB 743 is that VMT will now be used as the sole measure of the transportation impacts of land use projects.

Mitigating a VMT impact involves different types of actions than mitigating a LOS impact. VMT mitigation requires actions that reduce the number or the length of the vehicle trips generated by a project. This might involve modifying the project's characteristics or location so that it generates fewer vehicle trips or trips of shorter distance. Options for reducing VMT may include locating the project closer to public transit facilities, requiring that it provide amenities to support bicycling and walking, and other possibilities such as

contributing to a local transit service and/or providing transit passes. Unlike LOS mitigation, VMT mitigation is not related to vehicle delay and is aimed at reducing trips instead of building improvements to increase roadway capacity.

Update on City Efforts to Prepare for SB 743

A Request for Qualifications was released in August 2019 for consultant services to guide the City through the complex process of transitioning from LOS to VMT. This work includes establishing thresholds of significance for VMT impacts, defining feasible mitigation measures to address VMT impacts, and developing a set of procedures for staff and project applicants to follow when conducting VMT analysis. City staff and the consultant will coordinate with the Santa Clara County Transportation Authority (VTA), which has formed a working group to focus on this issue. Cupertino is participating in VTA's process to create an online model that will make it easier for staff, applicants, and community members to see the VMT impacts of proposed projects.

Anticipated Impact to Development

Impacts to development and the entitlement process are not yet known. Staff is seeking consultant services to provide technical expertise to help answer questions such as this, and the consultant scope of work focuses on distilling critical information for decision makers and the community to better understand VMT. VMT thresholds will be recommended for adoption, and if the City choses to maintain use of LOS outside of CEQA that will be documented as part of the process. Helping the City to identify feasible and desirable VMT mitigation measures will be a key task for the consultant, as well as for staff and decision makers.

Next Steps

After funds have been allocated from the budget, the Director of Public Works will execute a contract with Fehr & Peers. This does not require a separate City Council action, because the total not-to-exceed amount of the contract is less than $175,000. Staff will begin the 10-month project immediately in order to meet the July 1, 2020 deadline, and will report back to Council with updates and requests for input throughout the process. The base scope of works includes a white paper that will frame the issue for Cupertino decision makers. The paper will analyze existing City policies and provide guidance on complex and technically detailed questions that will need to be answered through this process. Two joint study sessions are scheduled as part of the base scope, as well as community outreach and education, and attendance at public meetings. Optional tasks have been included in the event that additional steps are necessary to clarify the subject matter or perform scenario testing to help estimate project generated VMT thresholds in Cupertino.

Sustainability Impact

This project is being implemented to comply with SB 743, which is aimed at promoting infill development and reducing greenhouse gas emissions in the State of California.

Fiscal Impact

A Budget Adjustment of $173,400 to (100-88-844 700-702) for this program is necessary to cover consultant costs within Operating Budget for Fiscal Year 2019-2020. The total includes a base cost of $116,900 with four optional tasks ranging from $28,900 to $56,000. This will be funded by fund balance in the General Fund that is currently at $1.5M for FY19-20. This adjustment will bring the current years estimated fund balance to $1.33M.

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Attachments:

Attachment A: Fehr & Peers Scope of Work
Attachment B: Draft Resolution 19-XXX