City of Sunnyvale

Agenda Item

20-0475 **Agenda Date:** 6/22/2020

REPORT TO PLANNING COMMISSION

SUBJECT

Forward a Recommendation to the City Council to Adopt a Resolution Establishing Vehicle Miles Traveled (VMT) as the Threshold of Significance for Analysis under the California Environmental Quality Act (CEQA), Adopt a Council Policy for Transportation Impact Analysis, and Find that the Action is Exempt from CEQA

REPORT IN BRIEF

Public agencies in California have historically relied on a metric known as “Level of Service” (LOS) to evaluate transportation impacts under the California Environmental Quality Act (CEQA). LOS is a measure of traffic congestion based on delay that drivers experience at intersections. Developers are typically required to mitigate project-related traffic by funding capital improvements that prioritize automobile movement. Because the traffic in urban centers is already congested, LOS can discourage dense infill development that would offer environmental benefits from putting jobs and housing closer together.

In 2013, the State Legislature enacted Senate Bill 743 (SB 743), which directed the Office of Planning and Research to develop new CEQA Guidelines that replace LOS with metrics that more appropriately balance the needs of traffic congestion management with statewide goals related to infill development, promotion of public health through active transportation, and reduction of greenhouse gas emissions. After a five-year process of study and public engagement, in 2018, the state adopted CEQA Guidelines Section 15064.3, which prohibits the use of LOS in CEQA documents after July 1, 2020 and requires agencies to analyze projects using a Vehicle Miles Traveled (VMT) metric. Put simply, VMT evaluates whether the project will increase or decrease the overall amount of automobile travel in the community.

City staff began the transition from LOS to VMT in Spring 2019 with a plan consisting of outreach, engagement, technical evaluation, development of a draft policy, and Council adoption. Staff worked with other Santa Clara County jurisdictions and the Santa Clara Valley Transportation Authority (VTA) to research and evaluate how use of a VMT metric would affect projects in Sunnyvale. Two Council Study Sessions and one community outreach meeting were held to provide information and solicit feedback. Additionally, a VMT webpage (Attachment 4) was established to provide updated information to developers and the public. The technical evaluation included coordination with other jurisdictions including the VTA and the State’s Office of Planning and Research to ensure the policy would meet the State’s requirements.

The proposed policy would adopt VMT as a threshold of significance under CEQA to analyze development and transportation project’s impacts on the environment. Adopting a Countywide average baseline for residential and employment sectors allows for projects to successfully develop

within the City while reducing greenhouse gas (GHG) emissions. A 15% threshold is consistent with many other local jurisdictions in the Bay Area and is consistent with the State's recommendation.

Staff has concluded that the proposed draft Transportation Impact Analysis Council Policy (Attachment 3) aligns with the goals and policies of adopted plans in Sunnyvale, considers the comments and feedback received from the public and City Council, and meets the State's statutory requirements. It is anticipated that adoption of this policy will result in new land use and transportation projects that will reduce VMT, transit-oriented development, an expanded multimodal transportation network, and will aid with the State's goals of reducing greenhouse gas emissions.

BACKGROUND

The California Environmental Quality Act (CEQA) was enacted in 1970 in response to growing awareness that environmental impacts associated with proposed discretionary actions (e.g., projects) should be disclosed to the public. This State statute mandates that the public and decision makers be provided with an objective analysis of the immediate and long-range impacts of a proposed project on its physical environment through an environmental review process. Decision makers for each jurisdiction consider these impacts prior to any discretionary approvals.

The fundamental objective of CEQA is to conduct thorough environmental analysis of a project based on available scientific and factual data. The analysis is communicated to the public and decision makers through environmental documents such as checklists, negative declarations, and environmental impact reports. Since the inception of CEQA, the City, and most other jurisdictions, have relied on Level of Service (LOS) as a metric to measure transportation impacts resulting from increased traffic and congestion on roadways. Transportation LOS measures vehicle delay (i.e., congestion at intersections and on roadways) and is represented as a letter grade A through F, where LOS A represents completely free-flowing traffic and LOS F represents highly congested conditions.

The current adopted threshold in Sunnyvale is LOS D for local intersections or LOS E for Congestion Management Program (CMP) regional facilities (as defined by the VTA and other designated locally significant roadways. In accordance with CEQA, the project must identify feasible measures to mitigate its impact(s) at an intersection. Mitigation for LOS impacts have typically focused on increasing capacity, or vehicular throughput, and include intersection widening or addition of left-turn or right turn pockets.

In September 2013, SB 743 (Attachment 5) passed and directed the State Office of Planning and Research (OPR) to establish new CEQA guidance for jurisdictions that removes vehicular LOS from transportation analysis under CEQA and replaces it with VMT. The intent of this change is to shift the focus of transportation analysis under CEQA from vehicle delay and roadway auto capacity to a reduction in vehicle emissions, and the creation of robust multimodal networks that support integrated land uses.

In January 2016, OPR released a revised proposal for changes to the CEQA Guidelines to implement SB 743 and on November 27, 2017, OPR submitted a final proposal to the State Natural Resources Agency to begin the formal rulemaking process that would amend the State's CEQA Guidelines. After approval of the proposed Guidelines by the Natural Resources Agency, jurisdictions were given until July 1, 2020 to comply with SB 743.

In December 2018, OPR released a Technical Advisory on Evaluating Transportation Impacts in CEQA (Attachment 6), which contains OPR's technical recommendations regarding assessment of VMT, thresholds of significance, and mitigation measures. It is important to note that Technical Advisory does not preclude a City from differing from the State's recommendation, assuming the City's outcome promotes the goals and policies in SB 743.

EXISTING POLICY

Today, Sunnyvale's General Plan Land Use and Transportation goals and policies promote an efficient, inclusive, safe, and sustainable transportation network for a successful city. Among the many goals in the General Plan, the following policies are specific to how Sunnyvale's roadway system supports residents, businesses, and visitors throughout the city. The General Plan also acknowledges the importance of Sunnyvale as a partner with other cities and agencies in the planning of regional land use and transportation. The following policies support the city's transition from LOS to VMT to measure transportation environmental impacts:

Land Use

- **Policy LT-1.3** Contribute to a healthy jobs-to-housing ratio in the region by considering jobs, housing, transportation, and quality of life as inseparable when making planning decisions that affect any of these components.

Regional Infrastructure

- **Policy LT-1.6** Integrate land use planning in Sunnyvale and the regional transportation system.
- **Policy LT-1.7** Emphasize efforts to reduce regional vehicle miles traveled by supporting active modes of transportation including walking, biking, and public transit.

Greenhouse Gas Reduction

- **Policy LT-2.2** Reduce greenhouse gas emissions that affect climate and the environment though land use and transportation planning and development.

Effective Integration of Transportation and Land Use Planning

- **Policy LT-3.1** Use land use planning, including mixed and higher-intensity uses, to support alternatives to the single-occupant automobile such as walking and bicycling and to attract and support high investment transit such as light rail, buses, and commuter rail.
- **Policy LT-3.4** Require large employers to develop and maintain transportation demand management programs to reduce the number of vehicle trips generated by their employees.

A Well-Designed and Well-Operated Transportation Network

- **Policy LT-3.6** Promote modes of travel and actions that provide safe access to city streets and reduce single-occupant vehicle trips and trip lengths locally and regionally. The order of consideration of transportation users shall be: (1) Pedestrians, (2) Nonautomotive (bikes, three -wheeled bikes, scooters, etc.), (3) Mass transit vehicles, (4) Delivery vehicles, and (5) Single-occupant automobiles.

Complete Streets That Balance All Transportation Modes

- **Policy LT-3.22** Provide safe access to city streets for all modes of transportation. Safety

considerations of all transport modes shall take priority over capacity considerations of any one transport mode.

- **Policy LT-3.24** Ensure effective and safe traffic flows for all modes of transport through physical and operational transportation improvements.
- **Policy LT-3.25** Maintain a functional classification of the street system that identifies local roadways, Congestion Management Program roadways and intersections, and intersections of regional significance.

Effective Integration of Transportation and Land Use Planning

- **Policy LT-3.5** Follow California Environmental Quality Act requirements, Congestion Management Program requirements, and additional City requirements when analyzing the transportation impacts of proposed projects and assessing the need for offsetting transportation system improvements or limiting transportation demand.

    - **LT-3.5b** As part of a future update to the City's Transportation Impact Assessment Guidelines, establish and monitor development-based transportation goals and indicators for the following.

• Vehicle miles traveled (VMT) in the city per service population (population + jobs)
Sunnyvale's General Plan also supports a well-designed and well operated transportation network. Intersection operations and traffic flow continue to be important to the City and the residents, businesses and visitors that rely on the transportation roadway network. In addition to VMT analysis, intersection LOS analysis is a useful tool to ensure a safe, efficient transportation network for all users including vehicles, pedestrians, bicyclists, and transit riders.

Climate Action Plan / Sunnyvale Climate Action Playbook

The passage of Assembly Bill 32 (AB 32), the California Global Warming Solutions Act of 2006 required a sharp reduction of greenhouse gas (GHG) emissions. AB 32 was the first program in the country to take a comprehensive, long-term approach to addressing climate change while aiming to improve the environment, natural resources and maintain a robust economy.

As AB 32 sets goals for the reduction of greenhouse gas emissions statewide, Senate Bill 375, (SB 375), the Sustainable Communities and Climate Protection Act of 2008, sets goals focusing on greenhouse gas emissions reduction for passenger vehicles. Passenger vehicles are the single largest source of GHG emissions statewide, accounting for 30% of total emissions. SB 375 provided the path to achieve the goals of AB 32.

In response to AB 32 and SB 375, California cities began adopting climate action plans to conform to the State's scoping plan which outlines California's approach for reducing GHG emissions.

In 2014, the City of Sunnyvale adopted its first climate action plan (RTC 14-0290). The plan focused on creating a more sustainable, healthy and livable Sunnyvale. In 2019, an update to the 2014 Climate Action was adopted and titled Climate Action Playbook (CAP) (19-0704).

The CAP sets a vision for the City to reduce carbon emissions by 2050. As a sustainability leader,

Sunnyvale has already achieved its 2020 greenhouse gas (GHG) emissions target. Among many other strategies for reducing GHG emissions, the playbook includes strategies and goals that align with the goals of previous senate bills focused on greenhouse gas emissions. Both the CAP and SB 743 aim to increase and encourage development of mixed-use sites to reduce vehicle miles traveled, increase transportation options and support shared mobility. The convergence of these policies in Sunnyvale will result in reduced reliance on single occupancy vehicles and ultimately reduced GHG emissions.

ENVIRONMENTAL REVIEW

The adoption of VMT as a threshold of significance does not require environmental review because it is an organizational or administrative activity that does not commit the City to approve any specific development project that may have an impact on the environment (CEQA Guidelines Section 15378 (b)(5)), 15061(b)(3). In addition, although the City has discretion over the specific methodology that will be used to evaluate VMT, the replacement of the LOS metric with VMT is required by the state and is therefore a ministerial action that is exempt from CEQA review (CEQA Guidelines Section 15268(a)).

DISCUSSION

In accordance with previous requirements, Sunnyvale has measured vehicle delay (via LOS) at intersections to determine a project's transportation impact(s) on the environment for CEQA purposes and to satisfy CMP requirements (Attachment 7). When intersections were found to be impacted, the mitigation often involved expanding intersections or paying a fair share contribution to increase capacity on roadways. Today, Sunnyvale's roadway network is largely built out and there is little room, or desire, to expand roadway capacity. However, the City recognizes the need for modern, compact, development. As a result, the City and most other municipalities in the state have shifted focus to transportation demand management strategies and modes of transportation other than passenger vehicles, in addition to adopting overriding considerations when certifying environmental documents based on analyses using LOS.

With the passage of SB 743, transportation analysis shifts from measuring intersection delay (LOS) to measuring the distance driven via personal vehicle to a destination (VMT). Typically, development projects that are separated from complementary land uses (e.g. a business park and housing) and in areas without transit or active transportation infrastructure (bike lanes, sidewalks, etc.) generate more driving than development near complementary land uses with more robust transportation options.

Currently, VMT information is used to help measure other CEQA impacts within the City, including air quality and GHG emissions at a project level. Additionally, it is used in General Plan or program-level analysis to identify long-range transportation impacts. The City's adopted Land Use and Transportation Element (LUTE) and Climate Action Playbook both have several goals and policies geared towards reducing the City's VMT.

Land Use Projects

Of the various types of land use projects, residential, office, and retail projects tend to have the greatest influence on VMT. Local trip-making associated with retail, school and other day-to-day trips are typically part of the residential or employment trip making so reducing VMT for residential and employment projects will have the most impact on daily VMT. By measuring VMT per capita and VMT per employee, this metric focuses on the average VMT per person instead of per vehicle.

VMT is measured for each proposed land use separately; however, for projects that generate regional trips like hospitals, arenas, sporting events, and large shopping malls, the total amount of VMT is measured.

There are many projects that do not fall into the categories listed above, such as private schools, hotels, and assisted living facilities. In those cases, the state recommends using location-specific information to develop detailed thresholds provided the recommended thresholds achieve the State goals of GHG reductions.

Transportation Projects
If a transportation project would likely lead to a measurable and substantial increase in vehicle travel, the State recommends the lead agency conduct an analysis assessing the amount of VMT the project will induce. Projects that would likely lead to a measurable and substantial increase in VMT are those which include addition of through lanes on existing or new highways. This includes general purpose lanes, high-occupancy vehicle (HOV) lanes, peak period lanes, auxiliary lanes, or lanes through grade-separated interchanges.

Transportation projects that would not likely lead to a substantial or measurable increase in VMT (and therefore would not require an induced travel analysis) include:

- Rehabilitation, maintenance, replacement, safety, and repair projects designed to improve the condition of existing transportation assets (i.e., highways; roadways; bridges; culverts)
- Roadside safety devices or hardware installation such as median barriers and guardrails
- Additional capacity on local or collector streets, provided the project also substantially improves conditions for pedestrians, cyclists, and if applicable, transit
- Reduction of number of through lanes (“road diets”)
- Grade separation projects
- Installation, removal or reconfiguration of traffic control devices, including Transit Signal Priority
- Addition of new or enhanced bike or pedestrian facilities on existing streets/highways or within the existing public right of way
- Additional of Class I bike paths, trails, multi-use paths or other off-road facilities that serve non -motorized travel

Using VMT as a CEQA Transportation Metric
To understand how to analyze VMT for CEQA purposes, key policy considerations involved in the overall process of transportation CEQA analysis are broken down into individual steps.

<u>How VMT is Used to Determine a CEQA Impact</u>
The key steps required to use VMT for transportation environmental review include:

1. Establishing the average residential and employment VMT (CEQA baseline);
2. Establishing a VMT reduction goal (CEQA threshold); and
3. Establishing exemptions or specific projects which are presumed to:
    a. not have transportation VMT impact
    b. or are deemed less than significant.

The CEQA analysis will determine within which of the following four categories a project lies.

1. Qualifies as exempt from VMT analysis (less than significant);
2. Meets the VMT threshold;
3. Requires mitigation to meet VMT threshold; or
4. Project cannot meet the VMT threshold and requires overriding considerations to continue development.

Each City that is transitioning to VMT from LOS must undergo these steps; each City's baseline, thresholds, and exemptions will be unique to its individual situation.
Setting the baseline, threshold and determining when a project may be deemed "less than significant" (exempt from VMT analysis) are important factors that will influence how CEQA transportation analysis is conducted in Sunnyvale.

Methodologies to Measure VMT
There are three main methods for measuring VMT:

1. Travel Demand Model: A travel demand model is used to measure VMT for large projects, regional projects, and land use plans. Examples of these types of projects include hospitals, private schools, regional retail (shopping malls), and transportation projects not anticipated to increase VMT (described in the "Transportation Projects" section above).

2. Sketch Tool: For most residential, office, and mixed-use projects, VMT is measured using an excel-based spreadsheet tool. The VMT Evaluation Tool (sketch tool) measures most residential and employment projects. The tool contains the algorithms to evaluate the VMT for each parcel within the city with inputs from the countywide travel demand model. In addition to measuring a project's VMT, the tool provides the VMT mitigation reduction strategies. This sketch tool is planned to be used by all cities throughout Santa Clara County.

3. Heat Maps: The residential and employment heat maps provide another option for screening projects in low VMT areas. Projects located in the green map areas (already at the VMT threshold) with similar design and density characteristics as the existing land uses in these green areas may be assumed to meet the VMT threshold without further analysis.

Staff recommendations for baseline, threshold, and exemptions are included in the Staff Recommendations section, below.

Analyzing VMT for Land Use Projects
To determine the CEQA baseline, the VTA, in coordination with Santa Clara County jurisdictions, updated the countywide travel demand model with current information on existing jobs and households provided by each city and other information from the census, California Household Survey, and other relevant information obtained from the Metropolitan Transportation Commission (MTC) regional travel demand model. The VTA then produced the existing average citywide, countywide and regional VMT for both residential and employment.

Establishing Average Residential and Employment VMT (CEQA Baseline)

The following table shows the average citywide, countywide, and regional VMT per capita (residential) and VMT per employee (employment):

	Citywide for Sunnyvale	Countywide	Regional
Residential VMT	10.34	13.33	13.95
Employment VMT	17.85	16.64	15.33

Refer to Attachment 8 for methodology to determine each of the VMT referenced in the table above.

Establishing a VMT Reduction Goal (CEQA Threshold)

In addition to establishing the baseline, CEQA also requires establishing a threshold, the level at which impacts of a project are established. The State recommends using a threshold of 15% reduction of average VMT. Several factors went into the State choosing this reduction value, including:

- This threshold is generally achievable for a variety of projects throughout California;
- A 15% reduction is consistent with California Climate Action Plan goals; and
- Using 15% as a threshold creates consistency throughout California jurisdictions.

Setting VMT Screening and Exemption Policies

Residential and Employment Heat Maps

Heat maps are a tool utilized to indicate locations where VMT is higher and lower via colors on a map (See Attachments 11 and 12). The map data is based on the average VMT and includes the reduction threshold. The residential and employment heat maps for Sunnyvale are generated using the VTA Countywide Travel Demand Model. The maps are used as a screening tool; meaning that certain projects that are located in the green areas (areas where the VMT is already below the baseline) would meet the VMT threshold and would not be required to perform further VMT analysis. Projects proposed in the yellow, orange, or red areas would move on to further transportation analysis or require mitigation measures to ensure the threshold is met.

Options for Project Exemptions

The State recommends allowing certain developments to be exempt from VMT analysis. The presumption is that these projects will have a less than significant impact because the project will reduce VMT. The recommended exemptions include:

1. Transit supportive projects. These types of projects include residential, retail, and office projects, (as well as projects that are a mix of these uses) proposed within a half mile of an existing major transit stop or an existing stop along a high quality transit corridor (all rail transit and major bus routes with frequency of 15 minutes or less during morning and evening peak periods). This exemption is predicated on the assumption that the proposed development meets all the following requirements:
    a. Is at least 75% Floor-Area-Ratio (FAR) for office/R&D development or 35 dwelling units/acre for residential development;
    b. Supports or promotes multimodal transportation;
    c. Does not propose excessive parking (more than the maximum allowed by code);
    d. Is transit-oriented in design.
2. Small infill projects (less than 110 total daily trips).

3. Local serving retail development.
4. Local serving city facilities.
5. Affordable housing projects.

Attachment 9 shows the areas within the City that are located within the half mile transit buffer. As shown in the map, most of the City's specific and area plans are located within the transit buffers and if they meet the requirements listed above in Exemption No. 1 could be considered to have less than significant transportation impacts. Most of the City's planned growth is in these specific and area plan areas. However, additional TDM measures could be, and typically are, required through the adoption of the specific or area plan or project conditions of approval.

Projects that are not Screened Out or Exempted

Projects that are not screened out via the heat maps, those not listed in the State recommended exemptions above, or those which are unable to mitigate VMT to the City's threshold through the use of the VMT evaluation tool would either: require mitigations to meet the threshold, or would cause impacts that are significant and unavoidable. The projects not exempted or screened out would require further transportation analysis for CEQA purposes. It is important to note that even if a project is not mitigatable, and has impacts that are significant and unavoidable, the City can still certify the environmental document by adopting a statement of overriding considerations.

Analyzing VMT for Transportation Projects

The state requires roadway projects that add capacity without adding multimodal facilities for pedestrian, cyclists, and/or transit, to evaluate and disclose near term and long term induced vehicle miles traveled. This analysis typically requires a travel demand model to measure a transportation's project VMT. Additionally, the analysis must evaluate whether the transportation project is:

1. Consistent with the State's GHG reduction goals
2. Impacts the multimodal transportation network (i.e. makes it harder to access transit, ride a bike or walk)
3. Impacts diversity of land uses (i.e. makes it difficult or undesirable to live or work)

However, most of the transportation projects within Sunnyvale and the County include significant pedestrian and bicycle improvements. Under VMT and per the State recommendations, most of the transportation projects that improve multimodal transportation would be exempted. Additionally, transportation projects are exempt from VMT analysis per the state's guidelines if they include improvements for: safety, maintenance, installation of bicycle improvements, pedestrian improvements, most transit improvements, traffic calming, or removal of parking.

Staff Recommendations

<u>Baseline</u>

There are pros and cons associated with using citywide, countywide, or regional averages as a baseline (Attachment 10).

Staff is recommending the use of the countywide average VMT as the City's baseline because it creates consistency with other jurisdictions within the county, and there are many resources available to address VMT reduction at the countywide level. Therefore, staff feels it will allow for the most success for projects to meet the VMT threshold.

Currently, there are not many guidance resources available which provide information on using VMT for CEQA transportation analysis. This approach of using the countywide averages as the baseline is a careful, conservative first step in determining what will meet Sunnyvale's General Plan goals. In the future, there will be an opportunity to revisit and modify the approach as more information and better tools become available.

Threshold

Staff agrees with the State's rationale in using 15% as the reduction factor. In addition, several other jurisdictions within the County are also planning to propose the same 15% threshold. Reducing the citywide, countywide, and regional averages by 15% results in the following thresholds a land use project would need to meet to have less than significant transportation impacts:

	City Average	With 15% Reduction	County Average	With 15% Reduction	Regional Average	With 15% Reduction
Res. VMT	10.34	8.79	13.33	11.33	13.95	11.86
Emp. VMT	17.85	15.17	16.64	14.14	15.33	13.03

Staff's recommendation of using the countywide average baseline with a 15% reduction threshold means that residential projects would need to achieve an average of 11.33 VMT, and employment projects would need to achieve an average of 14.14 VMT. Staff believes that the 15% threshold will work well for the City, for similar reasons as the State, but most importantly it will allow development to occur in Sunnyvale consistent with the goals and policies of the General Plan and Climate Action Playbook without significant CEQA transportation analysis or impacts that cannot be mitigated.

Heat Maps Illustrating the Three Scenarios

Staff has created heat maps showing all three scenarios with the recommended 15% reduction threshold for both residential and employment. As shown in Attachments 11 and 12, the regional employment heat map and the citywide residential heat map are the most difficult threshold for land use projects to achieve and many projects would have to undergo significant VMT and CEQA analysis (not be screened out) based on the heat maps in those two scenarios. This is one of the reasons staff supports using the countywide average for consistency and to be able to streamline the CEQA process.

Project Exemptions

Staff agrees that using project exemptions similar to the State's recommendations should help promote the reduction of VMT, these exemptions include, but are further detailed in the draft Transportation Impact Analysis Council Policy (Attachment 3):

- Transit oriented development at specific densities and FARs;
- Small infill projects;
- Local serving retail/service development;
- City facilities; and
- Affordable housing projects that meet specific criteria.

Future development is most likely to occur within Sunnyvale's specific and area plan areas. These plans will or already contain TDM requirements, which should further reduce VMT. Additionally, projects may be conditioned to implement other multi-modal transportation improvements (e.g. wider sidewalks or new bicycle lanes) or address operational deficiencies (discussed below) to further reduce VMT. Under the exemption criteria, projects that meet these requirements will be transit-oriented and have the greatest potential to reduce VMT.

Local Transportation Analysis

To complement the CEQA VMT analysis requirement, staff is recommending that projects be required to conduct a local transportation analysis that focuses on evaluating transportation operational conditions including: multi-modal project access and circulation, neighborhood intrusion, and traffic signal warrants/traffic control evaluation. The analysis will include the addition of project traffic and impacts to pedestrians, bicyclists and transit users. This operational analysis will include intersection LOS to meet proposed local and CMP requirements. Attachment 13 contains project examples to demonstrate how VMT analysis are performed under CEQA and how mitigations would improve the average VMT to an acceptable level.

Other Jurisdictions

As most jurisdictions are moving ahead with establishing their VMT Policies at the same time as Sunnyvale, and some have already shared that they will not meet the July 1, 2020 deadline, it is unknown what all of the jurisdictions in Santa Clara County will adopt as their baseline and threshold at this time. However, we do know what a few cities are recommending in their VMT Policies.

The following table summarizes some of the adopted and proposed VMT policies around the state.

Jurisdiction	Residential Baseline	Residential Threshold	Employment Baseline	Employment Threshold	Continued Use of LOS
San Francisco (adopted)	Regional	15%	Regional	15%	No
Oakland (adopted)	Regional	15%	Regional	15%	Yes
Los Angeles (adopted)	Citywide	(6.0% - 9.4%)	Citywide	(7.6% - 15%)	Yes
San Jose (adopted)	Citywide	15%	Regional	15%	Yes
Mountain View (preliminary)	Regional	15%	Regional	15%	Yes
Santa Clara (preliminary)	Countywide	15%	Countywide	15%	Yes
Los Altos (preliminary)	Citywide	15%	Citywide	15%	Yes

Continued Use of LOS

In addition to conforming to the VMT CEQA requirements above, all land use and transportation projects may be required to perform a Local Transportation Analysis (LTA). Cities that have already adopted VMT policies such as San Jose, Los Angeles, and Pasadena have also included requirements for new development to continue to study and improve intersection operations. There are many benefits to continue to study, monitor and invest in traffic signal operations and infrastructure in Sunnyvale. Efficient traffic signal operations ensure safe access and circulation,

optimum signal timing, well-designed intersections with adequate left-turn storage, implementation of pedestrian, bicycle and transit improvements, and technology upgrades are all examples of operational improvements. In additional to intersection operations, other transportation analyses may be required.

Local Transportation Analysis may include but not limited to:

A. Intersection Level of Service Analysis and operational deficiencies for
    1. CMP conformance
    2. Intersections within a ½ mile radius for small projects (with less than 400 peak hour trips)
    3. Intersections within a 2-mile radius for larger projects (with 400 peak hour trips or more)
B. Multimodal analysis on pedestrian, bicycle and transit facilities.
C. Traffic signal warrant studies and other intersection traffic control.
D. Site Access and Circulation.
E. Neighborhood cut-through, traffic calming.
F. Queuing at nearby freeway ramps.
G. Freeway operations.

Continued Efforts Associated with VMT

As VMT methodology for analyzing transportation impacts is new to most jurisdictions, staff acknowledges that modifications or additions will likely be required to the policy in the future. Staff is prepared to be flexible throughout the analyses of projects and specific and area plans, and as legal challenges on the new methodology move through the court system. The following key items are those that are likely to be discussed with the Council in the next several years:

1. How is the policy working? What modifications or clarifications are needed to ensure that analysis of transportation impacts is occurring in the best possible way?
2. Discussion of alignment of the City's current TDM policies with adopted VMT policies to ensure the best possible success in VMT and GHG emission reductions.
3. Development of success indicators and what those will look like in the future after analyses of projects and receipt of known results is completed.

FISCAL IMPACT

There are no fiscal impacts associated with adopting a new Council Policy on the City's transition from LOS to VMT for CEQA analysis.

PUBLIC CONTACT

The notice of the public hearing was published in the *Sun* newspaper at least 10 days prior to the public hearings, the meeting Agenda was posted on the City's official notice bulletin board and City's website, and the Staff Report for the project was posted on and the City's website.

Staff held several study sessions with the City Council and a public outreach meeting, with summaries identified below.

Summary of the October 8, 2019 City Council Study Session
Staff introduced the goal of transitioning to VMT, how we study transportation today, how VMT will be used in the future, and how it will affect Sunnyvale. The meeting notes are included in Attachment 14.

Summary of the December 12, 2019 Public Outreach Meeting
Ten members of the public attended the public outreach meeting. Staff introduced VMT to the public, explained how we currently evaluate transportation impacts, how the process will change in the future, and presented the schedule for policy adoption. The public asked clarify questions on the presentation and were generally supportive of the concepts.

Summary of the April 7, 2020 City Council Study Session
Staff presented the key policy considerations, the recommended options for setting the baseline, thresholds, and exemptions, Sunnyvale's heat maps for both residential and employment projects, the VMT Evaluation Tool, how transportation projects are evaluated, and proposed Local Transportation Analysis requirement with level of service analysis to measure operational deficiencies. An excerpt of the meeting minutes is included in Attachment 15.

Councilmembers asked questions and provided comment on various topics ranging from the necessity of adopting an updated policy; concerns about the conditions of transit ridership; the citywide baseline is more aspirational than the countywide baseline, and therefore, more appropriate; clarifying requirements for exempted projects; understanding employment in residential areas of the city; other cities' VMT policies; benefits of electric vehicles; positive effect of VMT on pedestrian and bicycle travel; how LOS may be used; CMP requirements; and, the need to provide examples of Sunnyvale project VMT analysis.

Staff was asked to provide the following information, contained within this report: 1. Summary of other cities' VMT policy proposals;
2. Project examples in Sunnyvale under various thresholds (Attachment 13); and
3. List of pros and cons with the staff's current VMT recommendations (Attachment 10).

ALTERNATIVES

Forward a Recommendation to the City Council to:
1. Adopt a Resolution Establishing Vehicle Miles Traveled (VMT) as the Threshold of Significance for Analysis under the California Environmental Quality Act (CEQA), Adopt a Council Policy for Transportation Impact Analysis, and Find that the Action is Exempt from CEQA.
2. Adopt a Resolution Establishing Vehicle Miles Traveled (VMT) as the Threshold of Significance for Analysis under the California Environmental Quality Act (CEQA), Adopt a Council Policy for Transportation Impact Analysis with Modifications, and Find that the Action is Exempt from CEQA
3. Do not Adopt a resolution and a new Council Policy and Direct staff on how to Proceed.

20-0475 **Agenda Date:** 6/22/2020

STAFF RECOMMENDATION

Alternative 1: Forward a Recommendation to the City Council to Adopt a Resolution Establishing Vehicle Miles Traveled (VMT) as the Threshold of Significance for Analysis under the California Environmental Quality Act (CEQA), Adopt a Council Policy for Transportation Impact Analysis, and Find that the Action is Exempt from CEQA.

Staff recommends forwarding a recommendation for adopting a Resolution and a new Council Policy, which includes the following:

- Establish the Countywide VMT average for both residential and employment as baseline, with a VMT reduction threshold at 15%.
- Approve VMT exemptions for projects as detailed in the Policy.
- Adopt a Local Transportation Analysis requirement, which includes LOS analysis to meet the CMP requirements, as well as other transportation operations evaluation.

Staff believes that the use of the countywide VMT averages will provide the consistency with existing policies and the resources to be successful in reducing VMT. Furthermore, it is a conservative approach to implement the transition from LOS to VMT until more information is available to measure the effectiveness of the policy in Sunnyvale.

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ATTACHMENTS

1. Reserved for Report to Council
2. Draft Resolution
3. Draft Council Policy 1.2.8 (Exhibit A to Draft Resolution)
4. Link to City’s Transitioning to Vehicle Miles Traveled Webpage
5. Link to SB 743
6. Link to the State’s Technical Guidance for Adopting VMT
7. Congestion Management Program Requirements
8. VMT Reference Materials
9. Transit Supportive Projects Map
10. VMT Baseline Pros and Cons Summary
11. Residential VMT Heat Maps
12. Employment VMT Heat Maps
13. Project Examples for VMT Analysis
14. Meeting Meetings from the October 8, 2019 City Council VMT Study Session