

Agenda Report

November 16, 2020

TO: Honorable Mayor and City Council

THROUGH: Municipal Services Committee (November 10, 2020)

FROM: Department of Transportation

SUBJECT: UPDATE TO CEQA TRANSPORTATION PERFORMANCE THRESHOLDS OF SIGNIFICANCE

RECOMMENDATION:

It is recommended that the City Council:

1. Find that:
 - a. the adoption of New Transportation Performance Measure Thresholds of Significance for California Environmental Quality Act (CEQA) is not a "project" pursuant to CEQA Guidelines Sections 15060 (c)(3) and 15378;
 - b. the thresholds are promulgated pursuant to State CEQA Guidelines Section 15064.7;
 - c. the thresholds have been formally subjected to a public review process; and
 - d. the thresholds are supported by substantial evidence as summarized herein; and

2. Adopt a resolution updating the existing Transportation Performance Measures and Thresholds of Significance for CEQA for the new measures to:
 - a. update the transportation performance thresholds based on a 2017 Baseline travel demand model;
 - b. include the incremental change in Vehicle Miles Travelled/service population and Vehicle Trips/service population thresholds to be 15% below 2017 Citywide baseline average to evaluate Vehicle Miles Travelled and Vehicle Trips per service population CEQA impacts; and
 - c. maintain the Proximity and Quality of the Transit Network metric, the Proximity and Quality of the Bicycle Network metric, and the Pedestrian Accessibility metric to remain at the 2017 Baseline level.

MUNICIPAL SERVICES COMMITTEE:

On November 10, 2020, staff presented the CEQA transportation impact threshold recommendations to the Municipal Services Committee (MSC). MSC approved staff's recommendations by a vote of 3-1.

TRANSPORTATION ADVISORY COMMISSION RECOMMENDATION:

On July 23, 2020, staff presented the CEQA transportation impact threshold recommendations to the Transportation Advisory Commission (TAC) (Attachment A).

The Commission moved to recommend approval of the staff's recommendation to:

- a. update the travel demand forecast model to 2017 conditions
- b. accept the 15% baseline threshold factor

The TAC further moved that staff provide more information to clarify the paradigm shift from Level of Service (LOS) to Vehicle Miles Travelled (VMT) with further discussion of what projects would be affected by lower thresholds.

The motion passed seven in favor and two in opposition.

PLANNING COMMISSION RECOMMENDATION:

On September 9, 2020, staff presented the CEQA transportation impact threshold recommendations to Planning Commission (Attachment B). At the meeting, the Commission voted to approve the following motion:

"We recommend to the City Council that there is a need for more information and analysis of:

1. The Bike Network
2. Transit access and usage
3. Other methodologies from comparable cities
4. Impact on development of a threshold that is 20% below baseline
5. Mitigation measures and how they reduce neighborhood impact
6. How the City's Level of Service (LOS) analyses interacts with CEQA analyses"

On October 14, 2020, staff returned to Planning Commission to address the items included within the September 9, 2020 motion (Attachment C). At the meeting, the Commission voted and approved two separate motions:

The first motion approved staff's recommendation to update the baseline from 2013 thresholds to 2017 thresholds. The motion was approved 7-0.

The second motion called for staff to “to identify the basis for the 15% threshold and reevaluate additional data to consider reducing the target below the 15% threshold. Additional data could include understanding the impacts of our switch to VMT over the last seven years; evaluate the change in threshold in the context of our Climate Action Plan and tie it to greenhouse gas reduction targets; compare it to other cities our size and their levels; and bring back Outside CEQA planning analysis to the Planning Commission.” The motion was approved 7-0.

Responses to the Commission’s motion are contained within the body of this report.

EXECUTIVE SUMMARY:

Transportation forecast models provide information about travel patterns and behavior. To improve a model’s accuracy and value the model should be calibrated periodically based on recent data. The current CEQA transportation performance thresholds of significance uses a model with a 2013 baseline. In order to ensure analyses remain relevant, the Department of Transportation (DOT) is recommending an update to both the City’s travel demand forecast model and the CEQA performance thresholds of significance using a 2017 baseline.

The current and recommended CEQA transportation performance thresholds of significance are:

METRIC	DESCRIPTION	Current Guidelines	Staff Recommendation
		IMPACT THRESHOLD	IMPACT THRESHOLD
VMT Per Capita ^a	Vehicle Miles Travelled (VMT) in the City of Pasadena per service population (population + jobs).	An increase over existing Citywide VMT per service population. <u>Current CEQA Threshold: 22.6</u>	Net change in VMT per service population is 15% below Citywide average baseline <u>2017 Baseline: 35.6^b</u> <u>15% Below Baseline Threshold: 30.3</u>
VT Per Capita ^a	Vehicle Trips (VT) in the City of Pasadena per service population.	An increase over existing Citywide VT per service population. <u>Current CEQA Threshold: 2.8</u>	Net change in VT per service population is 15% below Citywide average baseline <u>2017 Baseline: 4.2^b</u>

			<u>15% Below Baseline Threshold: 3.6</u>
Proximity and Quality of Bicycle Network	Percent of service population within a ¼ mile of bicycle facility types.	Any decrease in existing Citywide service population within a ¼ mile of Level 1 or 2 bike facilities. <u>Current CEQA Threshold: 31.7%</u>	Any decrease in baseline Citywide service population within a ¼ mile of Level 1 or 2 bike facilities. <u>2017 Baseline: 32.3%^b</u> <u>Recommended Threshold: 32.3%</u>
Proximity and Quality of Transit Network	Percent of service population located within a ¼ mile of transit facility types.	Any decrease in existing Citywide service population within a ¼ mile of Level 1 or 2 transit facilities. <u>Current CEQA Threshold: 66.6%</u>	Any decrease in baseline Citywide service population within a ¼ mile of Level 1 or 2 transit facilities. <u>2017 Baseline: 66.8%^b</u> <u>Recommended Threshold: 66.8%</u>
Pedestrian Accessibility	The Pedestrian Accessibility Score uses the mix of destinations and a network-based walk shed to evaluate walkability	Any decrease in the Citywide Pedestrian Accessibility Score <u>Current CEQA Threshold: 3.9</u>	Any decrease in the Citywide Pedestrian Accessibility Score <u>2017 Baseline: 3.9^b</u> <u>Recommended Threshold: 3.9</u>

a The City of Pasadena equates capita with service population (population + jobs)

b The Baseline should be updated approximately every 5 years in order to reflect changes to the street network and parcel level land uses.

The increase between the 2013 Baseline and 2017 Baseline VMT and VT is due in large part to a change in the calculation of VMT and VT at jurisdictional boundaries. In 2013, the model only accounted for 50% of trips beginning or ending within the City of Pasadena. In the 2017 Baseline VMT and VT per service population calculation, 100% of trips are accounted for in the model regardless of the trip's origin or destination.

Accordingly, under the 2017 model analysis, 100% of VMT and VT associated with a proposed development would be attributed to that project.

The current CEQA thresholds determine a project's CEQA significant impact by evaluating whether the project's incremental change is above the 2013 baseline. In an effort to better align the City's thresholds to meet the State's long-term climate goals of reduced gas emissions by 40% below 1990 levels by 2030, the recommended CEQA thresholds for VMT and VT per service population seeks to be more restrictive by lowering the VMT and VT per service population CEQA thresholds to 15% below 2017 baseline.

BACKGROUND:

Signed into law in September 2013, SB 743 (Steinberg) required the Governor's Office of Planning and Research (OPR) to amend the California Environmental Quality Act (CEQA) Guidelines to provide an alternative to Level of Service (LOS) when evaluating a project's transportation impacts. The intent was to identify and establish guidelines that would promote the reduction of greenhouse gas emissions, multi-modal transportation systems and diverse land uses. SB 32 (Pavley, 2016) further requires California to reduce gas emissions by 40% below 1990 levels by 2030. While there are many contributors to meeting this goal, reducing the number of vehicle miles travelled is considered to have the greatest impact. As of July 1, 2020, and as dictated by state law, vehicular delay and traffic congestion are no longer considered environmental impacts. All California lead agencies are required to shift the focus of transportation analyses under CEQA from driver delay to a VMT. The City of Pasadena adopted VMT as a CEQA metric in 2014.

City of Pasadena Updated Travel Demand Forecast Model Baseline

In 2014, City Council embraced a more environmentally sound and holistic approach to evaluating project impacts by adopting the City's travel demand forecast model. This model is in line with the discretion granted by OPR to develop localized thresholds specific to the jurisdiction. These CEQA thresholds encourage agencies to evaluate development growth through the lens of accessibility, mobility, and reduction of greenhouse gas (GHG) emissions. The City's travel demand forecast model captures and reflects local conditions using GPS and cell phone data, traffic counts, parcel level land use, vehicular availability, and street network and travel time information. By using this model, transportation analyses more accurately reflect local conditions and capture potential impacts at the local level. The current thresholds are based on the City's 2013 land use and traffic conditions. The City's 2013 model also accounts for only 50% of trips that started or ended inside the City boundary. It assumed that the accountability of trips were shared with other jurisdictions based on the trips' origin or destination. For example, if a trip originated in Arcadia and was destined to Pasadena, Arcadia was assumed to account for 50% of the VMT and Pasadena was assumed to account for 50% of the VMT in the City model. OPR's December 2018 Technical Advisory

recommends that cities not truncate trips at jurisdictional boundaries. Rather, 100% of the trip to and from the City regardless of the trip's origin or destination shall be accounted for in the forecast model. Because the 2017 model was updated to account for 100% of the trip, the VMT and VT per service population thresholds are higher than in the 2013 model, which truncated trips. Accordingly, 100% of VMT and VT associated with a proposed development will be attributed to that project as well.

In summary, changes to the model are necessary to reflect the following:

- New land use development
- Changes to the transportation network
- Updated vehicular trip generation rates
- Updated travel time information
- Updated street network and transportation infrastructure changes
- Changes to account for 100% rather than 50% of trips that have only one trip-end in Pasadena (originate in Pasadena with a destination outside the City, or destined to Pasadena with an origin outside the City).

It is important for the travel demand model to be updated on a regular basis to account for changes to the transportation network and land uses. The update to the City's travel demand forecast model ensures that analysis is reflective of more current conditions and analysis outputs more accurately reflect the potential impacts of a proposed development. Staff will reevaluate and update the City's travel demand model every five years to keep the model relevant.

Recommended Update to CEQA Thresholds

Staff is recommending that the thresholds of significance for VMT and VT be set at 15% below the 2017 baseline. This recommendation is based on studies and recommendations as set forth by statewide agencies tasked with providing guidance on meeting the GHG goals as set by the State legislature. The recommended thresholds also align with the City's adopted Climate Action Plan. While a 15% below baseline threshold of significance is in line with State guidance and local environmental goals, an unintended consequence of setting a stricter threshold is that projects that would otherwise be in compliance with the City's General Plan, may be subjected to additional environmental review processes. The implications of a stricter threshold is further discussed further down in this report.

The Governor's Office of Planning and Research (OPR) gives the lead agency discretion in preparing environmental documents subject to CEQA. Although OPR does not specify the methodology to analyze VMT impacts, OPR discusses general principles for agencies to consider when determining VMT levels of significance:

- Lead agencies should select a significance threshold that aligns with the state's goals to reduce greenhouse gas emissions, develop multimodal transportation networks, and a diversity of land uses.
- Continued growth depends on increased efficiency and conservation in land use and transportation from all Californians.
- OPR states that a 15% reduction is consistent with SB 743's direction to select a threshold that will help the State achieve its climate goals.

OPR understands that lead agencies, using more location-specific information, may develop their own specific thresholds and screening criteria. The most current OPR Technical Advisory, issued on December 2018¹, recommends that a VMT per capita or per employee 15% below that of existing development may be a reasonable threshold. OPR states that a project-level 15% reduction in VMT is achievable using strategies affecting land use location, neighborhood enhancements, parking policies, transit system improvements, commute trip reduction, road pricing management, and new vehicle technologies. OPR indicates that, by applying transportation strategies at the project level outlined by California Air Pollution Control Officers Association (CAPCOA), the state climate goals are achievable.

As the lead agency tasked with establishing GHG emission targets for each metropolitan planning organization, California Air Resources Board (CARB) determined that reducing VMT growth is essential to achieve the State's climate goals. In the 2018 Progress Report to California's Sustainable Communities and Climate Protection Act, CARB indicated that "California will not achieve the necessary greenhouse gas emissions reductions to meet mandates for 2030 and beyond without significant changes to how communities and transportation systems are planned, funded, and built."² CARB determined that per capita vehicle travel would need to be kept below what today's policies and plans achieve, per-capita light-duty vehicle travel would need to be approximately 16.8% lower than existing, and overall per-capita vehicle travel would need to be approximately 14.3% lower than existing levels.

The CAPCOA indicate that the required greenhouse gas emission (GHG) targets mandated by the State can be achieved with a 15% reduction of VMT. Transportation mitigation measures in five subcategories were identified to quantitatively reduce emissions through effective land use planning, neighborhood/site design, parking policy/pricing, transit system improvements, and commute trip reduction programs. Inclusion of various strategies into the project design can influence actions that lead to achieving state climate goals.

¹ OPR (December 2018) Technical Advisory on Evaluating Transportation Impacts in CEQA

² California Air Resources Board (November 2018) 2018 Progress Report – California's Sustainable Communities and Climate Protection Act

Relationship to the Pasadena Climate Action Plan

To support the development of multimodal transportation networks, the City's 2018 Climate Action Plan (CAP) lays out the strategies to reduce and mitigate municipal and community-wide emissions. As noted within the CAP "The Pasadena CAP is the latest initiative in the City's ongoing commitment to confronting the issue of climate change. The purpose of the CAP is to analyze GHG emissions at a programmatic-level, outline a strategy to reduce and mitigate municipal and community-wide GHG emissions, demonstrate Pasadena's commitment to achieving the state-wide emissions reduction targets, and serve as a qualified GHG reduction plan consistent with the California Environmental Quality Act (CEQA) Guidelines Section 15183.5."

A stricter threshold of 15% below baseline has been determined to be appropriate by a number of state agencies and would be in line and in support of the CAPs goals of aligning City policies and practices to support State-wide GHG emissions targets.

In addition to the stricter threshold, the following transportation measures in the CAP are identified as part of *Strategy 2–Sustainable mobility and land use*:

- Walking and bicycling
- Public transit
- Transportation demand management
- Alternative fuel vehicles
- Transit-oriented development

The 2015 Bicycle Transportation Action Plan (BTAP) and the 2019 Short Range Transit Plan (SRTP) are two documents that describe the DOT's goals, objectives, and timelines of mode-related strategies, projects and programs designed to enhance the City's transportation infrastructure, offer mode choice and advance GHG reduction goals. The BTAP and SRTP are living documents that identify programs and projects to be implemented as funding becomes available, but also help inform the nature and type of mitigations to be placed upon projects that trigger CEQA thresholds. Viewed through the lens of the BTAP and SRTP's symbiotic relationship to CEQA, DOT's recommended thresholds help further advance the CAP's goals. Overall, successful implementation of all the actions listed in the CAP, BTAP, SRTP, and managing the recommended CEQA thresholds have the potential to reduce GHG emissions, develop multimodal transportation networks, promote a diversity of land uses, and contribute to the achievement of statewide targets and local goals.

Thresholds from Other Agencies

DOT staff found the CEQA thresholds at several California agencies to have a VMT per capita or VMT per employee metric that is 15% below an efficiency-based threshold:

- City of Los Angeles³
- City of Irvine⁴
- City of San Diego⁵
- Cities in the San Gabriel Valley Council of Governments⁶

Subsequent to the Planning Commission meeting summarized above, DOT staff was able to identify only one jurisdiction with a metric stricter than 15%. LA County has established a 16.8% below VMT per service population baseline. This threshold is in line with CARB’s findings as outlined in the 2018 Progress Report to California’s Sustainable Communities and Climate Protection Act.

Due to proximity and similarity in transit access, staff would like to note the staff’s recommended 15% below VMT/service population of 30.3 when compared to those of the San Gabriel Valley Cities. The following table reflects 2016 Baseline VMT thresholds for the Southern California Association of Governments (SCAG) region, the San Gabriel Valley region and select San Gabriel Valley cities:

Region/City	Baseline Year VMT		
	Residential	Employment	Total VMT
	VMT/ capita	VMT/ employment	VMT/ service population
SCAG	15.02	19.00	34.24
SGVCOG	16.21	20.84	36.12
Northwest SGVCOG*	16.29	21.01	37.02
Arcadia	15.40	19.55	36.42
La Canada Flintridge	19.39	23.91	43.80
Monrovia	15.60	21.70	34.27
San Marino	14.57	19.57	29.42

* Northwest Region SGVCOG data includes the following cities: Arcadia, Duarte, La Canada Flintridge, Monrovia, San Marino, and Sierra Madre

The comparison shows that the City’s recommended VMT and VT per service population impact threshold 15% below the Citywide baseline average will align with the State’s emission reduction goals as well as the thresholds of other agencies.

³ City of Los Angeles (July 2019) [Transportation Analysis Guidelines](#)

⁴ City of Irvine (April 2020) [Traffic Study Guidelines](#)

⁵ City of San Diego (February 2020) [Transportation Study Manual \(TSM\) Draft](#)

⁶ <https://www.sgvkog.org/vmt-analysis-tool>

Implications of Stricter Thresholds

Although the recommended 15% below VMT and VT baseline is in line with State guidance and the City's CAP goals, staff recognizes that a stricter threshold may have the unintended consequence of impacting the project development process and schedule. Proposed projects that would otherwise be consistent with the City's General Plan land uses may now trigger a VMT or VT threshold, which may subject more projects to additional environmental review processes. To better understand the implications of a stricter threshold, staff applied a 15% below baseline to 25 projects that have been analyzed under the 2013 baseline model. Of note, as these projects are all still undergoing their respective review processes, it would be inappropriate for us to analyze them under the recommended 2017 model as the baseline has already been set as required by CEQA and cannot be changed during the process, and as well the environmental conclusions for these projects have already been adopted and CEQA disallows further environmental review once a conclusion has been adopted.

Of the 25 projects that were analyzed using the City Council adopted 2013 baseline and thresholds, zero projects tripped the VMT/capita threshold and three projects tripped the VT/capita threshold. When staff applied the 15% below threshold, we found that one project would have tripped the VMT/capita threshold and seven projects would have tripped the VT threshold had a 15% below 2013 baseline threshold been in place.

At the Planning Commission's request, we also considered the implications of a 20% below baseline threshold. When applied, we found that two projects would have tripped a VMT/capita threshold and eight projects would have tripped the VT threshold had a 20% below 2013 baseline threshold been in place.

The State provides local jurisdictions discretion and flexibility in establishing localized thresholds, but under CEQA, those thresholds must be supported by substantial evidence. CEQA defines "substantial evidence" as "enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached." Further, substantial evidence "shall include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts." Staff's recommended 15% below baseline recommendation is supported by state level research that demonstrates a 15% below threshold is a reasonable threshold to help the State meet GHG reduction goals and serves as the substantial evidence as required by CEQA. To date, there is no study or evidence that would support a threshold stricter than the 16.8% level as supported by CARB's findings and its 2018 Progress Report, as discussed above. Developing evidence to go beyond 16.8% would require staff to initiate a study to better understand how a stricter threshold would impact both local GHG emissions and help contribute to the State's reduction goals, so as to create the substantial evidence necessary to support that level. This study could easily take one year to complete.

As previously noted, a stricter threshold that is not in line with State guidance will likely impact the project development process by requiring projects that would otherwise be in compliance with the General Plan to undergo additional environmental review process. Of particular note, and as has been presented in relatively recent Council meetings, in about the past four years the State Legislature has passed a number of bills that tighten a local jurisdiction's ability to deny approval of housing projects, and require communities to attempt to remove constraints to housing development. These new state laws take a regional approach to housing, and it could be inconsistent with the policies supporting these laws, as well as with the State guidance discussed above, for the City to require projects to undergo an additional environmental review process that is not supported by substantial evidence. Without any support from studies going beyond 16.8%, and with state and regional standards supporting the 15% reduction, a 20% standard will appear arbitrary, and the City could be perceived as acting with the purpose of slowing down development projects. Without substantial evidence, the standard would not appear to be consistent with CEQA's requirements for thresholds of significance.

STAFF RECOMMENDATION

In order to ensure that transportation analysis is current, reflective of existing conditions and can more accurately capture potential impacts of proposed projects, staff is recommending that the 2013 baseline be updated to the 2017 baseline. In addition, staff is recommending a 15% below VMT/capita and VT/capita threshold as a more aggressive path to reducing GHG emissions. Staff recommends the Bicycle and Transit Network Proximity and Quality and the Pedestrian Accessibility thresholds be set at the 2017 baseline.

When the update to CEQA Transportation Performance Thresholds of Significance are adopted, the 2017 baseline and subsequent updates to the baseline will be included in revisions to DOT's Transportation Impact Analysis Current Practice and Guidelines. The Guidelines are posted on the Development Review Section of the Transportation Department website: www.cityofpasadena.net/transportation. The revised thresholds will be applied to new project applications deemed complete six months after the update to CEQA thresholds of significance is approved by City Council.

At the direction of the City Council, staff will work with the Transportation Advisory Commission and Planning Commission to update the administrative procedures for the Traffic Impact Analysis Guidelines that will include the updated CEQA thresholds and Outside CEQA caps within sixty days.

ENVIRONMENTAL ANALYSIS:

The proposed adoption of New Transportation Performance Measures and Thresholds for CEQA is not a "project" pursuant to the California Environmental Quality Act (CEQA)

as defined in State CEQA Guidelines Section 15378 and is, therefore, not subject to CEQA pursuant to CEQA Guidelines Section 15060 (c)(3). Instead, they are proposed thresholds of significance promulgated pursuant to State CEQA Guidelines Section 15064.7. That Section provides:

- (a) Each public agency is encouraged to develop and publish thresholds of significance that the agency uses in the determination of the significance of environmental effects. A threshold of significance is an identifiable quantitative, qualitative or performance level of a particular environmental effect, non-compliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect will normally be determined to be less than significant.
- (b) Thresholds of significance to be adopted for general use as part of the lead agency's environmental review process must be adopted by ordinance, resolution, rule, or regulation, and developed through a public review process and be supported by substantial evidence.
- (c) When adopting thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies or recommended by experts, provided the decision of the lead agency to adopt such thresholds is supported by substantial evidence.”

Section 15064.7(b) of the CEQA Guidelines provides that thresholds of significance must be formally adopted through a public review process and supported by substantial evidence if, as in this case, they are to be placed in general use. There is no requirement in CEQA that any other environmental review is prerequisite prior to adopting a threshold. Indeed, case law has so held, reasoning that the preparation of an EIR or other CEQA document would largely duplicate the extensive public review process set forth above, and the “substantial evidence” standard set forth in Section 15064.7.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the goals and objectives of the General Plan Mobility Element including to:

- Enhance Livability
- Encourage walking, biking, and other alternatives to motor vehicles.

Specifically, this project addresses these policies of the Mobility Element:

- Policy 1.9 Support local and regional air quality, sustainability, and GHG emission reduction goals through management of the City's transportation network.


Policy 1.16 Support mobility performance measures which support the City's sustainability goals.

Policy 1.31 Emphasize transportation projects and programs that will contribute to a reduction in vehicles miles traveled per capita, while maintaining economic vitality and sustainability.

FISCAL IMPACT:

A potential result of having CEQA thresholds for VMT/service population and VT/service population lower than 2017 baseline may be that some projects that would otherwise be in compliance with the adopted Land Use of the General Plan may be subject to additional environmental review processes, thereby increasing staff-related costs associated with the additional environmental reviews and analyses.

Respectfully submitted,



LAURA CORNEJO

Director

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Engineer

Approved by:



STEVE MERMELL
City Manager

Attachments: (3)

Attachment A – Transportation Advisory Commission memo (July 23, 2020)

Attachment B – Planning Commission memo (September 9, 2020)

Attachment C – Planning Commission memo–response to comments (October 14, 2020)