

RESOLUTION NO. _____ (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE, APPROVING A VEHICLE MILES TRAVELED (VMT) POLICY INCLUSIVE OF ESTABLISHING VMT AS THE APPROPRIATE METRIC FOR EVALUATING TRANSPORTATION-RELATED IMPACTS UNDER CEQA, ESTABLISHING VMT THRESHOLDS OF SIGNIFICANCE, ESTABLISHING SCREENING CRITERIA, ESTABLISHING TRANSPORTATION DEMAND MANAGEMENT (TDM) STRATEGIES, AND ESTABLISHING A VMT MITIGATION BANKING PROGRAM; AND AUTHORIZING THE COMMUNITY DEVELOPMENT DIRECTOR TO UPDATE THE VMT THRESHOLDS OF SIGNIFICANCE FOR LAND USE PROJECTS AND PLANS; AND FINDING APPROVAL OF A VMT POLICY IS NOT A “PROJECT” UNDER CEQA, OR IF A “PROJECT,” EXEMPT UNDER THE “COMMON SENSE” EXCEPTION

WHEREAS, the California Environmental Quality Act (CEQA) requires public agencies responsible for approval of land use projects and construction of transportation projects to assess their anticipated environmental impacts and to select project alternatives or implement mitigation measure that lessen those impacts where feasible. Known as a “lead agency” under CEQA, a public agency with the discretionary authority to approve or deny a project (or to carry it out directly) generally must analyze the proposed project’s impacts to the physical environment, identify alternatives and mitigation measures, and approve a project alternative and/or mitigation measures that substantially reduce significant impacts, unless those measures are infeasible due to economic, social, or other conditions; and

WHEREAS, in 2013, state law was changed with the passage Senate Bill (SB) 743 (Steinberg) to update the way transportation impacts are analyzed under CEQA for new land use and transportation projects. Previously, transportation analyses had been based on automobile delay, typically measured as “level of service,” or LOS. SB 743 also required the Governor’s Office of Planning and Research (OPR) to develop a new metric

for evaluating transportation impacts other than LOS to more appropriately balance the needs of congestion management with statewide goals related to infill development, promotion of public health through active transportation, and reduction of greenhouse gas emissions; and

WHEREAS, in 2018, OPR released updates to the state's CEQA Guidelines to implement SB 743 by replacing LOS with VMT as the most appropriate measure of a project's transportation impacts; this update was formally certified and adopted by the California Natural Resources Agency and codified as section 15064.3 of the CEQA Guidelines. Simultaneously, OPR released a Technical Advisory on Evaluating Transportation Impacts in CEQA. The Technical Advisory includes recommendations for thresholds of significance for evaluating impacts of office, residential and retail developments, and provides screening criteria for identifying the types of projects that can be presumed to have a less than significant impact; and

WHEREAS, as of July 1, 2020, all lead agencies are required to use VMT to measure transportation impacts, in accordance with section 15064.3 of the CEQA Guidelines; and

WHEREAS, in order to comply with SB 743, the City of Watsonville joined the Cities of Capitola, Santa Cruz, and Scotts Valley and the County of Santa Cruz to collectively approach this new paradigm of measuring transportation impacts for the purposes of conducting environmental review. The Cities and County hired Kimley Horn & Associates, a transportation consulting firm, to assist with the necessary work, including updating baseline traffic conditions, updating and running the county-wide Travel Demand Model, creating screening maps, and producing thresholds of significance for the Santa Cruz region. This work forms the foundation of the City's draft VMT Policy, and was used

by other jurisdictions within our region that have adopted VMT thresholds of significance and SB 743 guidelines in conformance of with section 15064.3 of the CEQA Guidelines and OPR's Technical Advisory; and

WHEREAS, CEQA Guidelines section 15064.7(b) allows lead agencies to adopt thresholds of significance for the lead agency's general use in its environmental review process; and

WHEREAS, the City intends to adopt a VMT Policy, inclusive of establishing VMT thresholds of significance, based on a data-driven evaluation, in order to meet the intent of State legislation; and

WHEREAS, on September 6, 2022, the Planning Commission of the City of Watsonville adopted Resolution No. 15-22 (PC), recommended the City Council adopt a VMT Policy inclusive of establishing VMT as the appropriate metric for evaluating transportation-related impacts under CEQA, establishing VMT thresholds of significance, establishing screening criteria, establishing TDM strategies, and establishing a VMT Mitigation Banking Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

1) That the adoption of a VMT Policy, including the VMT Mitigation Banking Program, is not a "project" as defined in section 15378 of the CEQA Guidelines and Public Resources Code section 21065, as this is not a "project" that may cause a direct, or reasonably foreseeable indirect, physical change in the environment. The VMT Policy is an administrative activity of the City, providing guidance to property owners, project developers, applicants and proponents for determining the significance of transportation impacts of land use projects. The VMT Policy would not approve any specific development and would therefore not lead to any particular physical change to the

environment. Moreover, even if found to be a “project,” the VMT Policy is exempt under the “common sense” exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that the action of adopting the Policy would have a significant effect on the environment.

2) The VMT Policy, a copy of which is attached hereto and incorporated herein by this reference, is hereby approved and adopted and shall establish the City’s thresholds of significance for transportation related environmental impacts pursuant to CEQA.

3) The Community Development Director is hereby authorized to update the VMT thresholds of significance for land use projects and plans, as necessary and appropriate to reflect current conditions, provided any update is consistent with the intent of SB 743 and in compliance with procedural and substantive requirement of CEQA and all other applicable state and local laws.
