




Grass Valley • Nevada City

Nevada County • Truckee

MEMORANDUM

TO: The Nevada County Transportation Commission

FROM: Daniel B. Landon, Executive Director 

SUBJECT: Executive Director's Report for the March 16, 2016 Meeting

DATE: March 11, 2016

1. WESTERN NEVADA COUNTY TRANSIT DEVELOPMENT PLAN UPDATE

The purpose of the Western Nevada County Transit Development Plan (WNCTDP) update is to provide guidance to the Nevada County Transit Services Division and Transit Services Commission for making sustainable operational adjustments and capital purchases for the fixed route transit system and paratransit services over the five-year planning period of 2016 to 2021.

Public workshops were held on Tuesday, July 28, 2015 and Monday, December 7, 2015, at the Grass Valley City Hall, 125 E. Main Street. The purpose of the first public workshop was to provide an overview of the study process to update the plan, the consultant's analysis of existing transit and paratransit services, and to receive input on transit needs and potential service alternatives. The second public workshop provided the public with an opportunity to review and comment on the consultant's identification and evaluation of potential transit and paratransit service alternatives. This input was incorporated into the development of the Draft WNCTDP, which includes a five-year capital plan, financial plan, and implementation plan.

The Draft WNCTDP forecasts that without any operational changes, starting in FY 2016/17, the total fixed route transit and paratransit operating costs will begin to out-pace the expected revenue. Therefore, the financial plan will necessitate using some of the transit reserve funds over the plan period totaling \$1,365,000. The financial plan provides a conservative estimate of revenues and is achievable because of the strong reserve fund balance, but underscores the need for continued monitoring of financial conditions and operating costs. If the funding outlook improves, the amount needed from the transit reserve fund may be less than anticipated.

An overview of the Draft Report will be presented to the Transit Services Commission (TSC) at their March 16, 2016 meeting at 8:30 a.m., held in the Nevada County Supervisors Chambers (first floor), 950 Maidu Avenue, Nevada City. The Draft WNCTDP is available for review on the NCTC website at <http://www.nctc.ca.gov/Reports/Transit-Reports/index.html>. Comments on the draft are to be submitted by March 31, 2016 and can be sent via email to mwoodman@nccn.net. Comments received on the draft report will be considered for incorporation into the Final WNCTDP that will be presented for adoption to NCTC at their May 18, 2016 meeting.

2. GOVERNOR'S OFFICE OF PLANNING AND REASEARCH REVISED PROPOSAL TO IMPLEMENT SENATE BILL 743 (STEINBERG, 2013)

On September 27, 2013, California Governor Jerry Brown signed Senate Bill (SB) 743 (Steinberg) into law and started a process that could fundamentally change transportation impact analysis for California Environmental Quality Act (CEQA) compliance. According to the legislative intent contained in SB 743, the changes to current practice were necessary 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.

As directed by SB 743, the Governor's Office of Planning and Research (OPR) has developed a proposed update to the CEQA guidelines that will eliminate commonly used measures of vehicular capacity or traffic congestion, such as vehicular delay and Level of Service (LOS), as metrics for the assessment of transportation impacts for development projects and replace them with Vehicle Miles Traveled (VMT). The main intent of SB 743 was to help remove barriers and legal challenges relative to infill development in transit priority areas (transit service every 15 minutes or less during peak commute hours) on the basis that these projects will reduce automobile trips. However, the revised CEQA guidelines, as currently proposed by OPR, would eliminate LOS as transportation analysis metric and replace it with VMT for all development projects statewide. Under this proposal, development projects outside of a transit priority area would have to analyze the VMT generated by the proposed project, and compare against a VMT threshold of 15% below the existing per capita regional and city-wide VMT values, for similar land use types to determine if the impact is significant.

SB 743 also created a new exemption from CEQA for certain projects that are consistent with a Specific Plan if a project meets all of the following:

1. It is a residential, employment center, or mixed use project;
2. It is located within a transit priority area (transit service every 15 minutes or less during peak commute hours);
3. The project is consistent with a specific plan for which an environmental impact report was certified; and
4. It is consistent with an adopted Metropolitan Planning Organization's adopted sustainable communities strategy or alternative planning strategy.

OPR's proposed guidelines also include "Induced Vehicle Travel" as an impact of significance that must be considered for transportation projects. The theory of induced demand suggests that capacity increasing projects that relieve congestion and increase travel speeds can induce additional trips from individuals that had previously used other less congested routes or alternative transportation options. As currently proposed, transportation projects that increase physical roadway capacity for automobiles in congested areas, or add a new roadway to the network, will need to analyze whether the project will induce additional automobile travel compared to existing conditions.

It should be noted that SB 743 did not change the laws related to general plans, police powers granted to cities and counties by the State constitution, the subdivision map act, or traffic impact fee programs. As such, no changes have occurred for jurisdictions wanting to use vehicle LOS to size roadways in their general plan or determine nexus relationships for their impact fee programs. Local governments can also continue to condition projects to build transportation

improvements through the entitlement process in a variety of ways, such as using general plan consistency findings.

NCTC staff have been monitoring the OPR proposals to implement SB 743 and continue to coordinate the review and comment of proposed impacts with the Rural Counties Task Force (RCTF), Rural County Representatives of California (RCRC), and other engaged groups. Comment letters submitted by the RCTF and RCRC on the January 20, 2016, *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*, are attached.

Concerns Related to OPR's Proposed Draft CEQA Guidelines Implementing SB 743

- LOS Prohibited as the Basis for Impact Significance Once the Guidelines Take Effect (possibly early 2017)

While SB 743 provides the option to OPR of establishing “alternative metrics to LOS” for areas of the state outside of “transit priority areas”, NCTC staff are concerned that the applicability of the proposed VMT thresholds in rural areas of the state have not been adequately studied and may lead to unintended consequences. NCTC staff recommends that OPR should consider the success or failure of using VMT as a metric in “transit priority areas” before imposing it on all projects statewide.

- VMT as New Predominant Measure for Impact Significance

Using VMT for CEQA analysis will change the focus of transportation impact studies, especially with regards to mitigation. Historically, LOS impact analysis had concentrated mitigations on expanding the external transportation network to accommodate the new projects. SB 743 compliant CEQA studies, that identify a potential VMT impact, will now focus on how to modify the project to minimize the amount of VMT.

OPR recommends a VMT threshold for development projects of 15% below the existing per capita regional and city-wide values for similar land use types to determine a significant impact. NCTC staff have concerns in relation to the appropriateness of applying the VMT thresholds in rural areas of the state. In rural counties, the regional average VMT does not account for the distinct difference between incorporated cities and the geographically disperse unincorporated rural communities. NCTC staff believe if the VMT metric is applied statewide, more flexibility should be allowed by lead agencies in rural counties to set appropriate thresholds for defined geographic sub-areas. NCTC staff are concerned that statewide implementation of the VMT metric, as currently proposed, will likely cause unintended consequences and will increase the potential for litigation. The differences that exist between rural and metropolitan areas should be acknowledged and carefully analyzed prior to application statewide.

- Induced Vehicle Travel and Roadway Projects

In OPR's proposal to implement SB 743, transportation projects that add capacity through construction of additional general purpose highway or arterial lanes may be considered to induce demand and increase VMT, indicating a significant impact due to induced travel effects. NCTC staff have several concerns about the applicability of

induced travel as a potentially significant impact in rural areas of the state that are outside of congested urban areas.

The large number of studies cited by OPR, that demonstrate a causal link between projects that increase roadway capacity and VMT increases related to induced demand, were conducted on congested urban highways. Review of available research revealed that adequate studies have not been prepared to quantify, validate, or justify application of induced demand as a potential significant impact outside of congested urban areas.

Each project and location is unique. When you look at the application of induced demand in a rural county, due to dispersed population and topographic constraints, the travel patterns tend to be more established and static as compared to urban areas. Adding additional capacity to a roadway or highway in a rural area would not necessarily result in a large increase of induced trips being made on the new facility. Key corridors and principal arterials in rural areas generally are the most direct route between locations, and parallel facilities often do not exist.

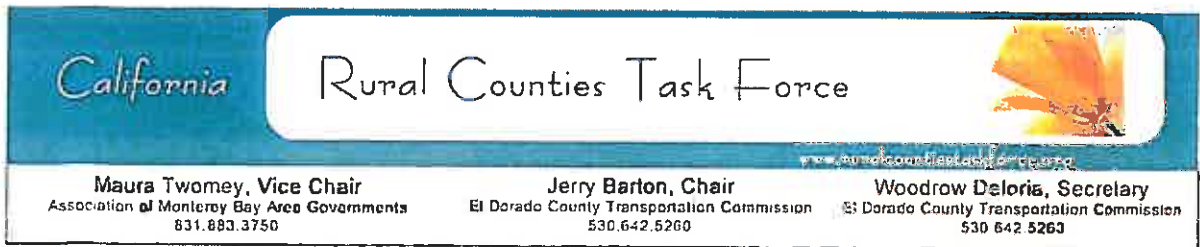
It should also be noted that the current mode split for alternative modes of transportation in rural areas is generally low, and the longer distances between destinations and terrain tend to limit bicycling and walking as viable alternatives to the automobile. Due to funding constraints, transit in rural areas, although it is available, is limited in its coverage and frequency and is not a convenient alternative to the automobile. Moreover, expanding transit services is often not possible within current operating funding sources. Therefore, capacity increasing highway or arterial roadway projects in rural areas are not likely to attract or induce individuals that had been using alternative modes of travel to shift back to driving on the new facility.

In addition, the mitigation measures recommended for inclusion in CEQA Guidelines for a project that reaches the level of a significant impact under the proposed Induced VMT metric are not applicable in most rural locations (e.g. toll lanes, HOV lanes). This will result in the unintended consequence of leaving a project without a way to mitigate its potential impacts and should be reevaluated by OPR.

3. DRAFT FY 2016/17 OVERALL WORK PROGRAM

Annually NCTC develops an Overall Work Program (OWP) for formal adoption by its governing board. The OWP outlines the scope of work and budget for various transportation planning activities. The OWP is a requirement of NCTC's Master Fund Transfer Agreement with the State of California and includes the following three components: Introduction, Work Elements (W.E.), and Budget. Prior to presenting the OWP to the Commission for adoption a Draft OWP is sent to Caltrans, Nevada County, City of Grass Valley, Nevada City, and Town of Truckee for comment. Staff is currently preparing a Draft OWP for FY 16/17. It will be sent out to Commissioners and to the member agencies on March 18, 2016. Comments from Commissioners and member agencies will be integrated into the OWP. All comments and the revised OWP will be presented on May 18, 2016, for NCTC review and approval.

attachments



February 29, 2016

Christopher Calfee, Senior Counsel
Governor's Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

RE: Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA

Dear: Mr. Calfee:

The Rural Counties Task Force (RCTF) submits the following comments in response to the *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA - Implementing Senate Bill 743 (Steinberg, 2013)* prepared by the Governor's Office of Planning and Research (OPR).

The RCTF represents the 26 Rural Regional Transportation Planning Agencies and Local Transportation Commissions in California that coordinate with local, state, and federal agencies to plan, design, and construct transportation projects that address statewide sustainability and environmental goals. The RCTF was established in 1988 in partnership with California Transportation Commission (CTC) to provide a direct opportunity for the rural counties to remain involved with changing statewide transportation policies and programs and serve in an advisory role.

The RCTF recognizes the need to establish an alternative to Level of Service (LOS) as a criteria for evaluating the significance of transportation impacts within congested urban Transit Priority Areas (TPAs) and infill opportunity zones, within a Metropolitan Planning Organization's Sustainable Communities Strategy (SCS), in order to promote the statewide goals of reducing greenhouse gas (GHG) emissions. However, the RCTF has concerns with OPR's proposal to apply the alternative metrics statewide to projects outside of the urban TPAs and designated infill opportunity zones. The RCTF recommends that OPR reconsider applying the proposed metrics statewide to avoid unintended consequences that are likely to result due to the distinct differences that exist between the rural and metropolitan areas.

The following comments are intended to provide recommendations for revisions to the Revised SB 743 Guidelines considering the implications of application to rural areas of the state.

Page 3 - Item 3 and Page 22-23, Threshold for residential development projects in unincorporated areas: For residential developments in unincorporated areas the VMT impacts should be determined using a threshold that is based on the average of all unincorporated areas in the county in addition to the "regional average", instead of the recommended average VMT of the

incorporated cities. Unincorporated rural areas should not be compared to the VMT average of more densely developed incorporated areas.

Page 8 – (c) Applicability: The two year period from adoption to implementation statewide is a good approach. However due to undetermined impacts to rural areas, we believe that implementation should be limited to congested urban TPAs. At a minimum, a five-year period from adoption to implementation statewide is a more reasonable target. Another option would be to tie implementation to the five-year updates of the Regional Transportation Plans. We appreciate OPR's continued flexibility as the relevant studies laws and policies are assessed for impacts related to SB 743.

Page 23, Office Projects: Office projects that improve jobs/housing ratio balance may act to reduce VMT as they provide jobs for local residents who would otherwise commute long distances. Rural areas typically have a jobs/housing imbalance. Please consider this effect when evaluating the VMT impacts of office projects.

Page 24, First Paragraph. For retail developments, assessing the total change in VMT would require the use of a model to determine the existing VMT for the project area. This may place a significant burden on small rural jurisdictions through additional costs for traffic model analysis.

Page 25, Items 3 & 4: OPR needs to provide clarification in regards to the statement, "*VMT outcomes of RTP/SCSs should be examined over the full area they substantively affect travel patterns, including outside the boundary of the plan geography*". It is unclear how the examination of VMT outcomes outside of the plan boundary could be accomplished and to what extent beyond the boundary is intended.

Pages 28 to 30, Causes and Evidence of Induced Demand: The large number of studies cited by OPR that demonstrate a causal link between projects that increase highway capacity and VMT increases linked to induced demand were in relation to congested urban highways. Review of available research revealed that adequate studies have not been conducted to quantify or validate induced demand associated with capacity increasing projects on rural highways to justify application of induced demand as a potential significant impact outside of congested urban areas.

Each project and location is unique. When you look at the application of induced demand, in a rural county due to sparse geography and terrain, the travel patterns tend to be more established and static as compared to urban areas, and adding additional capacity to a roadway or highway in a rural area would not necessarily result in a large increase in trips being made on the new facility.

Key corridors and principal arterials in rural areas generally are the most direct route between locations and parallel facilities often do not exist. It should also be noted that the current mode split for alternative modes of transportation in rural areas is generally low and the longer distances between destinations and terrain tend to limit bicycling and walking as viable alternatives to the automobile. Due to funding constraints, transit in rural areas, although it is available, is limited in its coverage and frequency and is not a convenient alternative to the automobile. Moreover, expanding transit services is often not possible within current operating funding sources.

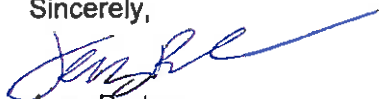
Page 34, Mitigation Alternatives: The mitigation suggestions recommended for inclusion in CEQA Guidelines for a project that reaches the level of a significant impact under the proposed Induced VMT metric are not applicable in most rural locations and this will result in the unintended consequence of leaving a project without a way to mitigate its potential impacts and should be re-

evaluated. Options to consider toll roads as mitigation for projects in rural areas are not likely to be widely accepted.

Given the challenges and complexities related to the implementation of SB 743 the RCTF recommend that its provisions should initially be implemented only in TPAs. This would allow OPR time to analyze the outcomes of the implementation process to determine if broader implementation is appropriate and applicable.

The RCTF appreciates the opportunity to provide comments on the revised proposal to amend the CEQA Guidelines to implement Senate Bill 743 and look forward to additional opportunities to work collaboratively with OPR to address these concerns as you move forward with rulemaking.

Sincerely,



Jerry Barton
Chair, Rural Counties Task Force

Copies:

Lisa Davey-Bates, Chair, North State Super Region
Dan Carrigg, Senior Director Legislative Affairs, California League of Cities
Mary Pitto, Regulatory Affairs Advocate, Rural County Representatives of California
Kiana Valentine, Legislative Representative, California State Association of Counties



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 26, 2016

Mr. Ken Alex, Director
Governor's Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

**RE: Revised Proposal on Updates to the CEQA Guidelines Evaluating
Transportation Impacts in CEQA**

Dear Mr. Alex:

The Rural County Representatives of California (RCRC) appreciate this opportunity to comment on the Revised Proposal on Updates to the CEQA Guidelines Evaluating Transportation Impacts in CEQA Implementing Senate Bill 743 (Steinberg, 2013). RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

The RCRC Board of Directors understands the need to promote sustainable growth, sustainable resources, and sustainable economic conditions in rural California. Our member counties are tasked with a variety of decision-making responsibilities related to development and land use in rural California communities and are challenged with environmental stewardship, economic vitality, and social equity at the local level. Our member counties are also committed to achieving realistic greenhouse gas (GHG) emission reductions through sustainable land use planning policies and facilitating infrastructure development and services to provide alternative transportation modes and healthier behavior options. From this perspective, we would like to offer the following comments:

The long practiced use of level of service (LOS), or automobile delay, as a criterion for determining the significance of transportation impacts of a project is often a barrier to infill development and can contribute to discouraging other transportation modes. SB 743 requires the Governor's Office of Planning and Research (OPR) to prepare proposed revisions to the CEQA Guidelines establishing alternative criteria for determining the significance of transportation impacts of projects *within transit priority areas within Metropolitan Planning Organizations (MPOs)*. SB 743 further *allows* OPR to establish alternative metrics for transportation impacts outside transit priority areas.

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

SB 743 tacitly implies there may be a different implication for rural areas by not mandating a statewide application.

Our primary concern with the draft proposal is the mandated application of the proposed alternative metric, vehicle miles traveled (VMT), to the entire state only two years after its adoption. First, we appreciate that OPR has made the provisions voluntary for the first two years before becoming a mandate. However, we believe this timeframe should be increased to three years to allow more time to address the challenges of implementation and transition to a new implementation process. Second, we recommend it become a mandate for the transit priority areas in the five largest MPOs at the end of the voluntary three years and five years after adoption it become a mandate for the transit priority areas in the remainder of the MPOs. This will allow the larger MPOs that have the resources to work through the challenges and develop procedures that the smaller MPOs could then replicate. And finally, we recommend that it remain voluntary for the remainder of the State until OPR has been able to monitor implementation and evaluate its effectiveness after the five years have elapsed. It seems it would be valuable to test the VMT metric in the select areas of the State prior to its application in the more suburban and rural areas of the State where we know implementation may not make the most sense to achieve the State's goals and comes with significant costs and challenges.

SB 743 clearly states "it is the intent of the Legislature to balance the need for level of service standards for traffic with the need to build infill housing and mixed use commercial developments within walking distance of mass transit facilities, downtowns, and town centers and to provide greater flexibility to local governments to balance these sometimes competing needs." RCRC does not believe the intent was to mandate a change in metrics statewide in every application of transportation projects.

We reiterate from our previous comments that RCRC believes that choosing any alternative metric at this point is likely to cause unintended consequences, such as a new onslaught of litigation due to new uncertainties and speculation. Even the relationship between the VMT metric for CEQA evaluation and the LOS metric for those counties that still may use LOS in their general plans or fee programs will add to the uncertainties. It will be important to ferret out the difficulties with implementation of the proposed VMT before extending into other areas of the State, especially in rural areas where transit priority areas do not exist and where transit options are limited.

We commend OPR for moving the suggested mitigation measures and alternatives to the draft Technical Advisory. We agree that this makes it more clear what is a requirement versus a recommendation and provides flexibility for various regions of the State. We appreciate the recognition that VMT cannot be applied in the same manner in the urban transit priority areas as in a rural developed area. In fact, on

Mr. Ken Alex
Revised Proposal on Updates to the CEQA Guidelines Evaluating Transportation
Impacts in CEQA
February 26, 2016
Page 3

page 25 under *Other Considerations* there is reference to *Rural Projects Outside MPOs* that can be interpreted that OPR recommends VMT only be applied to clustered small towns or small town main streets. While this may be helpful for infill development in rural towns, we believe it should still be the choice of the local jurisdiction.

There is not a mandate to require only one universal methodology to be applied statewide. There are diverse circumstances not only between urban, suburban, and rural areas of the State, but also within each of those categories. It would be helpful if the Guidelines provided a suite of options for evaluating transportation impacts and the flexibility for the jurisdictions to select that which is appropriate for a defined geographic area.

Our member counties are keenly aware of the importance of the conservation of agricultural and mineral lands and the proper management of forests and watersheds, and work to promote compact development in our developed core areas. The sustainable land use practices in rural areas benefit not only environmental resources and economic vitality, but GHG emission reductions as well. RCRC has long advocated that infill development exists within our rural counties at densities appropriate to the rural settings. However, much of the infill legislation and funding opportunities are focused in the urban areas, except when it comes to restrictive regulations.

Thank you for this opportunity to provide input into this important process. If you have any questions or wish to have further discussions, please do not hesitate to contact me at (916) 447-4806.

Sincerely,



MARY PITTO
Regulatory Affairs Advocate

cc: RCRC Board of Directors
Christopher Calfee, Senior Counsel, OPR
Jerry Barton, Chair, Rural Counties Task Force
Daniel Landon, Executive Director, Nevada County Transportation Commission

