



**VEHICLE MILES TRAVELED (VMT) MITIGATION PROGRAM**  
**STAKEHOLDER MEETING #4**  
**OCTOBER 10, 2023**

# Housekeeping

Today's meeting is being recorded.



Attendee microphones are muted.



During the meeting, comments can be submitted in the Chat.



To make verbal comments or questions following the presentation, please use the 'raise hand' icon. If you are joining by phone, you can **Raise Hand using \*9** and **Mute/Unmute using \*6**



For technical support, call or text 626.216.7304.

# Staff Introductions



**Paul Backstrom**

Project Manager,  
Metro Long Range  
Planning, Countywide  
Planning &  
Development



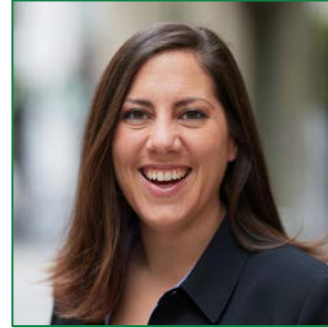
**David  
Leyzerovsky**

Deputy Project  
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**Celine Chen**

Deputy Project  
Manager, Metro  
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Highways Division



**Chelsea Richer**

Fehr & Peers  
Project Manager



**Jeremy Klop**

Fehr & Peers  
Principal in Charge



# Agenda

- I. Project Background
- II. Stakeholder Feedback Recap
- III. Advancing the VMT Mitigation Bank
- IV. Discussion
- V. Next Steps

# Project Background

# VMT Mitigation Program Goals



> **Explore** various ways to measure project-related increases and reductions in VMT



> **Evaluate** the VMT impacts of Metro's highway improvement projects



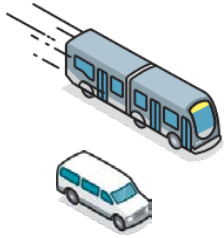
> **Establish** a Mitigation Program to address VMT impacts that meets the needs of projects on the State Highway System



> **Integrate** Equity Platform goals and process elements into this effort & the resulting Mitigation Program

# Potential Mitigation Strategies

## Transit & Vanpool



**Operational:** More service hours, more bus routes  
**Programmatic:** Fare subsidies, TDM programs, expansion of vanpool and shuttle programs  
**Capital:** Bus-only lanes, bus stop improvements, more vehicles

## Active Transportation



**Programmatic:** Bikeshare and scooter-share membership subsidies, bike purchase subsidies  
**Capital:** Active transportation corridors, first/last mile improvements



**Land Use:** Affordable housing; transit-oriented housing; transit-oriented mixed-use “15-minute neighborhoods”

## Land Use



**Pricing:** Corridor/cordon pricing, VMT tax, parking pricing

## Pricing

# Stakeholder Feedback Recap

# Stakeholder Meeting #1 Recap

**We asked:** What types of VMT-reducing actions should Metro consider?

**We heard:**

- > More shared mobility options
- > Neighborhood-oriented development options
- > Fareless transit

**Other key feedback:**

- > Importance of safety & security across the system
- > Questions about Metro's role in highway projects
- > Questions about treatment of large arterials in this program

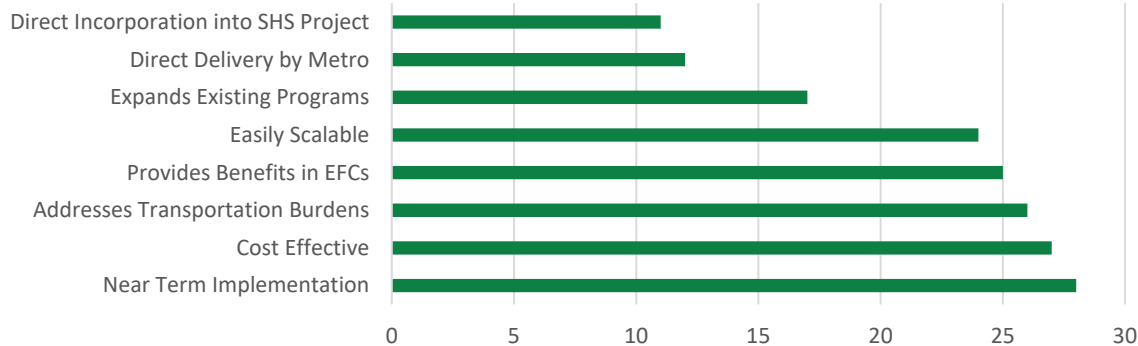


# Stakeholder Meeting #2 Recap

**We asked:** How should Metro prioritize VMT-reducing actions in this program?

**We heard:**

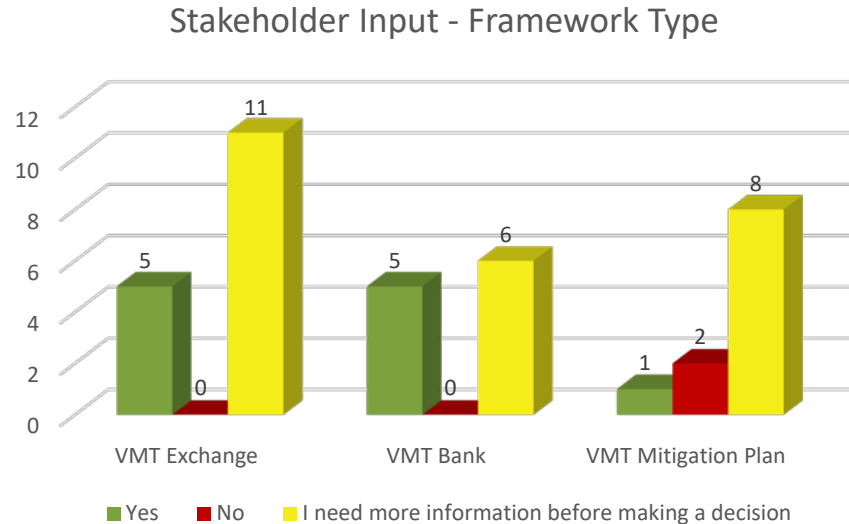
Overall Feedback on "Important" or "Very Important"  
Prioritization Criteria (combined in-person & web survey)



# Stakeholder Meeting #3 Recap

**We asked:** Would you support the VMT Exchange, Bank, and/or VMT Mitigation Plan frameworks? Why or why not?

**We heard:**



# Stakeholder Meeting #3 Recap

**We asked:** Would you support the VMT Exchange, Bank, and/or VMT Mitigation Plan frameworks? Why or why not?

**We heard:**

> **Exchange**

- Simple, expeditious
- Menu could become exhausted

> **Bank**

- Avoid flaws of Cap & Trade, geographic equity concerns

> **Plan**

- Concerned about “extra” CEQA, may be difficult to explain to the public, lack of flexibility



# Side-by-Side Program Comparison

Frameworks & Key Questions	VMT Exchange	VMT Bank	VMT Mitigation Plan*
Highway Project Team Effort (admin & analytical)	Medium – pre-analyzed menu	Low – cost / VMT credit	Low – tiering
Metro Effort (admin & analytical & tracking/accounting)	Medium – analysis & recordkeeping	High – analysis, recordkeeping, program refresh	Medium – “extra” CEQA up front, but reduced project analysis burden
Analysis Consistency	High	High	High
Legal Risk	Low	Medium – new framework carries risk	High – “extra” CEQA
Public Influence & Input	Project level & Exchange level	Project level & Bank level	Project level & VMP level
Flexibility to add new mitigations	High	Medium – cyclical refresh for credit valuation	Low – Update EIR or add through an Addendum with evidence of similar VMT impact mitigation potential
Flexibility to modify SHS project through project development	High	High	Low – Update EIR or modify through an Addendum with evidence that the difference is less than the cleared impact
“First in” problem?	Yes	No	No
Efficiency in matching impacts & mitigations	No	Yes	Yes
Cost certainty to project team	Low	Medium – certainty within refresh cycle	High – captured at Agency level when projects & mitigations are implemented
Where is the cost of mitigation accounted for?	Project level	Project level	Plan level; no project-level cost connection to mitigations
Captures synergies of multiple mitigation actions?	No	No	Yes
Ease of incorporating non-Metro mitigation implementers	Doable, would require MOU	Doable, would require commitment that mitigation action isn’t otherwise funded within refresh cycle	Difficult but possible with strong MOU procedures and delegated CEQA authority
Ease of “selling” to outside projects seeking mitigation	Doable, would require MOU	Doable, would require process of accepting external funds	N/A
What kinds of mitigations are easiest to include?	Capital, programmatic, operations	Capital, programmatic, operations; may improve ease of use to separate into “accounts” to address duration issues	Could include capital, which already often undergo a CEQA process; could also include programmatic or operational

# Policy Working Group #6 Feedback

**We asked:** Would you support the VMT Exchange, Bank, and/or VMT Mitigation Plan frameworks? Why or why not?

**We heard:**

> **Exchange**

- Simple to add new mitigation actions

> **Bank**

- Credit cost needs to include inflation
- Requires Memo of Understanding to preclude implementing mitigation actions outside the Bank (to avoid “cherry-picking”)

> **Plan**

- Project-level details may not yet be available
- Could be a lean CEQA document that only clears projects needed to mitigate SHS projects (rather than tying to RTP)



# Metro Staff Feedback

> Met with implementing departments for all mitigation actions to understand their preferences and priorities:

- Transit service planning
- Fare programs
- Metro Micro
- Mobility corridors
- ETC support program
- Bikeshare
- TDM Policy & Initiatives
- Transit oriented communities
- SBCCOG

- > No major red flags
- > Interest in this potential funding stream
- > Issues of VMT analysis and reporting, project sync with funding availability, and readiness all were mentioned as concerns to work through



# Metro Board Feedback

- > Presented a broad overview of the VMT Mitigation Program to the full Board of Directors on July 27th.
- > Presented on quantification methodology and project cost implications to Planning & Programming committee on September 20th
- > The hybrid methodology, as described previously, is Metro's initial path forward and we will be working through the technical details at a project level with Caltrans HQ.
- > Concerns voiced from Board Directors about equity, mitigation costs, geographic equity, and joint development program opportunities.



# Advancing the VMT Mitigation Bank

# Participants Key Interests & Concerns

## VMT Mitigation Program Participants



### Highway Project Teams

**Key Interests:**

- > Simplicity
- > Flexibility
- > Defensibility
- > Opportunity to clear mitigation action through CEQA simultaneously to SHS project

**Concerns:**

- > Implementation timing
- > Cost
- > Geographic alignment between SHS project and mitigation



### Subregional Councils of Governments

**Key Interests:**

- > Ability to complete key SHS projects
- > Geographic alignment of mitigations
- > Align with CBO needs & wants

**Concerns:**

- > Cost
- > Treatment of SHS induced VMT burden as a “local” issue when it is regional in nature
- > Enable subregional flexibility without creating “winners” & “losers”



### Mitigation Action Implementers

**Key Interests:**

- > New funding opportunity

**Concerns:**

- > New accounting with “strings attached”
- > VMT analysis requirements
- > Implementation timing/ readiness
- > Geographic alignment with mitigation action program goals



### Program Administrator

**Key Interests:**

- > Defensibility & legal risk reduction
- > Appropriate level of effort
- > Project delivery (SHS and mitigation action)

**Concerns:**

- > Implementation timing
- > Cost
- > Geographic alignment
- > Data collection & analysis burden

# Framework Options



## Project-by-Project

### Different farms and shops.

Search for local farms and shops that offer the products you want, and make separate trips to get eggs, vegetables, fruits, and bread.

#### The fine print

- **It fluctuates** - Sometimes the prices fluctuate, sometimes things are unavailable.
- **It's a chore** - You have to negotiate with a lot of people.



## VMT Exchange

### A one-stop grocery shop.

Visit the grocery store, which generally has all the items you need in one place.

#### The fine print

- **It fluctuates** - Sometimes the prices fluctuate, sometimes things are unavailable or all the sale items are sold out.
- **Generally a lot easier** - Avoids visiting all the different providers one at a time.



## VMT Bank

### A weekly meal subscription service, selected by a CSA.

Find a Community Supported Agriculture (CSA) service that allows you to purchase, for a fixed and predictable price, a produce box that will give you healthy foods that will meet your nutritional needs, but you don't get to choose.

#### The fine print

- **You don't get to choose** - Some weeks you might not get bread. Other weeks you might get a lot of kale.
- **Weekly model** - Purchase only what you need from week to week.



## VMT Mitigation Plan

### An annual meal subscription service, customized by you from a CSA.

Find a CSA that offers you a great blend of fruit, vegetables, egg, and bread to meet your needs, but you must forecast everything up front for the entire year, taking stock of anticipated changes to your family size, dietary needs, and seasonality in produce.

#### The fine print

- **Pay on delivery** - You don't have to pay for it all up front.
- **Annual commitment** - Once you've signed up, you can't change your mind mid-way through the year.

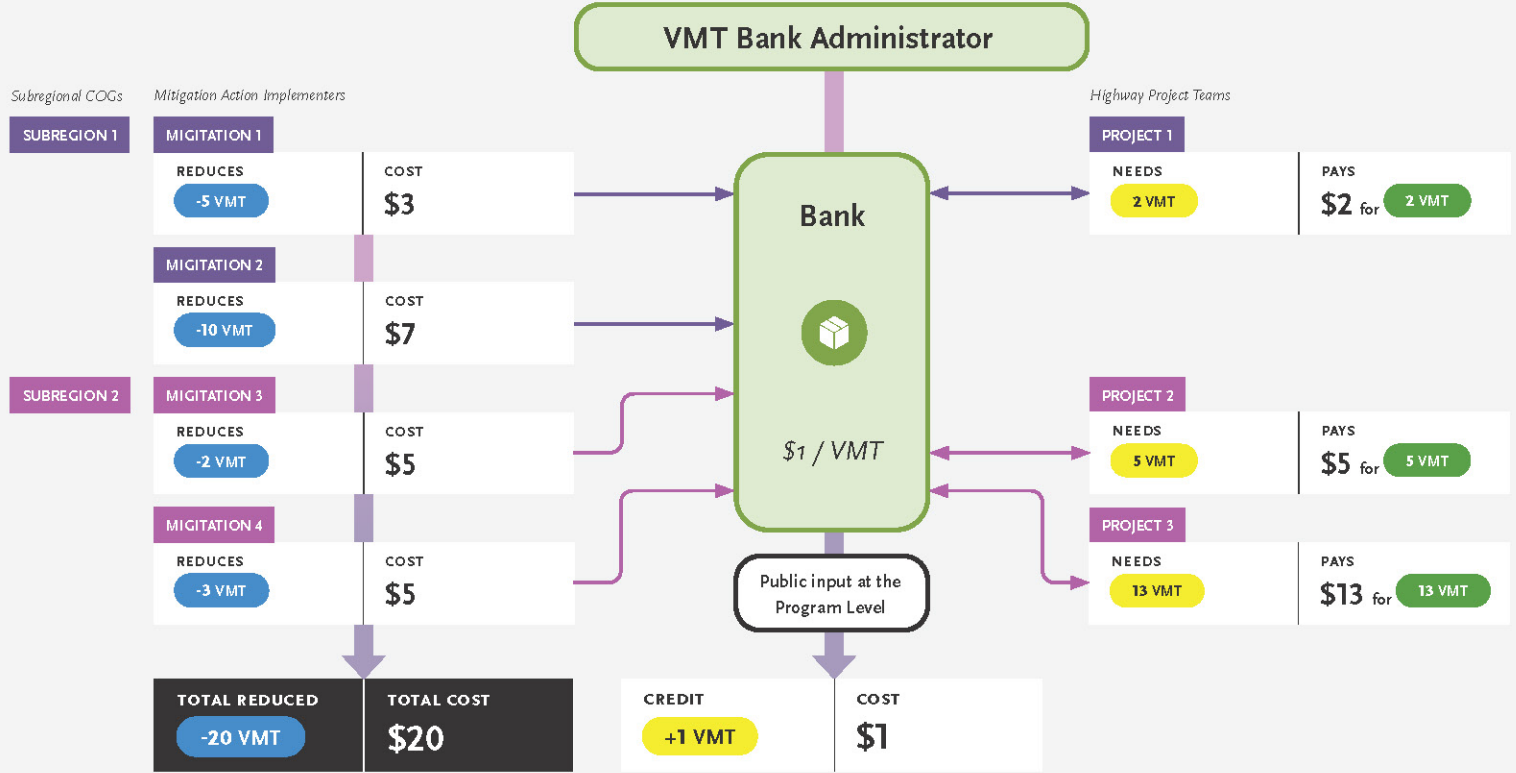
# VMT Bank Model



## VMT Bank

The **VMT administrator** prequalifies a list of mitigation actions **AND** pre-analyzes the cost and reduction potential to produce a “Cost per VMT credit” for the list.

Then projects can simply buy what they need in credits, deposits into the Bank, and then withdrawals are made to fund the mitigation actions once enough funds have been deposited.



# VMT Bank Model with Subregional Accounts



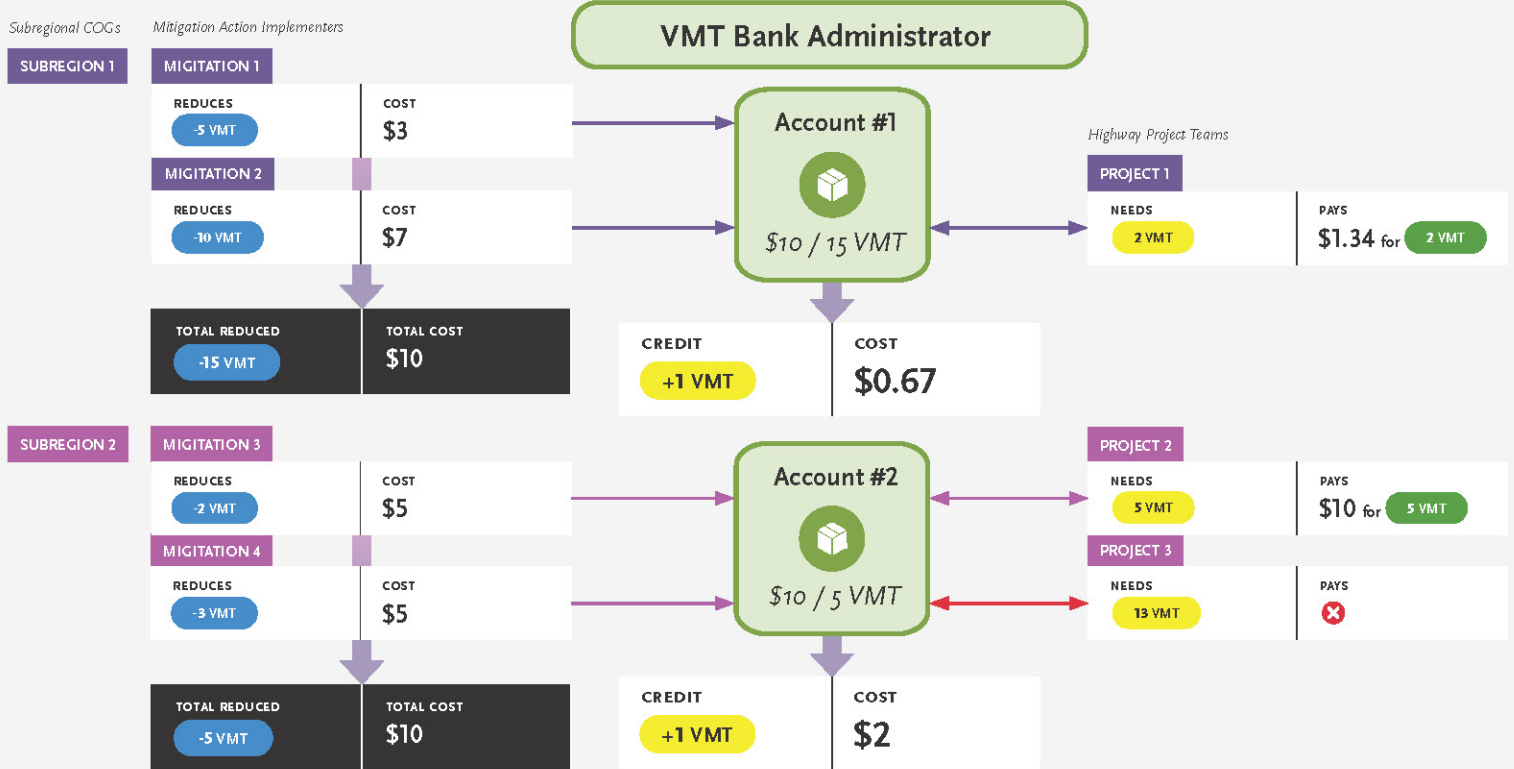
## VMT Bank with Accounts

The **VMT administrator** prequalifies a list of mitigation actions AND pre-analyzes the cost and reduction potential.

Mitigation actions are grouped by subregion with geographically-specific costs and VMT reduction values. "Cost per VMT credit" is derived for each Subregional Account.

Subregions that have more opportunity to reduce VMT, or can do so at a lower cost, can offer more cost-efficient VMT Credits.

Projects can buy credits from any subregion, but may pay a different cost ratio for credits outside the location of the project.



# VMT Bank Model with Subregional Accounts

e.g., Gateway Cities, South Bay Cities, San Gabriel Valley, North County

e.g., Bikeshare, BRT, Metrolink, Transit Pass Programs, etc.

e.g., Metro

e.g., ExpressLanes Project Team

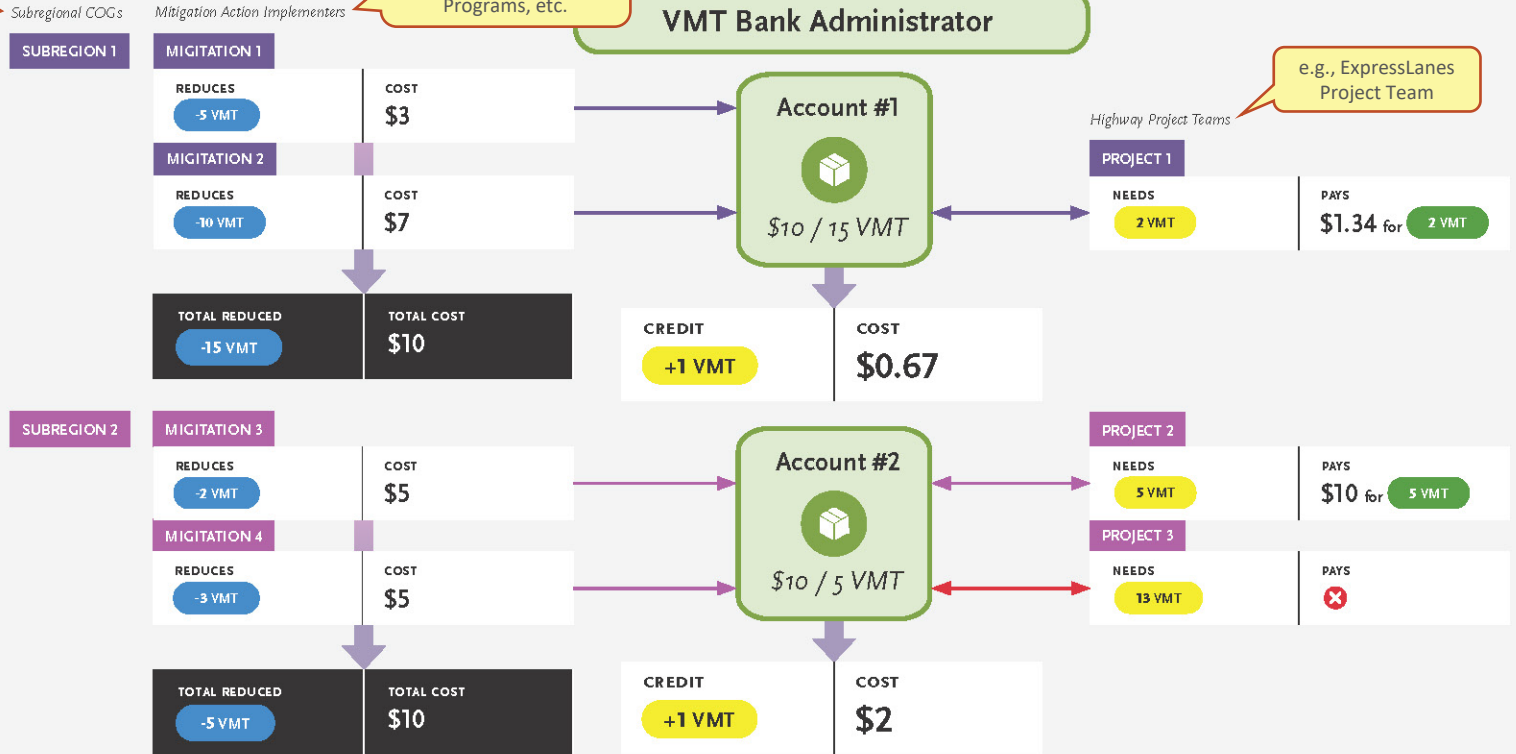
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# VMT Bank Model – Mitigation Action List

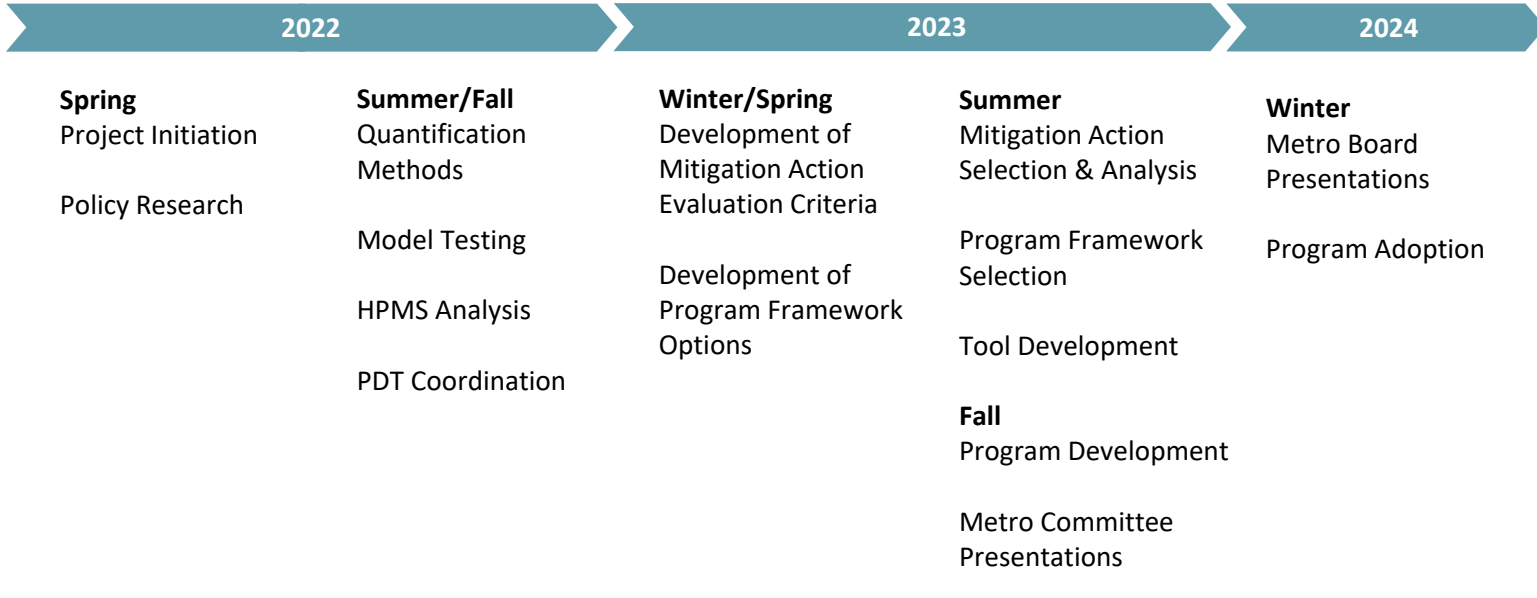
- > Provide Bus Rapid Transit
- > Increase Transit Service Frequency
- > Extend Transit Network Coverage/Hours
- > Expand Metro Micro
- > Expand Metrolink Service
- > Implement Subsidized Transit Program
- > Implement Commute Trip Reduction Program (Employer Commute Support)
- > Implement Community Based Travel Program (TDM Master Plan)
- > Implement E-Bike Subsidy Program
- > Implement Electric Bikeshare Program
- > Implement Pedal (Non-Electric) Bikeshare Program
- > Implement Affordable Housing on Metro Joint Development Sites
- > Implement South Bay Cities COG Local Travel Network

# VMT Bank Model – Program Balance Sheet

Mitigation Action		# of Credits	Planning Cost	Management Cost	Operations Cost
1	Provide Bus Rapid Transit				
2	Increase Transit Service Frequency				
3	Extend Transit Network Coverage/Hours				
4	Expand Metro Micro				
5	Expand Metrolink Service				
6	Implement Subsidized or Discounted Transit Program				
7	Implement Commute Trip Reduction Program (Employer Commute Support)				
8	Implement Community Based Travel Program (TDM Master Plan)				
9	Implement E-Bike Subsidy Program				
10	Implement Electric Bikeshare Program				
11	Implement Pedal (Non-Electric) Bikeshare Program				
12	Implement Affordable Housing on Metro Joint Development Sites				
13	Implement South Bay Cities COG Local Travel Network				
<b>TOTALS</b>					
A	TOTAL 20-YEAR PROGRAM CREDITS	[SUM DOWN]			
B	TOTAL PLANNING COST		[SUM DOWN]		
C	TOTAL MANAGEMENT COST			[SUM DOWN]	
D	TOTAL OPERATIONS COST				[SUM DOWN]
E	TOTAL PROGRAM ADMINISTRATIVE COST (5%*(B+C+D))				[SUM DOWN & MULTIPLY]
F	TOTAL 20-YEAR PROGRAM COST (B+C+D+E)		[SUM DOWN]		
G	TOTAL COST PER VMT CREDIT (F/A)				[FINAL CREDIT COST]

# Discussion & Next Steps

# Project Schedule



ONGOING STAKEHOLDER OUTREACH



# Thanks For Joining Us!

## Next Stakeholder Meeting

> Virtual Stakeholder Meeting #5 – **Jan/Feb, 2024**



# Stay Connected!



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