TECHNICAL MEMORANDUM

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RE: CEQA Tiering Approaches regarding Vehicle Miles Traveled (VMT)

Executive Summary

This memorandum describes potential tiering approaches to California Environmental Quality Act (CEQA) compliance (also referred to as programmatic approaches) related to vehicle miles traveled (VMT), their statutory basis, and identifies advantages/disadvantages.

With the passage of SB 743 in 2013 and the incorporation into CEQA guidelines effective July 1, 2020, CEQA now required the consideration of VMT in the CEQA analysis for discretionary actions. This has resulted in a challenge for both land use and transportation projects in completing the analysis, identifying significance, and especially in identifying mitigation. One approach to providing greater certainty and efficiency in transportation advancing projects through CEQA is to employ a programmatic approach to the analysis of VMT impacts, then allowing tiering for project-level clearance for VMT. Such an approach, in concept, would allow for an agency to utilize one overarching CEQA document that analyzes VMT overall that then allows streamlining of the consideration of VMT in project-level CEQA documents.

Relative to Metro, there are several programmatic approaches that may be utilized: 1) Do a PEIR for a transportation plan or suite of projects; or 2) Develop a customized VMT Reduction Plan (VRP) to cover an agencies overall approach to VMT reduction and complete a CEQA document for the VRP similar to the approach used for tiering for greenhouse gas (GHG) emissions for tiering from Climate Action Plans. There are distinct advantages and disadvantages of either approach which are discussed further in this memorandum.

ICF is not a law firm. This memorandum does not provide legal advice. Those seeking legal advice should consult with CEQA counsel.

1. Introduction

Enacted in 2014, Senate Bill 743 (Steinberg, 2013) established a new regime of transportation impact analysis under the California Environmental Quality Act (CEQA). In keeping with the state's goal to reduce GHGs emissions by promoting infill development and multimodal transportation networks to reduce individuals' reliance on automobile travel, SB 743 requires that lead agencies VMT as the metric for assessing significant transportation impacts for land use projects. For transportation projects, the discretion whether to use VMT or other metrics is up to the transportation project lead agencies. While VMT is not a new tool for assessing environmental impacts under CEQA, the use of VMT as the preferred metric for analyzing transportation impacts represents a significant shift from the prior congestion-based Level of Service (LOS) approach. By codifying this shift to assessing the number and type of vehicle trips rather than the amount of vehicle congestion, the legislature recognized both the shortcomings of a congestion-based approach to transportation impact analysis and the benefits of a VMT approach for promoting "the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses" (Pub. Resources Code, ₴21099).

1.1 Project-level CEQA Burden

While the intention of the legislature in enacting SB 743 was to promote the reduction of vehicular GHGs, an unintended consequence was to increase the CEQA burden of certain transportation projects that are part of larger network of improvements designed to improve regional mobility and quality of life, but when considered separately, result in VMT impacts. Per the Office of Planning and Research (OPR) *Technical Advisory on Evaluating Transportation Impacts in CEQA*, if a project would likely lead to a measurable and substantial increase in vehicle travel, the lead agency should conduct an analysis assessing the amount of vehicle travel the project will induce. Project types that would likely lead to a measurable and substantial increase in vehicle travel generally include addition of through lanes on existing or new highways, including general purpose lanes, HOV lanes, peak period lanes, or grade-separated interchanges.

Where a project would induce substantial VMT, such that its transportation impact under CEQA is deemed significant, [1]the lead agency must consider mitigation or alternatives to minimize the impact, thus potentially increasing the project's cost and timeline to completion. In some cases, increased costs and schedule delays associated with mitigation requirements and alternatives development also can threaten an agency's overall ability to advance a project through CEQA to approval and implementation. Analyzing multiple projects over time and having to conduct the VMT analysis and make CEQA determinations every time, subject to potential legal challenge and scrutiny, can also be an inefficient use of public agency funds.

[1] The current paradigm for considering VMT under CEQA is one in which VMT increases over time with economic and population growth. Most of the thinking was prior to the COVID-19 epidemic and was based on general growth in VMT historically over time. The projections of growth are the basis for the analyses supporting the California Air Resources Board Scoping Plan to reduce GHG emissions. When taking into account those projections, CARB has found that for the transportation sector, California will need to not only have more efficient and alternatively fueled cars (in particular electric vehicles), but also need to reduce VMT, in order to meet GHG reduction goals. However, if a jurisdiction (or a region) does not experience a growth in VMT over time in alignment with the expectations of economic and population growth, then one could take that into account when developing CEQA thresholds and when making CEQA significance determinations, provided a lead agency has substantial evidence showing how the local/regional VMT that is occurring (and will occur) in the future supports statewide GHG reduction goals and the other purposes of SB 743 (multimodal transit and land use diversity. Determinations about VMT change in a jurisdiction are recommended to be done with a travel demand model based on an origin-destination approach in which a jurisdiction includes all the trips within the jurisdiction and half the length of trips to and from other jurisdictions.

1.2 Increased Certainty and Efficiency Through Tiering/Programmatic Analysis

One approach to providing greater certainty and efficiency in transportation advancing projects through CEQA is to employ a programmatic approach to the analysis of VMT impacts, then allowing tiering for project-level clearance for VMT. Such an approach, in concept, would allow for an agency to utilize one overarching CEQA document [such as a Program Environmental Impact Report (PEIR) for a Regional Transportation plan, other transportation plans, or for a General Plan] that analyzes the impacts of a series of related actions to clear future individual projects. However, this would only work if the agency is already doing CEQA evaluations for the transportation plan. The programmatic approach is particularly effective when the program's individual activities are geographically linked and have generally similar environmental effects that can be mitigated in similar ways. Programmatic CEQA documents allow a comprehensive examination of a project and promote tiering when later activities within the program are undertaken. The use of tiering can expedite environmental review by eliminating repetitive analysis of issues and potential impacts adequately addressed in a prior program EIR or Mitigated Negative Declaration (MND) and promote the use of previously adopted mitigation to avoid or minimize project-specific impacts. This memorandum explores several tiering/programmatic CEQA approaches to VMT.

2. Tiering under CEQA

The following provides a brief overview of potential streamlining options for VMT analysis that involve tiering from prior program-level environmental documents. As described in Section 15152 of the CEQA Guidelines, tiering can refer to the use of the analysis of general matters contained in a broader EIR or MND to cover subsequent specific projects; incorporating by reference the general discussion from a broader EIR; and concentrating subsequent CEQA documents on issues specific to the latter, specific project.

2.1 Addressing Cumulative Impacts per CEQA Guidelines 15064 (h)(3)

Per CEQA Guidelines Section 15064(h)(3), a lead agency may determine that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project will comply with the requirements in a **previously approved plan** or **mitigation program** that provides requirements that will avoid or substantially lessen the cumulative problem within the geographic area in which the project is located. The plan or program must also be specified in law or adopted by the public agency with jurisdiction over the affected resources through a public review process to implement, interpret, or make specific the law enforced or administered by the public agency. When relying on a plan or program, the lead agency must explain how implementing the requirements of the plan or program would ensure that subsequent project incremental contributions to the cumulative impact would not be cumulatively considerable.

2.2 Tiering per CEQA Guidelines Sections 15152, 15162 and 15168

CEQA Guidelines Section 15152 introduces the concept of **tiering**, which, as discussed above, involves the use of a broader EIR – for instance, one that analyzes the impacts of a suite of proposed improvements within a broad geographic area – to clear specific projects under CEQA. This approach can eliminate repetitive discussions of the same issues and focus a later EIR or MND on the more project-specific issues that may or may not have been adequately analyzed in the "first tier" document. Per Section 15152:

> "*Tiering is appropriate when the sequence of analysis is from an EIR prepared for a general plan, policy, or program to an EIR or negative declaration for another plan, policy, or program of lesser scope, or to a site-specific EIR or negative declaration. Tiering does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration. However, the level of detail contained in a first tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed*."

Caveats to this approach are that 1) tiering under Section 15152 is subject to the fair argument standard, whereby if a fair argument (supported by substantial evidence) is presented that a project *may* have a significant environmental impact, an EIR should be prepared; and 2) later projects must be consistent with the general plan and zoning designations of the city or county in which they are located (for land use development projects).

Section 15168 introduces the concept of the program EIR and provides for its use to examine later activities that may have been fully or partially covered in the program-level document. Tiering based on a program EIR relies on Section 15152 to evaluate later activities that are "within the scope" of a previously certified program EIR. For later projects that an agency determines are within the scope, the need to prepare a subsequent EIR is limited to those instances as specified in Section 15162 where new or more significant impacts would occur or where changed project circumstances would result in new or more significant impacts. Per Section 15168, a project generally would be within the scope of a program EIR if it were found by the lead agency to be consistent with allowable uses, the geographic area analyzed for environmental impacts, and covered infrastructure. Where a project has been partially analyzed in a program EIR, but additional, project-level details are necessary to specifically analyze the project-level impacts, subsequent CEQA documentation would consist solely of an analysis of the potential impacts of the new, more detailed project aspects.

As noted in the CEQA Guidelines Section 15168(5):

> *A program EIR will be most helpful in dealing with later activities if it provides a description of planned activities that would implement the program and deals with the effects of the program as specifically and comprehensively as possible. With a good and detailed project description and analysis of the program, many later activities could be found to be within the scope of the project described in the program EIR, and no further environmental documents would be required.*

2.3 Example of CEQA Streamlining for Climate Action Plans per 15183.5

While not specifically applicable to the analysis of VMT analysis, CEQA Guidelines Section 15183.5 lays out a framework for tiering and streamlining the analysis of GHG emissions that could be employed with the preparation of a VMT Reduction Plan (VRP) per Section 15064(h)(3), as discussed above. Per Section 15183.5, lead agencies may analyze and mitigate the significant effects of GHGs at a programmatic level, such as in a general plan, a long-range development plan, or a separate plan to reduce GHGs. Later project-specific environmental documents may tier from and/or incorporate by reference that existing programmatic review. Project-specific environmental documents may rely on an EIR containing a programmatic analysis of GHGs as provided in other sections of the guidelines that provide for tiered analysis, including Section 15152 (tiering) and 15168 (program EIRs). Numerous cities, such as Pasadena, have adopted a Climate Action Plan meeting the requirements of Section 15183.5, and are tiering their project-level analysis of GHG emissions, often by using a relatively simple checklist to examine consistency of land use projects with the adopted Climate Action Plan. In some jurisdictions, such as the City of San Francisco, only a checklist is used and project-level GHG emissions are not even quantified, thus streamlining project-level CEQA compliance.

As noted, a similar framework could be developed for VMT analysis whereby a VRP, or similar plan, could be developed and analyzed in a first tier EIR that could be used to clear subsequent specific projects under CEQA. The use of VRPs to lay out a coordinated, geographically focused program for VMT reduction is discussed in further detail below.

3 Tiering/Programmatic CEQA Approaches to VMT

Opportunities for tiering under CEQA may be able to be achieved through VMT updates to existing plans combined with CEQA compliance or through VMT reduction planning combined with CEQA compliance.

Several programmatic approaches to VMT are discussed below:

1) **Transportation Plans:** Program-level EIRs are typically prepared, for instance, for plans such as Regional

Transportation Plan/Sustainable Community Strategies (RTP/SCS) or other transportation improvement plans that trigger CEQA. VMT planning and analysis could be incorporated into the transportation plan and then the PEIR for the plan, in concept, could be used to provide tiering for projects included in the plan.

2) **VMT Reduction Plan (VRP):** A stand-alone VMT Reduction Plan could be prepared establishing feasible requirements to control/reduce VMT within a specified domain, and then the CEQA document for that plan would be used to provide tiering for projects subject to the VRP.

3) **Land Use Plans:** VMT planning could be incorporated into General Plans, Community Plans, Area Plans, and Specific Plan updates; and, when these plans are updated, new or subsequent CEQA documentation is undertaken. VMT planning and analysis could be incorporated into a General Plan or Specific Plan and then the CEQA document for the plan, in concept, could be used to provide tiering for projects or development included in the land use plan. As this type of plan is not within Metro's purview, this discussion is not included in this memorandum.

3.1 Transportation Improvement Plans

3.1.1 Transportation Plan Programmatic CEQA Approach

There is the potential to incorporate VMT analysis and reduction into a regional, sub-regional, and city/county transportation plan, conduct CEQA analysis on the plan, and provide CEQA streamlining for subsequent transportation projects covered by the plan.

The RTP portion of the RTP/SCS is a long-range transportation plan that is developed and updated by the Southern California Association of Governments (SCAG) every four years. The RTP provides a vision for transportation investments throughout the region and includes individual transportation projects within the scope of the plan.

There are also sub-regional transportation plans, such as Metro's 2020 Long-Range Transportation Plan (LRTP), which provides a detailed roadmap for how Metro will plan, build, operate, maintain, and partner for improved mobility in the next 30 years. The LRTP will guide future funding plans and policies needed to move LA County forward for a more mobile, resilient, accessible and sustainable future. However, Metro does not complete CEQA evaluations for the LRTP, so this is not a likely candidate for a programmatic CEQA approach if CEQA is not currently required for the LRTP.

There are also other transportation plans with smaller geographic domains that may be developed by transportation agencies or local municipalities, such as local circulation elements in General Plans.

CEQA documents for transportation plans could, in concept, incorporate VMT analysis to provide for tiering of projects included in the transportation plan. To assure the maximum utility of a Program EIR for clearing specific transportation projects in a transportation plan, the EIR would not only need to provide as much detail as possible regarding later specific projects, but also fully address VMT impacts (including making a significance determination) and evaluate a reasonable range of feasible alternatives to address significant impacts where possible.

For analysis of transportation projects within the Program EIR, the following approach is recommended:

1) Analyze transportation network with a future No Project baseline, such that the baseline assumes no change in transportation network. Keep the land use assumptions the same in Future No Project and Future With Project scenarios. This approach allows isolation of the net effect of transportation network changes. A potential significance threshold could be whether it would increase or decrease VMT. This

approach allows analysis of combined effect of roadway capacity projects, transit, bike/ped, etc. to see what overall effect on VMT would be.[2]

2) The analysis would need to be restricted to only financially constrained projects since VMT determination will rely on a suite of projects to be implemented and they must be assured to "deliver" the amount of VMT in the Program EIR (financially unconstrained project are candidates for VMT mitigation through additional funding, provided they are not otherwise mandated or funded).

It is important to note that even after compliance with CEQA's requirements to propose mitigation where feasible to avoid or minimize any significant impacts and to analyze a reasonable range of alternatives that have the potential to reduce significant project impacts, a significant unavoidable impact may still occur. Later projects would be able to proceed pursuant to such findings provided they are within the scope of the transportation plan and the Program EIR and would not result in any new or more severe impacts than those described in the EIR. Per CEQA Guidelines Section 15162, where new or more severe impacts resulting from substantial changes in the project or its circumstances, or the availability of new information of substantial importance that was not or could not have been known, that would result in a new or more substantial impact requiring new mitigation, preparation of a subsequent EIR or MND would be required. Ultimately, however, even if additional documentation is required under CEQA at the project level, the Program EIR may be used to simplify the task of preparing later environmental documents by incorporating the Program EIR by reference to provide the analysis of certain issues; focusing a subsequent EIR prepared for an activity within the program solely on new environmental impacts; or limiting environmental review to significant impacts not examined in the prior EIR (or that can be mitigated or avoided after further environmental review is completed). The Program EIR also may be used as a source of information for activities within the program that feeds into the environmental setting and cumulative impact analysis, for instance.

Ultimately, future transportation projects *would* be able to tier from the Program EIR if:

1) The project is within the scope of the Plan and the Program EIR – meaning the project is specifically mentioned in the plan and is mentioned and analyzed in the EIR relative to VMT.
2) The project is fully consistent with the Plan and the Program EIR, including all mandatory plan requirements and/or EIR mitigation.
3) VMT impacts associated with the project would be reduced to a less-than-significant level OR the Program EIR has made all required CEQA findings why VMT cannot be reduced to a less than significant level (including findings regarding mitigation or alternatives), the lead agency has adopted a statement of overriding considerations, and those findings and the statement of overriding considerations apply specifically to the project. (However, if the Program EIR identifies a significant unavoidable VMT impact for the transportation plan as a whole, but there is feasible mitigation or alternative that would reduce the VMT impact for the project to a less than significant level and the program level statement of overriding considerations does not preclude consideration of the feasible mitigation or alternative for the project, then the project-level compliance would not be able to tier from the Program EIR.)
4) All applicable mitigation measures from the Program EIR are implemented for the project.

3.1.2 Advantages and Disadvantages of Tiering with Transportation Plans

As noted above, tiering the analysis of later projects from a program EIR allows, in concept, for a more streamlined analysis of specific projects that are within the scope of the EIR. While in some cases subsequent CEQA analysis may be required if new or more severe impacts associated with the later project would occur that

[2] Note that the current Caltrans policy requires analysis of transportation-project VMT to evaluate whether the project would or would not induce VMT growth or otherwise result in an increase in total VMT. This policy landscape has been summarized in prior memoranda for Metro' VMT Mitigation Program effort and is not re-stated here.

were not analyzed and disclosed in the Program EIR, there is the potential for later, specific projects to be cleared under the Program EIR if specific projects are fully within the scope of the EIR analysis and none of the conditions of CEQA Guidelines Section 15162 are met. Further, under the approach to the analysis of transportation impacts posed above, the analysis of transportation impacts can be separated from land use, and the net effect of roadways and transit can be examined in tandem, such that the VMT impacts of roadway projects are offset by the transit projects that comprise the larger program. Ultimately, this enables a finding of Plan consistency for most types of transportation improvements.

The RTP/SCS would be a challenging vehicle for a programmatic approach to VMT. First, the RTP/SCS is prepared pursuant to the mandate of SB 375 and other requirements. Compliance with SB 375 alone concerning VMT is not necessarily sufficient to have a less than significant VMT impact. Second, the RTP/SCSs sometimes have a land use scenario that is not always consistent with local land use adopted documents. As such, the analysis of VMT in a PEIR for an RTP/SCS is reliant on a hypothetical land use scenario that is not legally required or adopted. As such, the VMT analysis in an RTP/SCS could contain land use assumptions that may not be realized, and this could constrain the reliance of subsequent transportation projects on the VMT analysis in the PEIR for the RTP/SCS because such analysis could understate the potential amount of VMT. Third, the MPO (e.g., SCAG), may not be able to make a determination that all feasible mitigation has been applied to VMT impacts for all the projects due to the legal limitations on the MPOs authority. As such, it may be hard to show that an RTP/SCS PEIR has truly considered VMT impacts, analyzed them based on a constrained land use and transportation scenario that can be implemented, and fully evaluated mitigation or alternatives as they relate to all transportation projects included in the RTP. To make an RTP/SCS work for VMT tiering, there would have to be a SCAG-wide regional mandatory program to control and/or mitigate VMT, which may be an ambition beyond that which SCAG would or could pursue.

A transportation plan with a smaller domain, such as a sub-region, or a city, or a defined set of transportation improvements may be a better vehicle for a programmatic CEQA approach to VMT because the lead agency is likely to have more substantive control than the MPO, the transportation plan would be paired with a constrained land use scenario based on adopted land use plans, and it may be more feasible to consider feasibility of mitigation and alternatives in a more detailed way than. The CEQA document for a transportation plan could be designed with tiering in mind by providing analysis of a constrained land use scenario (based on adopted local land use plans) as a baseline and then analysis of a constrained transportation scenario to determine how the projects within the transportation plan affect VMT overall. Then depending on the result of that analysis, if VMT effects are determined to be significant, then a programmatic approach to mitigating VMT could be incorporated into the CEQA document. Upon adoption of the transportation plan, the individual transportation projects could then tier from the CEQA document. Provided they are consistent with the transportation plan and the plan has fully mitigated VMT, then consistent projects could be found to be less than significant in regard to VMT.

As noted above, no CEQA compliance is currently completed for the LRTP. Thus, it would appear to be risky to start doing CEQA compliance for the purposes of VMT, if Metro is not required to do CEQA for the LRTP itself. Some risks associated with this approach include the potential for controversy and possible legal risk surrounding isolating transportation from land use in the environmental analysis, the level of detail of analysis in the program document, and combining the analysis of all transportation VMT – rather assessing VMT impacts on a project-by-project basis. Additionally, there could be some risk associated with relying on a prior EIR with a significant unavoidable impact, as this concept has not been the subject of extensive case law and remains somewhat controversial. However, a lead agency's decision to consider a later project within the scope of a Program EIR should generally be upheld if it is supported by substantial evidence. Reliance on a prior EIR can also have implications regarding the specificity and rigor of the mitigation measures, as no new, project-specific mitigation would be proposed. Also, because a transportation agency does not control land use, it may be more difficult to demonstrate the real-world effects of transportation projects independent of land use

decisions. Lastly, if project-generated VMT is not consistent with the program-level analysis, reliance on the Program EIR is not possible.

3.2 Stand-alone VMT Reduction Plan (VRP)

3.2.1 Developing a VRP

Using a similar approach to Climate Action Plans (CAPs) for GHGs per CEQA Guidelines 15183.5, another potential programmatic approach to identifying and minimizing VMT impacts is to develop a stand-alone VRP. Relying on CEQA Guidelines Section 15064 (h)(3), as described above, this approach would treat VMT as a cumulative impact issue due to the contributions of multiple different sources.[3] For land use agencies, such a plan could be developed for geographic areas such as subregions, individual jurisdictions, or subareas focusing on land use VMT. Alternatively, for a transportation agency like Metro, the VRP would focus on a suite of transportation investments. It would characterize existing VMT conditions within the geography of the plan or the suite of transportation improvements, analyze the VMT effects of the suite of transportation improvements, and if VMT increase exceeds a relevant threshold, identify feasible ways to reduce VMT.

As VRPs would be a new kind of plan without precedent, a key design question would be whether to cover all VMT effects within a specific geography or to cover a specific suite of either land use development or just a suite of transportation projects. CEQA Guidelines Section 15064(h)(3) focuses on plans that purportedly address a cumulative impact. If a VRP is only covering certain VMT sources, one could argue that approach constitutes "cherry picking" and does not address the full cumulative impact. This is an untested approach under CEQA. However, there is precedent in Climate Action Plans being prepared for cities, counties, and even for agencies (such as the Department of Water Resources), where the scope of the plan is not the entirety of cumulative GHGs, but rather a more discrete set of actions or projects. A second key design issue is whether a VRP can truly separate transportation improvements from land use or not, given that VMT is the result of the interaction of the two. The standard approach to separate out transportation project effects is to hold land use constant based on the approved land use plans in the affected geography.

This memo is not focused on articulating the specific VMT reduction measures that could be necessary for a comprehensive VRP, but mechanisms for VMT reduction covered in a VRP could include, but are not limited to, the following:

- Improved pedestrian networks: Improving or expanding pedestrian facilities can encourage walking by improving safety, comfort, and accessibility to goods and services. Key improvements focused on pedestrian comfort and safety may include streetscape amenities such as street trees, pedestrian scale lighting, benches, and canopies. Pedestrian comfort can also be increased through attention to design details such as sidewalk width and length. Ensuring connectivity through attention to the proportion of a route that includes sidewalks is also important to encouraging pedestrian mobility.
- Building low-stress bicycle network improvements: Bicycle network improvements encourage and support biking by providing facilities that make biking safer and more convenient. Network improvements can include interconnected bike lanes, cycle tracks, bicycle boulevards, and other improvements that provide dedicated bicycle facilities. Traffic calming measures also can be utilized to promote low-stress bicycle commuting. Other improvements can include wayfinding, signalization improvements, and bicycle parking infrastructure to promote seamless connectivity to transit connections and community facilities.

[3] See note above concerning the paradigm of economic growth and population growth over time resulting in VMT as the basis for the concern about VMT reduction in climate action planning at the statewide level. Should VMT not be increasing, this would be a factor in determining whether project-level VMT is significant or not.

- Encouraging telecommuting and alternative work schedules: Allowing employees to telecommute and function with alternative work schedules lowers VMT by eliminating trips associated with daily commutes. This strategy relies on employer willingness to participate and to provide employees with adequate resources to work from home. It also relies on employees having adequate internet access.
- Providing ride-share programs: Ride sharing reduces the number of cars on the road by encouraging high occupancy travel, thus reducing daily trips and overall VMT. Implementation of this strategy on a coordinated basis, such as through rider database management, establishment of park-and-ride lots, marketing, and establishment and maintenance of web-based ride tools, would require regional and local agency buy-in and participation.
- Provide transit incentives: Individual projects can require employers to participate in transit pass programs which provide contributions toward the cost of commuting on public transportation, thus creating incentives for transit use. Employers would have the option of subsidizing all or part of employee transit costs.
- Pricing mechanisms: Pricing mechanisms are intended to impose costs on individual vehicle use to encourage the use of alternative forms of transportation. These mechanisms may include congestion pricing, parking fees that reflect demand, or VMT-based fees attached to vehicle registration or gasoline purchases. VMT offsets could also be employed. Such an approach could include creation of an offset exchange system that would match VMT-generating projects with VMT-reducing projects, facilitated by a payment or other exchange. The approach draws on concepts from cap-and-trade and transfer-of-development-rights (TDR) programs, as well as regional-level VMT mitigation precedents.
- Alternative transportation support: Policies that make alternative transportation easier, such as transit-oriented planning and incentives, transit investment and prioritization, and outreach efforts to encourage active modes of travel (such as walking, biking, and transit) can help reduce VMT in individual vehicles.
- Land use strategies: While not directly under the purview of Metro, the following strategies have been shown to reduce VMT.
    - Higher density, diversified development. VMT reductions can be achieved by advancing land use policies and individual projects that promote higher density in proximity to alternative transportation services (i.e., transit and bicycle/pedestrian facilities). This benefit comes from the diversity of uses available within densely developed areas, and particularly those that are transit accessible. In short, densifying and diversifying land uses and providing opportunities for residents and employees to move to and between destinations using alternative transportation modes generally increases multimodal travel and decreases VMT.
    - Development standards and policies: Development standards and policies can help jurisdictions to proactively manage VMT growth by targeting compact development and integration of alternative forms of transport. Such standards can promote infill development and include conditions requirements for expanding development outside of already developed areas. Financial support, such as discounted loans or increased tax deductions, could also be provided for housing and other private development projects in locations where VMT will be minimized. Downtown revitalization programs could also help draw new investment to already developed areas and incentivizes denser, more efficient development. Revisions to local zoning regulations, such as height limits and minimum parking requirements, and other zoning requirements that limit infill development, could also be helpful in promoting VMT reduction efforts.

3.2.2 Programmatic CEQA Approach for VRPs

Similar to the programmatic CEQA compliance approach described above, a program-level EIR would be prepared for the VRP that would assess the impacts of the domain of land use and/or transportation investments on VMT, and analyze the effectiveness of feasible VMT reduction measures. These measures would be applied, as applicable, to reduce the impacts of later projects to be implemented under the program. Feasible alternatives also would be analyzed as required by CEQA to minimize significant impacts related to the proposed VRP.

As with individual projects relying on a Program EIR for a transportation or land use plan, later projects included within the scope of the VRP would rely on the EIR to the extent feasible for CEQA compliance. When determining whether subsequent project-level CEQA documentation is required, a VMT analysis could be completed to analyze a project's consistency with the VRP. If consistent, a less-than-significant (or less-than-significant with mitigation, if program-level mitigation is applied) impact determination could be made. If a later project is found not to be consistent, and a significant impact would occur, subsequent CEQA documentation would be required.

3.3.3 Advantages and Disadvantages of a VRP Approach to CEQA Compliance

Utilizing a VRP and associated program-level EIR could facilitate CEQA streamlining through reliance on a prior EIR to clear later projects that are within its scope. This approach also can readily be tailored to a particular geography or potentially set of projects, thus customizing the VRP (unlike other transportation plans or land use plans). For maximum utility, a plan and associated EIR would need to be designed to include enough detail to allow for a robust analysis under CEQA.

While VRPs could provide an effective, geographically targeted means of providing a roadmap for VMT reduction like the function of CAPs, recent case law related to CEQA compliance for CAPs portends some potential challenges for VRPs:

- The adequacy of general mitigation developed at a program-level can be challenged as not being sufficiently detailed to apply to specific, later projects;
- The overall VRP reduction target for VMT may not match aggressive and rapidly evolving state GHG reduction requirements[4];
- If the VRP covers controversial transportation or land use projects, opponents may be motivated to challenge the VRP CEQA analysis as a way of increasing leverage to challenge individual projects; and
- The VRP (and its EIR) ultimately may not do its job as a mechanism for clearing specific projects if the VRP is not broad enough in scope and the EIR specific and rigorous enough in its analysis of the VRP's components.

As noted above, VRPs are new and untested in terms of project development and CEQA compliance. There are notable unknowns related to whether a VRP would have to address both land use and transportation or whether it could cover transportation on its own. Despite these challenges, the precedent of Climate Action Plans not only provides precedent of challenges that have frustrated progress on certain CAPs (such as the San Diego County CAP), but also precedents of numerous jurisdictions that have successfully developed and adopted CAPs that have allowed for substantial streamlining and efficiency of GHG compliance under CEQA, including CAPs in certain areas that have been upheld in CEQA challenges (such as the City of San Francisco's use of their CAP for GHG streamlining).

[4] While VMT and GHG are technically separate, the state imperative to reduce GHGs is a primary driver of the push to control/reduce VMTs in SB 743 and subsequent efforts.