



February 29, 2016

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

RE: Comments on the "Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA" to Implement SB 743

Dear Mr. Calfee:

The Southern California Association of Governments (SCAG) and the County Transportation Commissions (CTCs) undersigned would like to express our sincere appreciation for the extensive efforts put forth by the Office of Planning and Research (OPR) staff in developing this latest proposal in support of the draft CEQA Guidelines update, pursuant to SB 743. We thank you for the opportunity to provide comments.

As the Metropolitan Planning Organization representing 6 counties and 191 cities in Southern California, SCAG is responsible for implementing SB 375 in our region. In April 2012, SCAG's Regional Council adopted the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy, a transformational plan for Southern California. SCAG is now in the final stages of developing the 2016-2040 RTP/SCS, which is focused on further achieving regional sustainability objectives and reducing greenhouse gas emissions.

SCAG recognizes the importance of SB 743 for the effective implementation of SB 375. The development of an alternative metric to evaluate CEQA transportation impacts that serves to reduce greenhouse gas emissions, supports development of multimodal networks, and encourages mixed-use transit oriented development, will also serve to facilitate implementation of the 2016 RTP/SCS. SCAG recognizes that the proposed transition to a VMT based metric will facilitate implementation of many of the sustainability strategies outlined in the RTP/SCS and will support regional investments, particularly in active transportation and transit.

OPR's extensive outreach efforts, which most recently included a well-attended stakeholder meeting at the SCAG offices on February 18, 2016, have provided our local stakeholders the opportunity to gain a better understanding of the Revised Proposal and to offer timely

and meaningful input. We very much appreciate the exemplary diligence OPR has demonstrated throughout this process to maximize participation by our regional and local stakeholders in developing the revised CEQA Guidelines through the several meetings and workshops conducted by OPR in support of this effort over the past two years. We also commend the responsiveness of OPR staff in engaging our stakeholders in meaningful discussions.

OVERALL CONCERNS

Despite OPR staff's efforts, SCAG still has serious concerns if the current version of the Revised Proposal document is adopted. It is important to note that the ability of our RTP/SCS to meet both state and federal statutory requirements is dependent upon implementation of the Plan as a whole, including the addition of highway and roadway capacity to meet the existing and projected future transportation mobility needs of millions of residents living and working in our region.

The 2016 RTP/SCS presents a balanced and integrated land use and transportation plan for the Southern California region that respects local input from our member cities and counties, and is consistent with respecting local control over land use issues as required by state laws, including SB 375. SB 743 and its implementation through the CEQA Guidelines will greatly facilitate the region's ability to plan for and implement transit supportive development patterns and encourage built environment conditions that support increased active and public transportation. However, the highway capacity improvement projects included in the 2016 RTP/SCS are also an integral component of the Plan, and any VMT impact that individual projects may produce, either direct or induced, is balanced at the regional level by a wide array of other projects and strategies that serve to reduce VMT and meet regional GHG reduction targets. Therefore, it is imperative that OPR's proposal be modified to assure that individual capacity improvement transportation projects that are identified in the RTP/SCS, sales tax measures, or STIP be grandfathered and not be evaluated or required to comply with a new project-specific VMT metric in isolation of the integrated regional plan of which they are a part.

Implementation of the current version of the Revised Proposal, with the proposed new VMT and induced demand impact analysis requirement, creates new litigation risks for transportation projects that have already been included in the approved 2012 RTP/SCS (and evaluated in the accompanying certified Programmatic Environmental Impact Report (PEIR)), and those that are included in the pending 2016 RTP/SCS and PEIR. Imposition of new project-level VMT and traffic inducement CEQA impact analyses jeopardizes the integrity of our transportation plan, and could create unwarranted new legal risks for voter-approved, federally-approved, and state-approved transportation capacity investment projects. For these reasons, we strongly urge OPR to limit the new Guidelines to approving the suggested VMT impact metric aimed at streamlining the CEQA process for infill projects by SB 743 to the Transit Priority Areas at the present time, or at minimum, extend the opt-in period for non-Transit Priority Areas and the grandfathered projects identified in the RTP/SCS, sales tax measures, or STIP.

ADDITIONAL SPECIFIC COMMENTS

Below are additional specific comments as related to the induced demand analysis, mitigation requirements for capacity improvements projects, fair share allocation, RTP/SCS consistency, and grace period.

Induced Demand Analysis

- Induced demand is a major new CEQA impact concept, and the following is a partial list of issues that should be comprehensively addressed in a workshop setting prior to issuing this revision to the CEQA Guidelines. We would like to invite OPR staff to lead the workshop, and we appreciate our continued collaboration with OPR toward achieving successful implementation of the revised Guidelines.
 - Requiring induced demand and related VMT analysis for individual projects will increase the risk of litigation due to the general infeasibility of providing the required mitigation measures in many areas, thereby mandating the preparation of a large number of separate EIRs for a multitude of individual projects.
 - Recalibrate the fair share of VMT threshold so that the fair share is apportioned to capacity only projects.
 - Develop models that adequately assess the regional effects of VMT.
 - OPR should provide clarification regarding what specifically constitutes induced demand with respect to VMT. The addition of a definitions section in the Technical Appendix may allow the opportunity to provide more precise descriptions of some of the terms used in the document.
 - Freight corridors documented in the California Freight Mobility Plan should be exempted from the induced growth analysis requirement. This is consistent with Executive Order B-32-15, which highlights competitiveness as one of the pillars of sustainable freight and a sustainable economy. In addition, special consideration should be given to projects that promote dedicated freight corridors or zero/near-zero vehicle technology.
 - More direction is needed regarding how to determine the CEQA baseline for induced impact analysis.
 - Clarification is needed on the approach to be used for analyzing induced demand by project type.
 - Providing the option for use of a programmatic approach to project-level induced growth evaluation, including the use of tiering from previously adopted EIRs, such as the 2012 or the pending 2016 RTP/SCS PEIR, would relieve local jurisdictions of the significant and costly burden of having to perform separate analyses for each individual transportation project.
 - Grandfather in projects in the 2016 RTP/SCS, sales tax measures, or in the STIP.

Mitigation Requirements for Capacity Improvement Projects

- Many of the mitigation measures suggested in the Technical Advisory are clearly in line with regional and local priorities including active transportation, first/last mile connectivity, transit supportive development patterns, transit expansion, and

complete streets. We particularly appreciate the suggestion of a fee-based mitigation option, though we would welcome more guidance on the suggestion. Nevertheless, many of the recommended VMT mitigation measures included in the Technical Advisory are not feasible options in some areas, particularly suburban, rural, and other non-transit amenable locations. In addition, capacity improvement projects that are not of a scale large enough to impact regional VMT performance should be considered for exemption from this requirement.

- The Draft Guidelines should clearly state that only capacity increasing transportation projects would require mitigation.
- Additional guidance regarding the presentation of feasible mitigation options for projects in suburban and other outlying non-TPA areas is recommended. Many of the options presented in the Technical Advisory are not feasible for highway improvement projects.

Fair Share Allocation

- The 'fair share' VMT allocation methodology presented in the Technical Advisory could prove to be more beneficial as a tool for estimating the VMT threshold of a capacity increasing project by revising the allocation calculation to make it more responsive to the multitude of factors that affect a project's VMT impact.
 - Clarification is needed regarding the appropriate methodology for calculating 'fair share' VMT at the project-level.
 - The 'fair share' allocation methodology should be revised to take into account the scale of a project including, for example, lane miles, costs, and facility type.
 - The 'fair share' allocation methodology should be applicable only to projects that increase highway capacity.
 - The 'fair share' methodology should be crafted not to penalize fast growing areas or roadway projects that provide much needed connectivity and accessibility.
 - However, the data and assumptions required to determine the statewide VMT cap and allocation are fluid, which would result in the need to constantly monitor and adjust the fair share allocations. The development of a programmatic approach to VMT allocation may reduce the uncertainties introduced by the currently recommended project-oriented 'fair share' methodology.

RTP/SCS Consistency

- The land use assumptions and data being used in support of the 2016 RTP/SCS for the SCAG region are to be adopted at the jurisdictional level. Any interpretation of RTP/SCS data at a geographic scale smaller than the jurisdictional level should not be used for purposes of determining consistency with the RTP/SCS.
 - Language is needed in the revised Guidelines that clearly states that RTP/SCS consistency is to be determined at the discretion of the lead agency and is to be based on the aggregation of TAZ data to the jurisdictional level.
 - Cities and counties control local land use decisions under the California constitution and other statutes, such as General Plan laws. SB 375, which creates the statutory framework for reducing GHG from the land use and transportation sectors, specifically calls out and respects local control over land

use decisions. Successful collaborative planning efforts have allowed our region to meet and exceed GHG reduction targets. As a result, we strongly urge the guidelines allow for flexibility among the local region to address and resolve issues as best fits the local context.

Grace Period Extension

- It is beneficial that OPR has included a 2-year opt-in period to allow less prepared jurisdictions the opportunity to gradually develop the resources needed for successful implementation of the revised Guidelines.

To further promote successful implementation in non-TPA areas, an extension of the process to allow for technical and policy workshops, and refinements of the proposal, is required in addition to an eventual proposed grace period to allow more time to absorb lessons learned from the initial implementation is recommended. It is imperative that local jurisdictions have adequate tools and resources in place to implement any new analytical requirements established by the revised Guidelines before Guideline revisions are adopted or implemented.

For example, the VMT averaging approach suggested for unincorporated areas and incorporated cities for various types of land uses requires the availability of VMT data for these sub-areas of a region, and further requires the creation of average VMT for existing land use categories within a region. These VMT methodologies should be developed, and tested, before any Guideline revisions are proposed or adopted.

- OPR should consider granting an extension of the 2 year 'opt-in' period to allow suburban localities and other non-TPA areas adequate time to resolve issues regarding the limited availability of feasible mitigation options in these areas.
- Reconvening stakeholders approximately 18 months after initial implementation of the revised Guidelines in the TPAs is recommended so that OPR will be able to report on lessons learned to stakeholders, and to establish a strong foundation of implementation experience which can be used to evaluate how best to proceed to further improve implementation.
- We strongly encourage OPR to grandfather capacity projects that are approved and/or identified in the 2016 RTP/SCS, sales tax measures, and the STIP, and that OPR focus the CEQA streamlining measures in support of SB 743 in the Transit Priority Areas at the present time, which will help promote transit-oriented infill development in those locations while also providing a strong foundation for achievement of both the regional transportation sustainability goals of the 2016 RTP/SCS and the statewide GHG reduction goals of SB 375. At a minimum, the opt-in period should be extended for implementation in non-Transit Priority Areas.

In summary, it is our contention that the most efficient means for preventing sprawl, and the concomitant greenhouse gas emissions it produces, is to incentivize compact development, and focusing implementation of the revised CEQA Guidelines to the Transit Priority Areas, at least until such a time that a more complete understanding of the implications that may be presented by a more expansive implementation of the revised Guidelines is obtained. We support our region's and our state's mutual goal of sustainable development and

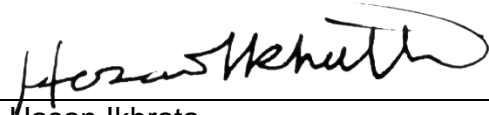
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greenhouse gas reduction, but feel strongly that to succeed we must have the ability to implement the projects that were authorized in the regional transportation plans and sales tax measures. In order to deliver on the commitments made in these plans, it is critical that the opt-in period be extended for non-Transit Priority Areas and that capacity projects identified in these plans be grandfathered.

SCAG and the CTCs undersigned look forward to continuing to assist OPR in the development of the CEQA Guidelines Update pursuant to SB 743 to ensure that the revision does not place undue burdens to our member jurisdictions and delays in project implementation. Please keep us apprised of the status of this initiative, and let us know of any means by which we may be able to further assist OPR staff to ensure the successful implementation of the revised CEQA Guidelines in the SCAG region.

If you have any question, please contact Ms. Huasha Liu, Director, Land Use and Environmental Planning, at (213) 236-1838.

Sincerely,



Hasan Ikhrata
Executive Director
Southern California Association of
Governments



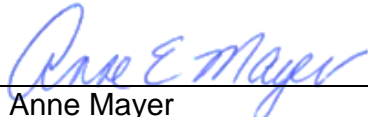
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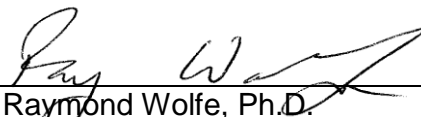
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