



**TOWN OF LOS GATOS  
COUNCIL POLICY COMMITTEE REPORT**

MEETING DATE: 11/23/2021

ITEM NO: 2

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DATE: November 19, 2021  
TO: Council Policy Committee  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Recommend to the Town Council the Review and Adoption of an Updated Transportation Impact Policy.

**RECOMMENDATION:**

Recommend to the Town Council the review and adoption of an updated Transportation Impact Policy (Attachment 1).

**BACKGROUND:**

California Senate Bill (SB) 743, which was signed into law by Governor Brown in 2013, changes the way that public agencies evaluate the transportation impacts of projects under the California Environmental Quality Act (CEQA), recognizing that roadway congestion, while an inconvenience to drivers, is not itself an environmental impact. At its November 17, 2020 meeting, the Town Council adopted a resolution designating the use of vehicle miles traveled (VMT) as the metric for conducting transportation analyses pursuant to CEQA and establishing the thresholds of significance to comply with SB 743.

The transition to using VMT as the metric for transportation analyses pursuant to CEQA has necessitated the proposed update to the Traffic Impact Policy. The draft 2040 General Plan Implementation Program identifies a program called Transportation Analysis Guidelines:

*Develop and adopt transportation analysis (TA) guidelines that define the VMT analysis methods, significant impact thresholds, Transportation Demand Management (TDM) programs, and mitigation programs consistent with the requirements of Senate Bill 743.*

Policy No. 1-05, currently known as the Traffic Impact Policy, is intended to provide guidance to Town staff and the development community in implementing the provisions of the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees.

**PREPARED BY:** Ying Smith  
Transportation and Mobility Manager

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Parks and Public Works Director

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SUBJECT: Recommend to the Town Council the Review and Adoption of an Updated  
Transportation Impact Policy

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DISCUSSION:

The Draft Transportation Impact Policy (Attachment 1) includes major updates to the current Policy. The proposed revisions, including supporting documents, enhance the details used to determine what projects are subject to the Draft Policy and subsequently the technical requirements used in preparing transportation analyses.

The Draft Policy is updated and organized as follows:

Name: The policy name is changed to Transportation Impact Policy to accurately represent the purpose.

Section I. General Conditions and Applicability: This includes the language in the current Policy in sections II-1, II-2, VII-2, and VII-3. The Purpose was expanded to include “evaluating and mitigating CEQA transportation impacts.” Minor edits were provided for clarity and consistency.

Section II. Transportation Impact Mitigation Fees: This includes the original language in sections III-1, 2, 3, 4, and V.

Section III. VMT Mitigation Measures: This is a new addition specific to VMT.

Attachment 1 - Transportation Analysis (TA) Guidelines: This new document provides detailed guidance in conducting analyses to meet different requirements in CEQA guidelines, Congestion Management Program (CMP), and Level of Service (LOS) performance standard.

Attachment 2 - Town of Los Gatos Transportation Mitigation Improvements Project List: No change was made to the current Attachment 1. The attachment was re-numbered.

Attachment 3 - VMT Reduction Actions for the Town of Los Gatos: This new attachment provides supporting documentation for mitigation actions projects will need to take. This attachment is not all inclusive, but rather provides categories and examples.

Attachment 4 - Definitions: This list of definitions was expanded and modified to be consistent with the definitions in the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees, and Resolution 2020-045.

Attachment 1, TA Guidelines, was prepared to reflect Resolution 2020-045, Designating the Use of Vehicle Miles Traveled as the Metric for Conducting Transportation Analyses Pursuant to the California Environmental Quality Act and Establishing the Thresholds of Significance to Comply

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DISCUSSION (continued):

with California Senate Bill 743. The Town continues to require LOS analysis to assess impacts from new developments on the local roadway performance.

The TA guidelines have many technical details therefore it is more appropriate to be included as an attachment to the Draft Policy. The key elements and changes from the current Policy are:

1. Explains the different requirements for transportation analyses for different project types: land use entitlements, land use projects; and transportation improvements.
2. Establishes different analysis guidelines per the CEQA Guidelines, CMP compliance, and Town's transportation policies.
3. Establishes the different procedures to evaluate land use projects that are compliant with the General Plan and those that are not.
4. Establishes the VMT analysis methods and provides guidance for projects to propose VMT mitigation measures.
5. Establishes the guidelines for CEQA analysis for transportation projects.
6. Enhances the guidelines for LOS analysis for land use projects and provides guidance on proposing transportation improvements to address a deficiency caused by a project.

The Town is in the process of updating the General Plan and the Draft Environmental Impact Report (DEIR) for the 2040 General Plan which was released for public review in July 2021. The 2040 General Plan DEIR identifies significant but unavoidable transportation impacts and the mitigation measures. The Town is taking a Town-wide approach for VMT impact mitigation. The Draft Policy includes the VMT Reduction Actions that provides a framework for mitigating VMT in the Town.

NEXT STEPS:

One of the implementation actions would be to update the transportation impact program to incorporate the VMT reduction strategies. As an immediate next step, staff is planning to bring a recommendation to issue a Request for Proposals to select a consultant to prepare a study to guide the update to the Town's Traffic Impact Mitigation Fees program. The update will provide a path for land use projects to complete CEQA clearance.

CONCLUSION:

Staff recommends the Council Policy Committee provide input in the Draft Policy and recommend to the Town Council the approval of the proposed Transportation Impact Policy, including any specific input from the Committee.

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COORDINATION:

This report was coordinated with the Community Development Department and the Town Attorney. At its November 10 meeting, the Planning Commission reviewed the Draft Policy and provided feedback.

The consultant on this project, Fehr & Peers, is providing the final review of the Draft Policy and technical guidelines. Input from the Planning Commission and the Policy Committee will be incorporated in the final Draft Transportation Impact Policy that will be considered by the Town Council.

FISCAL IMPACT:

There is no fiscal impact as a result of the recommended action.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Draft Transportation Impact Policy