



STAFF REPORT
Board Meeting of June 17, 2020

AGENDA ITEM: 5-C

PREPARED BY: Dylan Stone, Principal Regional Planner

SUBJECT:

Senate Bill 743 Implementation - Update

Enclosure: Yes

Action: Information and Discussion

SUMMARY:

Senate Bill 743 (SB 743) was signed in 2013, with the intent 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.” When implemented, “traffic congestion shall not be considered a significant impact on the environment” within California Environmental Quality Act (CEQA) transportation analysis.

SB 743 requires the Governor’s Office of Planning and Research (OPR) to identify new metrics for identifying and mitigating transportation impacts within CEQA. For land use projects, OPR identified Vehicle Miles Traveled (VMT) per capita, VMT per employee, and net VMT as new metrics for transportation analysis. For transportation projects, lead agencies for roadway capacity projects have discretion, consistent with CEQA and planning requirements, to choose which metric to use to evaluate transportation impacts. The level of traffic congestion on a roadway segment, or its Level of Service (LOS), will no longer be an analysis factor for considering the significant impacts of a project.

Legislature Members Request for Delay of Implementation

On May 25, 2020, a bi-partisan letter signed by 20 members of the California Senate and Assembly was sent to the office of Governor Newsom requesting the implementation of SB743 be delayed two years (July 1, 2022). The letter was signed by Anna Caballero, Senate District 12; Andreas Borgeas, Senate District 8; and Frank Bigelow, Assembly District 5. A copy of the letter can be viewed by clicking the following web link: [Letter from CA Legislature on SB 743 Implementation.](#)

The letter highlights concerns related to the policy impacting housing costs, specifically of increased home costs disproportionately burdening lower income households. SB 743 will see higher mitigation costs for housing the further away it is proposed from jobs centers and urban cores despite lower income earners often relying on housing in these areas due to their affordability. This issue can be further compounded by the amount of non-fixed location employment in the construction, agricultural, delivery, service, maintenance/repair, etc., industries who rely on affordable housing.

San Joaquin Valley Regional Policy Council Position

A letter is being drafted to Caltrans Director Toks Omishakin from the San Joaquin Valley Regional Policy Council at the behest of the San Joaquin Valley Directors Committee. A copy of the letter has been included with this item.

The letter highlights that SB 743 was created to establish special administrative and judicial review procedures under CEQA for the City of Sacramento's Downtown Golden 1 Sports Center. The bill, however, has been construed as providing guidance on reforming transportation and CEQA planning practices statewide, rather than a specific project.

The letter also discusses concerns related to delivering on voter approved measure programs, many of which serve to benefit the state's important economic corridors with projects improving safety and efficiency of transport.

Negative impacts to housing affordability in disadvantaged communities is also discussed. Additional housing and transportation costs because of more intensive levels of VMT mitigation will disproportionately burden lower income households.

Beyond requesting a delay in the implementation of SB 743, The San Joaquin Valley Regional Policy Council have offered the following solution for consideration:

1. Encourage teleworking. The COVID-19 pandemic has provided a crash course in demonstrating that technology can be a solution to alleviating traffic congestion, improving air quality and quality of life.
2. Provide greater incentives for the purchase of electric vehicles, installation of charging stations along the state highway system and retrofit homes to provide the proper charging outlets. This would provide for an immediate, cost-effective solution to improving air quality while enhancing mobility for residents.
3. Continue making investments into passenger rail service. This includes augmenting funding for grade separation projects to enhance safety from cross traffic, ensuring reliability of service, and reducing idling of vehicles at rail intersections. Continued investments to provide cost-effective and frequent service will help ease congestion and improve air quality.
4. Innovation by transit systems to model service after transportation network companies through offering vanpool service, car sharing, and other alternatives rather than traditional bus routes.
5. Ship more containers and goods via freight rail to reduce truck traffic on major arterials such as Highway 99 and Interstate 5. This would greatly enhance safety, slow down road degradation, and alleviate congestion.
6. Provide greater incentives for businesses to locate or expand operations in the San Joaquin Valley. This would reduce GHGs, VMT, and is a greater return on investment than building expensive high-density housing in already densely populated, high-cost metropolitan areas.

Comment on the SB 743 Draft Transportation Analysis Framework (TAF) and the Draft Transportation Analysis under CEQA

Caltrans released the Draft Transportation Analysis Framework and the Draft Transportation Analysis under CEQA (TAC) for review in March of this year. An extended comment period ended June 15, 2020.

The Draft Transportation Analysis Framework (TAF) assists Caltrans staff and other transportation professionals in identifying the best approach for analyzing induced travel in terms of VMT under CEQA in various settings and for projects on the State Highway System (SHS).

The Draft Transportation Analysis under CEQA (TAC) guides Caltrans and other CEQA practitioners in making CEQA significance determinations for transportation projects on the SHS.

MCTC staff, in conjunction with other San Joaquin Valley MPO staff, have reviewed the draft guidance documents and provided comments on the following elements:

- Tools proposed for use to calculate induced vehicle miles travelled are not sensitive to the diverse conditions in the San Joaquin Valley, more suited for large metropolitan areas
- Further classification is needed to designate area types with context to their region (large metro/urban, small city/community, rural island/township, primarily rural)
- More clarification or regional context is needed for exemption of safety projects in key state goods movement corridors

FISCAL IMPACT:

No fiscal impact to the approved 2019-20 Overall Work Program and Budget.