



# City of Culver City

## Staff Report

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**CC - Adoption of an Ordinance Adding Subchapter 15.06.500, *Mobility Improvement Fees*, to Chapter 15.06, *New Development Fees*, of the Culver City Municipal Code.**

**Meeting Date:** June 28, 2021

**Contact Person/Dept:** Ashley Hefner/CDD/Advance Planning

**Phone Number:** (310) 253-5744

**Fiscal Impact:** Yes  No

**General Fund:** Yes  No

**Public Hearing:**

**Action Item:**

**Attachments:**

**Commission Action Required:** Yes  No  **Date:**

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (06/09/2021, 06/23/2021), Notify Me - General Plan Update, Public Notifications, Stay Informed - Travel Demand Forecast Model, (Posted) City website (05/24/2021, 06/16/2021); (Published) in Culver City News (06/03/2021)

**Department Approval:** Charles Herbertson, Public Works Director (06/16/2021); Rolando Cruz, Chief Transportation Officer (06/16/2021); Sol Blumenfeld, Community Development Director (06/16/2021)

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### **RECOMMENDATION**

Staff recommends the City Council adopt an Ordinance adding Subchapter 15.06.500, *Mobility Improvement Fees*, to Chapter 15.06, *New Development Fees*, of the Culver City Municipal Code.

### **BACKGROUND**

In 2017, the City started the Travel Demand Forecast Model (TDFM) project to provide new and updated regulations, tools, and fees to comply with Senate Bill 743 (SB 743). The TDFM project is an inter-departmental effort among the Community Development, Public Works, and Transportation Departments.

As of July 1, 2020, SB 743 required agencies to measure transportation impacts under the California Environmental Quality Act (CEQA) using vehicle miles traveled (VMT) instead of level of service (LOS) to achieve its land use diversification, greenhouse gas (GHG) emissions reductions, public

health improvement, and multimodal network goals.

In addition to SB 743, the Complete Streets Act of 2008 (Assembly Bill [AB] 1358), the Global Warming Solutions Act of 2006 (AB 32), and the Sustainable Communities Act (SB 375) directed local jurisdictions to reprioritize transportation improvements to focus on access to transit and on active transportation as strategies to reduce dependence on auto travel and reduce VMTs and associated GHG emissions. TDFM project regulations, tools, and fees approved and adopted to date include:

- The *Culver City Transportation Study Criteria and Guidelines*, as shown in Attachment 1, which guides developers on the requirements to analyze a project's transportation impacts, including new VMT screening criteria and impact thresholds, and mitigation options to comply with CEQA, updated supplemental non-CEQA LOS analysis, and non-LOS/VMT requirements.
- A *transportation study review fee* that recovers City staff costs for project-level review, transportation demand management (TDM) monitoring and enforcement, periodic updates to the travel model, and anything else needed to perform adequate project-level transportation analysis.
- A *travel behavior/demand forecast model* used to calculate the Mobility Improvement Fee and assess the City's General Plan Update.
- A *project-level VMT tool*, also shown in Attachment 1, used by applicants to calculate project-level VMT impacts for transportation studies.

See the May 13, 2020, City Council and Planning Commission joint session (Attachment 2) and July 13, 2020, City Council meeting (Attachment 3) materials for further detail.

On June 14, 2021, City Council unanimously introduced the Ordinance; determined the Ordinance is exempt from the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations Sections 15061(b)(3), 15060(c)(3) and 15378(b)(4); adopted a Resolution establishing Mobility Improvement Fees; adopted a Resolution adopting an Interim Mobility Improvement Project List; and adopted a Resolution adopting Interim 2045 Growth Forecasts. See Attachment 4 for further detail.

## **DISCUSSION**

### **Adopt Mobility Improvement Fees**

Adopting the Mobility Improvement Fees Ordinance is the last step to complete the TDFM project. The proposed Ordinance (as shown in Attachment 5) would establish Mobility Improvement Fees, a Mobility Improvement Fund, and an Interim Mobility Improvement Project List. Establishing new development Mobility Improvement Fees is consistent with the City Council's *2018-2023 Strategic Plan* priority to improve circulation by providing alternative modes of transportation and it is a recommendation of the *TOD Visioning Study and Recommendations*.

The purpose of establishing these fees is to have new development resulting in added VMT pay a fair share towards funding citywide mobility projects that support employee and resident growth resulting from the development. New development that does not contribute to the cost of new mobility

infrastructure and programs will exacerbate the adverse effects of increased VMT. Implementing these improvements and programs will benefit the city as a whole with increased mobility alternatives to single-occupancy vehicle driving and reduced transportation-related GHG emissions which is beneficial to the public health, safety, and welfare of the city.

It should be noted, subsequent to the introduction of the Ordinance on June 14, 2021, staff noticed a few typographical/formatting errors, which have been corrected. Specifically, there were two provisions listed in the table of contents of the subchapter for provisions that do not exist within the Ordinance. In addition, there was one instance of the use of “Commission” where “Director” was clearly intended. These corrections are not substantive and do not require a re-introduction of the Ordinance.

### *Nexus Study*

Fehr & Peers, the City's consultant, completed a nexus study to analyze the relationship between VMT created by new development and the need to implement the Project List to support jobs and housing growth mobility needs as shown in Attachment 6. The study quantifies the fees related to new development projects based on land use to pay fair share fees towards the Project List in compliance with the Mitigation Fee Act (California Government Code Section 66000 et seq.). The nexus study found that:

- The proposed Mobility Improvement Fees are directly related and roughly proportional to the impacts of new development; and
- The Project List to be funded in part through the Mobility Improvement Fees consists of improvements that have been identified in previous City planning efforts needed to accommodate planned growth.

### *Economic Analysis*

Economics & Planning Systems, the City's consultant, prepared an economic analysis to compare the proposed Mobility Improvement Fees and overall development fees to seven neighboring jurisdictions to understand relative development burden as shown in Attachment 7. The economic analysis found that:

- The proposed Mobility Improvement Fees would be aligned with, and in some cases, still be lower than, transportation impact fees charged in several neighboring cities; and
- Culver City's total development impact fees amount would be in the middle range of impact fee levels charged in neighboring jurisdictions for most land uses; and
- Culver City's total development impact fees as a percent of development value would be lower than most of its neighbors on residential uses and in the middle range of fee burdens on nonresidential uses.

The proposed Ordinance is presented for adoption by the City Council.

## **ENVIRONMENTAL DETERMINATION**

The adoption of the Mobility Improvement Fees Ordinance: (1) is exempt from further environmental review under the California Environmental Quality Act ("CEQA") pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15061(b)(3) because the Ordinance will not allow for or encourage any more development than is already anticipated under the City's existing General Plan and as regulated by existing zoning, or otherwise allow for or promote physical changes in the environment; and therefore, it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment; (2) is not a project under CEQA Guidelines Section 15060(c)(3) and 15378(b)(4) as it is a governmental fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and (3) is not intended to apply to specifically identified projects and as such it is speculative to evaluate any such future project now. Moreover, the Ordinance is not intended to, nor does it, provide CEQA clearance for future development projects by the mere establishment of a Mobility Improvement Fee. All new development projects required to pay the fee imposed by this Ordinance will be subject to appropriate environmental review as part of the entitlement process. Each of the foregoing provides a separate and independent basis for CEQA compliance and, when viewed collectively, provides an overall basis for CEQA compliance.

## **FISCAL ANALYSIS**

There is no fiscal impact associated with adopting the proposed Ordinance.

## **ATTACHMENTS**

1. 2021-06-28\_ATT\_Transportation Study Information Webpage
2. 2021-06-28\_ATT\_5/13/20 City Council/Planning Commission Agenda Item A-1
3. 2021-06-28\_ATT\_7/13/20 City Council Agenda Item C-3
4. 2021-06-28\_ATT\_6/14/21 City Council Agenda Item PH-4
5. 2021-06-28\_ATT\_Proposed Mobility Fee Ordinance
6. 2021-06-28\_ATT\_Nexus Study
7. 2021-06-28\_ATT\_Economic Analysis

## **MOTION**

That the City Council:

Adopt the proposed Ordinance adding Subchapter Chapter 15.06.500, *Mobility Improvement Fees* to the Culver City Municipal Code.