



City of Culver City

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Staff Report

File #: 20-993, **Version:** 1

Item #: C-3.

CC - 1) Adoption of a Resolution Adopting the Culver City Transportation Study Criteria and Guidelines, which Supersedes and Replaces the 2012 Traffic Study Criteria for the Review of Proposed Development Projects within the City of Culver City; and 2) Adoption of a Resolution Establishing an Updated Transportation Study Review Fee.

Meeting Date: July 13, 2020

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Fiscal Impact: Yes ☐ No ☒ **General Fund:** Yes ☐ No ☒

Public Hearing: ☐ **Action Item:** ☒ **Attachments:** ☒

Commission Action Required: Yes ☒ No ☐ **Date:** 5/13/20

Public Notification: (E-Mail) Meetings and Agendas - City Council (06/18/20); Stay Informed - Travel Demand Forecast Model (06/01/20, 06/04/20)

Department Approval: Sol Blumenfeld, Community Development Director (05/29/20)
Charles Herbertson, Public Works Director (06/01/20)
Rolando Cruz, Transportation Director (05/30/20)

RECOMMENDATION

Staff recommends the City Council 1) adopt a resolution adopting the Culver City Transportation Study Criteria and Guidelines, superseding and replacing the 2012 Traffic Study Criteria for the Review of Proposed Development Projects within the City of Culver City; and 2) adopt a resolution establishing an updated transportation study review fee.

BACKGROUND

On May 13, 2020, the City Council and Planning Commission held a joint study session to consider the Travel Demand Forecast Model (TDFM) and the *Culver City Transportation Study Criteria and Guidelines*. The TDFM project provides new and updated regulations, tools, and fees to comply with Senate Bill 743 (SB 743), including a new model to inform the preparation and impact analysis of the updated General Plan and new vehicle miles traveled (VMT) impact fee. Background information

from the study session staff report and presentation are provided in Attachments 7 and 8. The proposed *Culver City Transportation Study Criteria and Guidelines* (Attachment 2) guides developers on the requirements to analyze project transportation impacts, outlining the new and updated regulations, tools, and fees. The Planning Commission adopted a resolution recommending the City Council adopt the proposed Criteria and Guidelines but directed staff to revise the proposed California Environmental Quality Act (CEQA) VMT screening threshold for transit priority areas (TPAs). City Council also directed staff to revise the threshold for affordable housing.

DISCUSSION

The proposed Criteria and Guidelines will supersede and replace the existing 2012 *Traffic Study Criteria for the Review of Proposed Development Projects within the City of Culver City* (Attachment 5) and includes an expanded CEQA section regarding the VMT transportation impact analysis process based on the new VMT screening, impact thresholds, and mitigations and updated requirements for supplemental analysis as summarized below. The May 13, 2020 staff report (Attachment 7) includes further details.

Regulations for transportation studies:

- New VMT screening, impact thresholds, and mitigation options, subject to CEQA
- Updated LOS requirements, no longer subject to CEQA, for traffic operations
- Updated non-LOS/VMT requirements, not subject to CEQA, for traffic and transit operations, driveways, parking, curb space allocation, and safety

Tools to evaluate VMT impacts:

- New travel behavior/demand forecast model
- New project-level evaluation tool

Fees to support the new regulations:

- Updated transportation study review fees
- New VMT impact fees

All new development projects will be evaluated using the above Criteria and Guidelines upon resolution adoption. As new data becomes available and processes evolve, the Criteria and Guidelines may periodically be updated by staff.

CEQA VMT Screening Threshold Revisions

Proposed CEQA VMT screening thresholds were presented at the study session. If a development project meets a screening threshold, then it is not subject to further analysis of VMT-related impacts under CEQA. Projects may still be required to analyze other non-VMT impacts under CEQA and address deficiencies associated with LOS and other operational functions outside of CEQA requirements. Pursuant to City Council and Planning Commission direction, VMT screening thresholds for TPAs and affordable housing have been revised as follows:

Revision to VMT screening threshold for TPAs

The proposed threshold for TPAs presented at the study session was, "*Projects within a ½ mile from*

key TPAs including the Metro E (Expo) Line Culver City Station, Metro E (Expo) Line La Cienega Station, Westfield-Culver City Transit Center, or Sepulveda/Venice Boulevard intersection." These key TPAs reflect four major transit hubs in the city (map in Attachments 2 and 8).

Staff is requesting discretion to make changes to VMT screening thresholds for TPAs when necessary in anticipation of changing transit conditions without Planning Commission or City Council approval. For example, if a new major transit stop along a high-quality transit corridor is added to the system, staff could consider screening projects within a 1/2 mile from the stop from having to analyze VMT. Similarly, if changes to an existing major transit stop results in an area no longer being considered a TPA, staff could consider requiring projects to do VMT analysis within a 1/2 mile from the stop. The revised VMT screening threshold, which is also reflected in the Criteria and Guidelines, is shown at the end of this section.

Revision to VMT screening threshold for affordable housing

The proposed study session recommendation for affordable housing screening was *100% affordable projects screened entirely*. This threshold would only apply to 100% affordable housing projects and the affordable housing units in mixed use projects. Other portions of mixed use projects would not be screening from VMT analysis.

The requested revision is to exempt all mixed-use projects that have affordable housing from VMT analysis to encourage housing production and the development of affordable housing. The Governor's Office of Planning and Research Technical Advisory on Evaluating Transportation Impacts in CEQA (Attachment 10) says that, "lead agencies may develop a presumption of less than significant VMT impact for residential projects (or residential portions of mixed use projects) containing a particular amount of affordable housing, based on local circumstances and evidence."

Staff recommends screening projects located within any TPA in the city where at least 15% of on-site units are affordable, consistent with affordability mandates in much of California, taking advantage of the fact that about 80% of the city is within a TPA. This would mean that any project located in a TPA providing at least 15% affordable units on-site would be screened from analyzing VMT.

Projects may also be screened under other thresholds. A mixed use project that contains 100% affordable housing units and first floor retail would be screened as the residential part would meet the affordable housing criteria and, assuming each retail unit is fewer than 50,000 square feet, the retail would also be screened. Similarly, a project located outside a TPA with 15% affordable units on-site, with the remainder as market units or another use, could be exempt if the development resulted in fewer than 250 daily or 25 peak hour trips under the small project criteria.

Furthermore, projects that include a mix of affordable and market-rate housing would realize a benefit because of the affordable housing. Affordable housing produces fewer daily trips per person compared to market-rate housing, resulting in lower VMT per capita. A project with a mix of affordable and market-rate housing could have a lower VMT than the same project with only market-rate housing. The revised VMT screening threshold is also reflected in the Criteria and Guidelines, shown below.

Summary of VMT screening thresholds with recommended revisions

The following screening threshold revisions are proposed for the Criteria and Guidelines:

1. Projects within a ½ mile from these key TPAs: Metro E (Expo) Line Culver City Station, Metro E (Expo) Line La Cienega Station, Westfield-Culver City Transit Center, or Sepulveda/Venice Boulevard intersection may be screened. The threshold may be updated in response to changes in TPAs without required Planning Commission or City Council approval when mutually agreed upon by the Directors in the Transportation, Public Works, and Community Development Departments.
2. Small projects that result in less than 250 daily or 25 peak hour trips
3. Projects located within any TPA where at least 15% of the on-site residential units are affordable
4. Affordable housing projects where 100% of the dwelling units are affordable
5. Local serving retail projects having less than 50,000 square feet in size at a single store

Thresholds 4 and 5 apply to specific land uses-meaning these land uses can also be screened from a mixed use project, and other uses in the same project not otherwise screened would have to analyze VMT impacts.

Transportation Study Review Fee

Fees to Cover Labor Costs

An updated administrative processing fee will recover staff costs for project-level review, periodic updates to the model, and anything else needed to perform adequate project-level VMT analysis. The fee would be charged upon application submittal to the City. Fees related to monitoring and enforcing transportation demand management (TDM) will be established separately at a future date when the Transportation, Community Development, and Public Works Departments complete work on a TDM ordinance and program.

The proposed fees are calculated based on the estimated labor for reviewing transportation studies and associated memorandums of understanding (MOUs) (Attachment 4). The fee for review of the MOU and transportation study is calculated using estimated staff time required to review documents and complete supporting tasks (Attachment 3, Table 1). Reviewing the MOU includes staff time for iterative communication with the applicant to define study assumptions. Reviewing the transportation study includes staff time for reviewing the study, including the CEQA and non-CEQA sections, and the TDM plan, if included. It also includes staff time to supply data such as related development projects, volume forecast assumptions, and collision hot spots to the applicant. There are typically three rounds of review with the applicant.

It is proposed that projects with up-to 50 peak hour trips (about 500 trips per day) will pay a base traffic study fee of \$9,750, with \$2,000 for each additional ten peak hour trips. Peak hour trips exclude accounting for pass-by trips, and trip reductions such as associated with the deployment of TDM measures.

The fees are proposed in a manner that will not deter development projects. To shed light on the proposed trip and fee estimates, a 50-unit mid-rise residential project (with 1st-floor commercial) generates 15 trips during the AM peak hour and 18 trips during the PM peak hour. A supermarket

with 10,000 square feet of gross floor area generates 38 trips during the AM peak hour and 92 trips during the PM peak hour. So many mid-size to certain larger projects would fall under 50 peak hours trips and pay the base fee.

To summarize, the proposed review fee to applicants is \$9,750 for transportation studies up to 50 peak hour trips, with each additional ten peak hour trips costing \$2,000 up to a maximum of cost \$20,000 per study. The proposed MOU fee is \$1,482. The proposed total fee per project is \$11,232 - \$21,482, depending on the number of peak hour trips (Attachment 3, Table 2).

Existing administrative fees are outlined on page 52 of the City's adopted Fiscal Year 2013-2014 Schedule of User Fees and Charges (Attachment 6). The existing fee for an MOU is \$1,000. The existing fee for a transportation study is \$4,000 for projects with up to 10 intersections, plus \$400 per each additional intersection with no maximum cost identified. The total existing review fee per project is \$5,000 and up depending on the number of additional intersections.

Additional Costs to Cover Updates

It is expected that the City will require \$195,000 in four years to cover the cost of updating the resources used to complete transportation studies. These resources include the TDFM, project-level VMT calculator, purchasing of travel pattern data, and user guide materials. It is common practice for agencies to update models, tools, and associated data, every four years aligned with the SCAG RTP/SCS update cycle. Consequently, an approximate average of \$50,000 in additional fees would need to be collected per year, after covering labor costs (Attachment 3, Table 3) and the fee will need to be budgeted in the General Fund every four years.

It should be noted that any revenues collected above the base fee can be set aside to go towards the TDFM and fee update. If the targeted amount (\$195,000) is exceeded for any reason, then any excess funds will be carried over to the following four-year cycle that is likely to have higher costs. This fee will be assessed and possibly adjusted at the end of the four years.

ENVIRONMENTAL ANALYSIS

CEQA does not consider adopting thresholds of significance or administrative actions a project. The proposed Culver City Transportation Study Criteria and Guidelines (and the thresholds therein) is exempt from CEQA review, as it is not considered a "project" (CEQA Guidelines sections 15378, 15064.7 and 15060(c)(3)); will not result directly or indirectly in significant environmental impacts (CEQA Guidelines section 15061(b)(3)); and is ministerial as the City is mandated to adopt it (Public Resources Code section 21080(b)(1)). As such, Culver City Transportation Study Criteria and Guidelines and the thresholds therein are categorically exempt under CEQA Guidelines section 15308, and none of the exceptions in 15300.2 apply.

NEXT STEPS

1. September 2020: City Council considers approval of a new VMT impact fee, supported by a nexus study and economic analysis. These fees will be based on a project's land use and VMT. Fees collected will go into a program to pay for the construction of VMT-reducing projects (see Attachment 7 for detailed information).

2. To be determined: Joint production of a TDM ordinance, program, and monitoring fee by the Transportation, Community Development, and Public Works Departments.

FISCAL ANALYSIS

Adoption of the Criteria and Guidelines will have no impact on the General Fund. The adoption of the updated transportation study administrative review fee would increase the base fee from \$5,000 to \$11,232, which is comparable to neighboring jurisdictions as listed in Attachment 4. This increase will enable the City to recover costs associated with review of transportation studies.

The TDFM and fee update (\$195,000), which is done every four years, will need to be budgeted. As discussed under "Additional Costs to Cover Updates," any revenues collected above the base fee can be set aside to go towards the fee. If the targeted amount is exceeded for any reason, then any excess will be carried over to the following four-year cycle that is likely to have higher costs. This fee will be assessed and possibly adjusted at the end of the four years.

The future VMT impact/mobility fee referred to above under "Next Steps," that will be used to pay for VMT reducing projects, will not be used to pay for these update costs.

ATTACHMENTS

1. 2020-07-13_ATT_Proposed Resolution Adopting Transportation Study Criteria and Guidelines
2. 2020-07-13_ATT_Proposed Resolution Establishing Updated Administrative Processing Fee
3. 2020-07-13_ATT_Proposed Culver City Transportation Study Criteria and Guidelines
4. 2020-07-13_ATT_Proposed Transportation Study Review Fee
5. 2020-07-13_ATT_Proposed Transportation Study Review Fee Memorandum
6. 2020-07-13_ATT_Existing Traffic Study Criteria for the Review of Proposed Development Projects within the City of Culver City
7. 2020-07-13_ATT_Excerpt of the Existing Schedule of Fees
8. 2020-07-13_ATT_May 13, 2020 Joint City Council/Planning Commission report
9. 2020-07-13_ATT_May 13, 2020 Joint City Council/Planning Commission slides
10. 2020-07-13_ATT_May 13, 2020 Adopted Resolution No. 2020-P007
11. 2020-07-13_ATT_Technical Advisory on Evaluating Transportation Impacts in CEQA

MOTION

That the City Council:

1. Adopt a resolution approving the Culver City Transportation Study Criteria and Guidelines, superseding and replacing the 2012 Traffic Study Criteria for the Review of Proposed Development Projects within the City of Culver City, and
2. Adopt a resolution establishing an updated transportation study review fee.