



**Regular Meeting Agenda
Planning Commission**

*JOSEPH MUELLER - CHAIR
WAYNE TANDA - VICE-CHAIR
LIAM DOWNEY - PLANNING COMMISSIONER
MOHAMMAD HABIB - PLANNING COMMISSIONER
PAUL LAKE - PLANNING COMMISSIONER
MALISHA KUMAR - PLANNING COMMISSIONER
JAMES WILSON PLANNING COMMISSIONER*

Tuesday, June 27, 2023 7:00 PM

**Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037**

Morgan Hill Planning Commission meetings are held in person with the option for the public to attend by teleconference/video conference. Information on how the public may observe and participate in the meeting is located below.

MEETING GUIDELINES AND PUBLIC COMMENT

Planning Commission meetings will be live-streamed on Channel 17, on the City's website, and on the City's Facebook page.

Those members of the community that would like to participate in the meetings remotely may do so by joining the virtual meeting at: <https://bit.ly/PlanningCommissionMtg> or by calling: (669) 900-9128, then enter the webinar ID#: 862 0324 6251#. Public comment may be provided in the following ways:

- Provide public comment in-person
- Join the Planning Commission meeting virtually via the link above. When public comment is opened, raise your virtual hand and be called upon to speak for up to 3 minutes (YOU MUST BE RUNNING THE MOST CURRENT VERSION OF ZOOM TO BE UNMUTED)
- Join virtually by calling the number above, dial *9 to raise your hand, and be called upon to speak for up to 3 minutes
- Send public comments in writing to the Minutes Clerk at

* Please note that comments made on Facebook are not considered public comment.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING

Pursuant to Government Code Section 54954.2

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Members of the public are entitled to address the Planning Commission concerning any item within the Morgan Hill Planning Commission's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the Commission is prohibited from discussing or taking action on any item not appearing on the posted agenda. (See additional noticing at the end of this agenda)

ORDERS OF THE DAY

CONSENT AGENDA

1. MAY 9, 2023 MEETING MINUTES

Recommendation:

1. Accept Minutes

2. MAY 23, 2023 MEETING MINUTES

Recommendation:

1. Accept Minutes

PUBLIC HEARINGS

3. SENATE BILL 743 (SB 743) LEVEL-OF-SERVICE (LOS) TO VEHICLE-MILES-TRAVELED (VMT) POLICY RECOMMENDATION

Recommendation:

1. Open/close public hearing.
2. Adopt Resolution recommending the City Council adopt Screening Criteria and Thresholds of Significance regarding the City's implementation of State Senate Bill 743 (SB 743) transition from Level-of-Service (LOS) to Vehicle-Miles-Traveled (VMT) as the metric for transportation analysis under the California Environmental Quality Act (CEQA) for development projects.

DIRECTOR'S REPORT/ANNOUNCEMENTS

ADJOURNMENT

NOTICE

Any documents produced by the City and distributed to the majority of the Planning Commission less than 72 hours prior to an open meeting, will be made available for public inspection at the front counter at City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 and at the Morgan Hill Public Library located at 660 West Main Avenue, Morgan Hill, California, 95037 during normal business hours. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the Planning Commission concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Planning Commission on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order to speak to the Planning Commission, but it is very helpful. When you are called, proceed to the podium and the Chair will recognize you. If you wish to address the Planning Commission on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the Planning Commission.

Persons interested in proposing an item for the Planning Commission agenda should contact a member of the Commission who may plan an item on the agenda for a future Commission meeting. Should your comments require Planning's action, your request may be placed on the next appropriate agenda. Planning Commission discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the Commission at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the Commission, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of Commission Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259, (408)779-3117 (fax) or by email cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.



**Meeting Minutes
Planning Commission**

JOSEPH MUELLER - CHAIR
WAYNE TANDA - VICE-CHAIR
LIAM DOWNEY - PLANNING COMMISSIONER
MOHAMMAD HABIB - PLANNING COMMISSIONER
PAUL LAKE - PLANNING COMMISSIONER
MALISHA KUMAR - PLANNING COMMISSIONER
JAMES WILSON - PLANNING COMMISSIONER

Tuesday, May 9, 2023 7:00 PM

**Council Chambers
17555 Peak Avenue, Morgan Hill, CA 95037**

CALL TO ORDER

Chair Mueller called the meeting to order at 7:01 p.m.

ROLL CALL ATTENDANCE

Minutes Clerk Luna called the roll at 7:01 p.m.

STATUS	ATTENDEE
PRESENT	Joseph Mueller, Wayne Tanda, Mohammad Habib, Paul Lake, Malisha Kumar
ABSTAIN	
ABSENT	James Wilson
EXCUSED	Liam Downey

DECLARATION OF POSTING

Minutes Clerk Luna declared the posting of the agenda at 7:01 p.m.

PLEDGE OF ALLEGIANCE

Planning Commissioner Habib led the Pledge of Allegiance at 7:02 p.m.

PUBLIC COMMENT

Chair Mueller opened the Public Comment Period at 7:02 p.m. Hearing no requests to speak, the Public Comment Period was closed.

ORDERS OF THE DAY

There were no changes were made.

MINUTES APPROVAL

1. APRIL 11, 2023 MEETING MINUTES

Recommendation:

1. Accept Minutes

MOTION:

Accept the April 11, 2023 Meeting Minutes

RESULT:	Passed
MOVER:	Planning Commissioner Lake
SECONDER:	Planning Commissioner Tanda
AYES:	Mueller, Tanda, Habib, Lake, Kumar
NAYS:	None
ABSTAIN:	None
ABSENT:	Wilson, Downey

OTHER BUSINESS

2. PUBLIC PROJECTS UPDATE

Recommendation:

1. Receive Report

Public Services Director Chris Ghione gave the presentation at 7:05 p.m.

MOTION:

No action was taken. The Planning Commission received the presentation.

Chair Mueller opened the Public Comment Period at 7:38 p.m. The following individuals addressed the Planning Commission:

- Joe Baranowski

Hearing no further requests to speak, the Public Comment Period was closed.

PUBLIC HEARINGS

3. **MUNICIPAL CODE AMENDMENT AMENDING SECTION 18.24.020 (LAND USE REGULATIONS) OF 18.24 (COMMERCIAL ZONING DISTRICTS) OF TITLE 18 (ZONING) OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL IMPLEMENTING MINOR AMENDMENTS TO THE ADMINISTRATIVE OFFICE (CO) ZONING DISTRICT TO ALLOW VEHICLE-RELATED USES AND OTHER COMPATIBLE USES ON MINIMUM ONE-ACRE LOTS**

Recommendation:

1. Open/close public hearing.
2. Adopt Resolution recommending City Council approval of the Municipal Code Amendment.

Economic Development Director Matt Mahood and Principal Planner Adam Paszkowski presented the Staff Report at 7:40 p.m.

The Planning Commission Meeting recessed at 8:00 p.m.
The Planning Commission meeting reconvened at 8:05 p.m.

Chair Mueller opened the Public Hearing at 8:29 p.m. The following individuals addressed the Planning Commission:

- Miguel Jimenez
- Joe Baranowski

Hearing no further requests to speak, the Public Hearing was closed.

MOTION:

Adopt the Resolution recommending City Council approve the Zoning Text Amendment with an added note to "Vehicle Repair and Maintenance, Minor" to reads as "Allowed only when associated with an on-site or off-site automotive manufacturer."

RESULT:	Passed
MOVER:	Planning Commissioner Tanda
SECONDER:	Planning Commissioner Lake

AYES:	Mueller, Tanda, Lake, Kumar
NAYS:	Habib
ABSTAIN:	None
ABSENT:	Wilson, Downey

DIRECTOR'S REPORT/ANNOUNCEMENTS

Community Development Director Jennifer Carman made an announcement at 9:00 p.m.

ADJOURNMENT

There being no further business to discuss, Chair Mueller adjourned the meeting at 9:01 p.m.

MINUTES PREPARED BY:

Jenna Luna, Minutes Clerk



**Meeting Minutes
Planning Commission**

JOSEPH MUELLER - CHAIR
WAYNE TANDA - VICE-CHAIR
LIAM DOWNEY - PLANNING COMMISSIONER
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PAUL LAKE - PLANNING COMMISSIONER
MALISHA KUMAR - PLANNING COMMISSIONER
JAMES WILSON - PLANNING COMMISSIONER

Tuesday, May 23, 2023 7:00 PM

**Council Chambers
17555 Peak Avenue, Morgan Hill, CA 95037**

CALL TO ORDER

Chair Mueller called the meeting to order at 7:00 p.m.

ROLL CALL ATTENDANCE

Minutes Clerk Luna called the attendance at 7:00 p.m.

STATUS	ATTENDEE
PRESENT	Joseph Mueller, Wayne Tanda, Mohammad Habib, Liam Downey, Paul Lake, James Wilson
ABSTAIN	None
ABSENT	None
EXCUSED	Malisha Kumar

DECLARATION OF POSTING

Minutes Clerk Luna Declared the posting of the Agenda at 7:01 p.m.

PLEDGE OF ALLEGIANCE

Planning Commissioner Lake led the Pledge of Allegiance at 7:01 p.m.

PUBLIC COMMENT

Chair Mueller opened Public Comment Period at 7:01 p.m. Hearing no requests to speak, the Public Comment Period was closed.

ORDERS OF THE DAY

There were no changes made.

MINUTES APPROVAL

1. APRIL 25, 2023 MEETING MINUTES

Recommendation:

1. Accept Minutes

MOTION:

Accept the April 25, 2023 Meeting Minutes

RESULT:	Passed
MOVER:	None
SECONDER:	None
AYES:	Mueller, Tanda, Habib, Lake
NAYS:	None
ABSTAIN:	Downey, Wilson
ABSENT:	Kumar

PUBLIC HEARINGS

- 2. SR2020-0010/SD2020-0003/EA2020-0007: HALF - DIVIDEND (CROSSWINDS): VESTING TENTATIVE MAP AND DESIGN PERMIT FOR A RESIDENTIAL DEVELOPMENT, COMPRISED OF 269 UNITS. THE PROPERTIES, IDENTIFIED BY ASSESSOR PARCEL NUMBERS 728-30-001, 728-30-002, 728-30-003, AND 728-30-004 ARE LOCATED AT THE SOUTHWEST INTERSECTION OF HALF ROAD AND MISSION VIEW DRIVE (THE**

**CROSSWINDS AT MORGAN HILL, LLC, OWNER). CEQA: ENVIRONMENTAL
IMPACT REPORT**

Recommendation:

1. Open/close public hearing;
2. Adopt a Resolution recommending the City Council certify the Environmental Impact Report (EIR), approve the Mitigation Monitoring and Reporting Program prepared for the project, and adopt Findings of Significance and Statement of Overriding Considerations; and
3. Adopt a Resolution recommending the City Council approve a Vesting Tentative Map and Design Permit.

Principal Planner Adam Paszkowski presented the staff report at 7:04 p.m.

Chair Mueller opened the Public Hearing at 7:55 p.m. The following individuals were called to speak:

- Dick Oliver, Applicant
- Josh Vrotsos
- Luis Santiago, Storm Water Engineer
- Ross Doyle
- Josh Vrotsos
- Ross Doyle
- Akoni Danielsen, Environmental Consultant

The Planning Commission meeting recessed at 8:21 p.m.

The Planning Commission meeting reconvened at 8:26 p.m.

Chair Mueller continued the Public Hearing at 8:26 p.m. The following individuals were called to speak:

- Joe Baranowski
- Kenneth Do
- Caller ending in 435
- Rob & Bob
- Keith Rochkind

Hearing no further requests to speak, Chair Mueller closed the Public Hearing.

MOTION:

Adopt the Resolution recommending City Council certify the Final Environmental Impact Report as consistent with the California Environmental Quality Act (CEQA) and adopt a Statement of Overriding Considerations regarding the Environmental Impacts and related Mitigation Monitoring and Reporting Program with the following change: Section TRN-2.1: Mitigation Measure, removal of the term, "management Entity/Homeowners Association (HOA)" and replace with "Developer".

RESULT:	PASSED
MOVER:	Planning Commissioner Downey
SECONDER:	Planning Commissioner Lake
AYES:	Mueller, Tanda, Habib, Downey, Lake, Wilson
NAYS:	None
ABSTAIN:	None
ABSENT:	Kumar

MOTION:

Adopt a Resolution recommending City Council approve a Vesting Tentative Map and a Design Permit with the following added conditions: 1. Notify future residents of the possibility of street extensions; 2. Section TRN-2.1 Mitigation Measures, remove the term, "management Entity/Homeowners Association (HOA)" and replace it with "Developer"; 3. Include the revisions to Exhibit B: Standard Conditions, Engineering Division Section from the supplement staff provided.

RESULT:	PASSED
MOVER:	Planning Commission Lake
SECONDER:	Planning Commissioner Wilson
AYES:	Mueller, Tanda, Habib, Downey, Lake, Wilson
NAYS:	None
ABSTAIN:	None
ABSENT:	Kumar

DIRECTOR'S REPORT/ANNOUNCEMENTS

Community Development Director Jennifer Carman made an announcement at 9:26 p.m.

ADJOURNMENT

There being no further business to discuss, Chair Mueller adjourned the meeting at 9:45 p.m.

PLANNING COMMISSION STAFF REPORT

MEETING DATE: June 27, 2023

PREPARED BY:

Adam Paszkowski, Principal Planner

APPROVED BY: Jennifer Carman

SENATE BILL 743 (SB 743) LEVEL-OF-SERVICE (LOS) TO VEHICLE-MILES-TRAVELED (VMT) POLICY RECOMMENDATION

RECOMMENDATION(S)

1. Open/close public hearing.
2. Adopt Resolution recommending the City Council adopt Screening Criteria and Thresholds of Significance regarding the City's implementation of State Senate Bill 743 (SB 743) transition from Level-of-Service (LOS) to Vehicle-Miles-Traveled (VMT) as the metric for transportation analysis under the California Environmental Quality Act (CEQA) for development projects.

LOCATION MAP/PROJECT INFORMATION:

BACKGROUND:

In 2013, Senate Bill (SB) 743 was signed into law and required lead agencies to adjust their method of evaluating transportation impacts, from Level of Service (LOS) to Vehicle Miles Traveled (VMT). Where LOS measures the average amount of delay experienced at key intersections during hours of highest congestion, VMT accounts for the number of vehicle trips generated and the distance of those trips. This is a significant methodology change to determine transportation impacts under the California Environmental Quality Act (CEQA), and the intent is to "promote the state's goals of reducing greenhouse gas emissions and traffic-related air pollution, promoting the development of a multimodal transportation system, and providing clean, efficient access to destinations." The California Governor's Office of Planning and Research (OPR) issued a "Technical Advisory on Evaluating Transportation Impacts in CEQA" recommending that adopted thresholds for new projects should reduce VMT by 15%. Provisions under Section 15064.3(c) of the CEQA Guidelines require the application of VMT since July 1, 2020.

As VMT is a regional issue, the City participated in a collaborative study led by the Valley Transportation Authority (VTA). As the Congestion Management Agency (CMA) for Santa Clara County, VTA prepared the methodology for SB743 compliance, and an online VMT Evaluation Tool was also developed to facilitate screening of projects within the county.

The study produced a model which calculated VMT that was "significantly higher" for the City and the south county area when compared to other cities in Santa Clara County. The high VMT is a factor of the City's remoteness and the large distances that commuters, community members, and visitors must travel for work, shopping, services, and recreation, and the lack of public transportation. This study also showed that a 15% reduction in VMT below that of existing development could not feasibly be attained for the majority of the City.

The City entered into a professional services agreement with a traffic engineering firm, Nelson\Nygaard Consulting Associates, Inc., in January 2020 to assist with the City's

implementation of SB743 and establishing VMT Screening Criteria and Thresholds of Significance utilizing the VTA Countywide model. However, the Screening Criteria and Thresholds of Significance identified by Nelson\Nygaard were not adopted by the City Council, and City staff was directed to pursue its own VMT model, that is more reflective of the City, in order to deviate from the VTA Countywide VMT model, and/or to deviate from OPR's Technical Advisory recommending to reduce VMT of new development by 15%, and revise the proposed screens and thresholds as necessary once the City's model and/or deviation from OPR's Technical Advisory is complete.

Lead agencies have discretion to deviate from OPR's recommended 15% reduction in VMT by developing and adopting their own, or relying on thresholds recommended by other agencies, "provided the decision of the lead agency to adopt such thresholds is supported by substantial evidence." (Save Cuyama Valley v. County of Santa Barbara (2013) 213 Cal.App.4th 1059, 1068.) Substantial evidence means "enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached." (Protect the Historic Amador Waterways v. Amador Water Agency (2004) 116 Cal.App.4th 1099, 1108-1109.)

Therefore, City staff released a Request for Proposal (RFP) to conduct the above-identified work on July 28, 2021; and on February 22, 2022, the City entered into a consultant agreement with TJKM transportation consultants.

PROJECT DESCRIPTION:

During the RFP process, it was identified that focusing on pursuing a City-owned VMT model was not the best way to proceed to achieve a significant difference from VTA's VMT model and evaluation tool to generate a more refined result for Morgan Hill. Although a City-owned VMT model could be produced, the cost of conducting an extensive refinement of the VTA model would not reflect significant changes to the projected VMT levels that are currently shown for the City when using the VTA model in its current state. Despite the extensive effort and cost involved in the development of a City-specific model, the end result will still indicate VMT levels that will be difficult to mitigate. Therefore, in discussions with TJKM, City staff took a much simpler route and requested TJKM to revise their Scope of Work to focus on deviating from OPR's Technical Advisory to reduce the VMT for new development by 15%. Other jurisdictions have chosen this route since they, like Morgan Hill, are smaller and lack the transit services that warrant extensive VMT evaluation.

PROJECT ANALYSIS AND FINDINGS:

ANALYSIS

TJKM has prepared the attached "Morgan Hill VMT Methodology Memo" and "Morgan Hill VMT Mitigation Measures Memo" identifying the methodology to establish transportation impact analysis goals, objectives, and recommendations for VMT-based CEQA analysis.

VMT Metrics

CEQA Guidelines Section 15064.3(b)(4) states, "[a] lead agency has discretion to choose the most appropriate methodology to evaluate a project's , including whether to express the change in absolute terms, per capita, per household or in any other measure." VMT can be expressed as an efficiency-based metric (e.g., VMT per resident, VMT per employee, or VMT per service population) or as absolute metric (e.g., total VMT).

The four types of VMT metrics that TJKM identified that could be used in Morgan Hill are as follows:

1. **Total VMT:** VMT generated by all land uses in a defined geographic area (Morgan Hill boundaries or Traffic Analysis Zones (TAZ) equivalent). Total VMT is calculated by taking the distance traveled by all passenger vehicle trips that are assigned on the roadway network.

2. **VTM per Service Population:** VMT generated by all land uses in a defined geographic area (Morgan Hill boundaries or TAZ equivalent) divided by the total number of residents and employees. Service population includes any one that generates traffic in an area such as total population, employment, students, and hotel guests. This metric reflects all passenger vehicle trips assigned on the roadway network.
3. **Home-based VMT per Resident:** VMT generated from travel between resident's homes and other destinations, such as for work, school, household errands, in a defined geographic area divided by the total residents. This metric excludes trips between two non-residential locations, such as a trip between a retail center and a school. Home based VMT per resident reflects all passenger vehicles assigned to the roadway network and is calculated using the production side of the vehicle trip table.
4. **Home-based VMT per Employee:** VMT generated from travel between an employee's home and work in a defined geographic area divided by the number of employees in the geographic area. Home-based work VMT per employee reflects all passenger vehicles assigned to the roadway network and is calculated using the attraction side of the vehicle trip table.

Staff and TJKM recommend using the **Home-based VMT per Resident** and the **Home-based VMT per Employee** metrics.

VTM Screening Criteria

The Governor's Office of Planning and Research (OPR) recommends streamlining CEQA review of projects to identify areas where less detailed environmental review can be presumed. Projects that meet the screening criteria for VMT would most likely reduce VMT in a specific TAZ within Morgan Hill. In addition, a project that meets at least one of the screening criteria would be exempt from further VMT analysis. There are six types of screens recommended by TJKM for the City of Morgan Hill:

1. **Project Size Screening:** Projects that generate less than 110 average daily trips.
2. **Locally Serving Retail Screening:** Retail projects that are less than 50,000 square feet (includes fast-food/quick-serve restaurants).
3. **Low VMT Area Screening:** Residential and employment projects located within a low VMT generating area (15 percent below a region's home based VMT per resident or home based VMT per employee metric).
4. **Transit Proximity Screening:** Projects located within Transit Priority Areas or High Quality Transit Corridors (located within half a mile radius of an existing or planned major transit stop).
5. **Affordable Housing Screening:** 100 percent affordable residential development (or the residential component of a mixed-use development).
6. **Active Transportation Projects:** Transportation projects that promote active transportation, such as transit, bicycle, and pedestrian facilities.

Figure 1: Morgan Hill Transit Buffer (Transit Proximity Screen) around Caltrain Station and VTA Route 68



VTM Thresholds of Significance

Section 15064 of the CEQA Guidelines provide general criteria to local agencies in determining the significance of environmental effects of their projects (such as VMT) as required by Section 21083 of the Public Resources Code. The Natural Resources Agency updated CEQA guidelines Section 15064 to expressly clarify that agencies may rely on standards adopted for environmental protection as thresholds of significance. An agency that relies on a threshold of significance should explain how the application of the threshold indicates a less than significant effect.

While OPR suggests a threshold of 15 percent reduction in the VMT metric as compared to the existing baseline, it recognizes that not all cities in California are similar in terms of land use and transportation options. OPR guidelines state that lead agencies have the discretion to setup their own VMT thresholds. If they are deviating from OPR's 15% reduction in VMT, they need to provide substantial evidence.

It is important to note that the 15% reduction in VMT is not included in the statute or the proposed CEQA Guidelines; rather it is only included in OPR's Technical Advisory. The technical advisory relies heavily on the California Air Pollution Control Officers Association (CAPCOA) "Quantifying Greenhouse Gas Mitigation Measures" report which says that 15% is the reduction possible by combining several mitigation strategies for places classified as suburban centers. The efficacy of these mitigation measures decreases for suburban and rural areas that do not have good mixed landuse, balance of jobs and housing and transit options. Also, these reductions are not based on a before and after study of implementation of mitigation strategies. The percentages were derived comparing VMT performance for a small set of cities in California using data collected a decade ago. Further studies are needed to understand short and long term effects of TDM strategies in reducing GHG emissions.

Given all of the above and the fact that lead agencies have discretion in setting thresholds, Staff and TJKM recommends the City of Morgan Hill use the city average as the VMT threshold for both residential (VMT per Capita) and employment (VMT per employee) land uses. This ensures that at a minimum, the city's VMT metrics remain the same. As such, since an impact under CEQA is considered to have occurred when there is an increase in VMT and GHG emissions, a starting level for thresholds can be existing conditions or baseline VMT metrics (Total VMT, VMT per capita, VMT per employee, VMT per service population etc.). Since VMT increases with increase in population and employment, impact can be calculated by comparing build alternatives to baseline conditions. This assumes that trip patterns generated by new land uses are similar to existing land uses. Therefore, the following are the recommended thresholds for Morgan Hill.

A project would result in a significant project-generated VMT impact if:

1. For residential projects, its net VMT per capita exceeds Morgan Hill's baseline VMT per capita.
2. For office and industrial projects, its net VMT per employee exceeds Morgan Hill's baseline VMT per employee.
3. For all other uses, including commercial/retail uses over the 50,000 square foot local threshold, a net increase in total VMT within Morgan Hill would be considered a significant impact.

VMT Metric Maps

The following maps show TAZs in Morgan Hill which are under the threshold, are mitigatable, or unmitigatable for VMT per Capita and VMT per Employee metrics. In addition, a half mile boundary transit buffer zone has been drawn around the Morgan Hill Caltrain station and VTA Route 68 to show transit accessible areas which are exempt from VMT analysis.

Figure 2: VMT per Capita Map (Residential Projects)

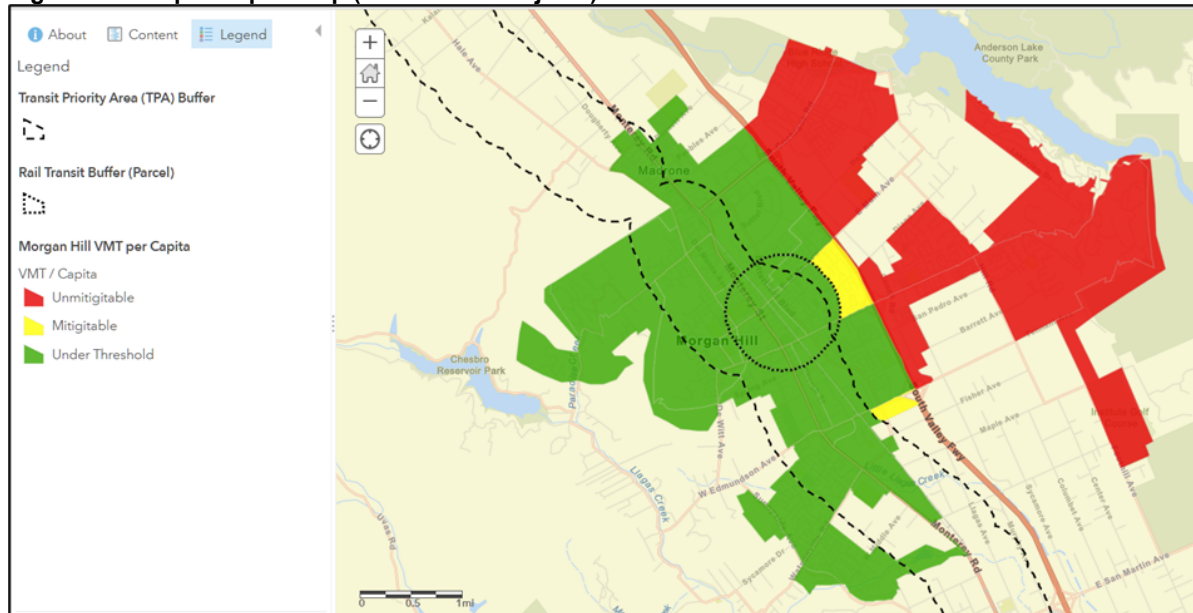
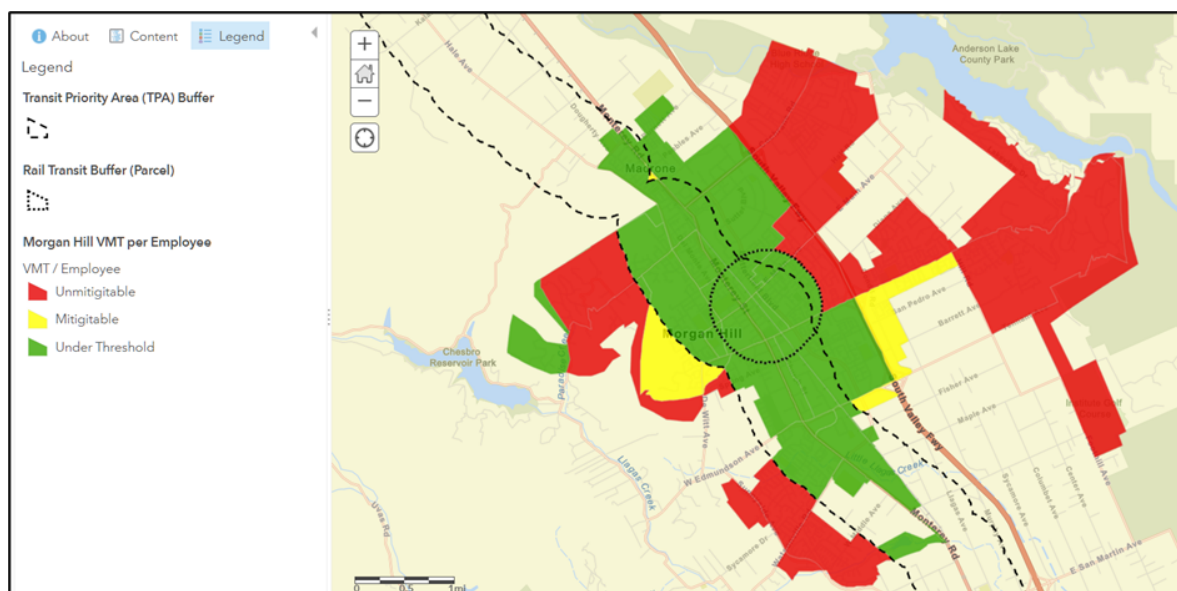


Figure 3: VMT per Employee Map (Employment Projects)



VMT Mitigation

If a proposed land development project does not meet the proposed Screening Criteria or exceeds the proposed Thresholds of Significance outlined above, the proposed project could result in a significant environmental impact and would need to identify mitigation measures to reduce that impact. Therefore, TJKM prepared the attached Morgan Hill VMT Mitigation Measures Memo which describes the recommended VMT mitigation strategies that may apply to projects in the City of Morgan Hill. The traditional options for mitigating LOS traffic impacts, such as widening a roadway or an intersection, are no longer applicable due to SB743. The memo summarizes potential strategies to reduce VMT that are suited to the built environment of the City and identifies new mitigation program ideas that the City may consider as part of future planning efforts or projects.

In the development of VMT mitigation measures, TJKM consulted with the Santa Clara Valley Transportation Authority (VTA) VMT Mitigation Tool to find the best data available on VMT mitigation for the City and selected/modified the following mitigation measures in concert with Staff.

1. **Increase residential density:** Where allowed by the current General Plan and zoning, design the Project with increased residential densities compared to existing conditions in the surrounding area. Increased densities affect the distances people travel and provide greater options for the mode of travel they choose. Strategy applies to residential land uses only. The denominator is based on existing residential acreage within the half-mile buffer zone of the Project parcel. *Application: Residential land uses only.*
2. **Increase development density:** Where allowed by the current General Plan and zoning, increase the amount of space dedicated to mixed employment and high-density residential uses in the area surrounding the Project, particularly in a vertical configuration (defined as ½ mile buffer from the Project parcel). Having different types of land uses near one another can reduce VMT because trips between land use types are shorter and may be accommodated by non-automotive modes of transport. *Application: Residential and employment land uses.*
3. **Affordable Housing:** Develop on-site deed-restricted affordable, below-market rate (BMR) housing, for low-income households to reside in the Project. At the same site, households with incomes at or below 80% of the regional median income generally make fewer trips by automobile than households with higher incomes, resulting in reduced VMT. *Application: Residential land uses only.*
4. **Increase Employment Density:** Where allowed by the current General Plan and zoning, design the Project with increased employment densities compared to existing conditions in

the surrounding area. Increased densities affect the distances people travel and provide greater options for the mode of travel they choose. Strategy applies to employment land uses only. Employment density is measured as the ratio of the number of employees to the net commercial and industrial acreage in a given area. *Application: Employment land uses only.*

5. **Increase Bike Access:** Implement bicycle facilities that close gaps in the bicycle network and/or improve the existing bicycle network (e.g. construct barrier or buffer for an existing bike lane). Improving bike access to the Project promotes biking as an alternative to driving, and reduces VMT. VMT reductions are based on a reduction of the distance between the project frontage to a bicycle facility. This measure only applies to bicycle facilities that provide a dedicated lane for bicyclists or a completely separated right-of-way for bicycles and pedestrians. These facilities include Class I (trail), Class II (bike lane), and Class IV (protected bike lane) bikeways. This measure would not be applicable if the resulting gap between the project and the external bikeway exceeds 1/3 mile. *Application: Residential and employment land uses.*
6. **Network Connectivity / Design Improvements:** Build new street connections and/or connect cul-de-sacs to provide pedestrian and bicycle access. This measure enhances walkability, connectivity, and street accessibility within a neighborhood. VMT reductions are based on the change to intersection densities within a 1/4 mile buffer of the Project, and internal connections inside the Project area. Proposed improvements should be negotiated with the City. *Application: Residential and employment land uses.*
7. **Increase Transit Accessibility:** Building the project within proximity to a transit station or stop with high-quality service enhances access to transit, which facilitates the use of transit for people traveling to/from the project site. Facilitating transit use results in a mode shift from driving to transit and thereby reduces VMT. In the SCC VMT Evaluation Tool, this strategy is applied by taking the distance between the project site and the closest transit stop without project improvements and the distance to the closest transit stop with project improvements and applying an elasticity factor; therefore, the project can reduce its VMT by relocating a transit stop closer to the site. Proposed changes to transit stop locations are subject to negotiations with the applicable transit operator. *Application: residential and employment land uses.*
8. **Traffic Calming Measures:** Implement pedestrian/bicycle safety and traffic calming measures both on-site and in the surrounding neighborhood. Providing traffic calming measures promotes walking and biking as an alternative to driving, and reduced VMT. VMT reductions are based on proposed median refuges, bulb-outs, and/or other pedestrian crossing enhancements beyond the project frontage. Proposed traffic calming features such as speed bumps require further study and conceptual City Approval. *Application: Residential and employment land uses.*
9. **Pedestrian Network Improvements:** Implement pedestrian improvements both on-site and in the surrounding neighborhood. Improving the pedestrian connections encourages people to walk instead of driving and reduces VMT. Pedestrian improvements include but are not limited to: sidewalks; marked or signalized pedestrian crossings at intersections; lighting; and curb ramps. Some proposed pedestrian improvements require additional study and conceptual City approval. *Application: Residential and employment land uses.*
10. **Provide Bike Facilities:** This strategy requires the project developer to provide and maintain facilities for bicycle users at the project site. Examples of end-of-trip facilities include bike parking, bicycle lockers, showers, and personal lockers. The extent of VMT reduction is based on the Project provision of secure bike parking or secure bike parking and additional facilities. *Application: Employment land use only.*
11. **School Pool Program:** Organize a program that matches families in carpools for school pick-up and drop-off. Organizing a School Pool Program helps match parents who transport students to schools without a busing program, including private schools, charter schools, and neighborhood schools where students cannot walk or bike. The school pool program would be open to all families in the development. School pools reduce the total number of

vehicle trips traveling to and from schools, thereby reducing VMT. Subject to negotiations with the City and possible negotiations with schools serving the Project. *Application: Residential land uses only.*

12. **Implement Bike Sharing Program:** This strategy requires the project developer to dedicate space for or provide subsidies to a bike sharing system, ideally one with high penetration in a larger area, such as Bay Wheels. Bike share substitutes for some driving trips and provides a first/last-mile connection for transit users, reducing auto trips and thereby reducing VMT. This reduction only applies if a bike share station is eventually built on site. *Application: residential and employment land uses.*
13. **Implement Commute Trip Reduction Marketing/Education:** Implement a marketing campaign targeting all Project employees and visitors that encourages the use of transit, shared rides, and active modes. Marketing strategies may include new employee orientation on alternative commute options, event promotions, and publications. Providing information and encouragement to use transit, share ride modes, and active modes, reducing drive-alone trips and thereby reducing VMT. *Application: employment land uses only.*
14. **Commute Trip Reduction Program:** Provide a comprehensive program to reduce the number of drive-alone commute trips to the Project and actively monitor and react to changes in mode share. Program includes encouraging and assisting employees in using an alternative commute mode. Tools include carpooling encouragement, ride share assistance, flexible/alternative work schedules, vanpool assistance, and bicycle end of trip facilities. *Application: employment land uses only.*
15. **Subsidized Transit Program:** This strategy requires project employers or building operators to provide either partially or fully subsidized transit passes for all project affiliates (employees and/or residents). Providing subsidies for transit use encourages people to use transit rather than driving, thereby reducing VMT. Note that certain discounted transit pass programs have specific requirements; for instance, VTA's SmartPass Program requires 100% subsidy for all residents/employees. For subsidies applied to VTA's transit lines, the project must be within a half mile radius of the nearest bus stop. *Application: residential and employment land uses.*
16. **Telecommuting and Alternative Work Schedule Program:** This strategy requires project employers to allow and encourage employees to telecommute from home when possible, or to shift work schedules such that employees work slightly longer days, resulting in fewer days in the office in a one-week or two-week period. This strategy reduces commute trips, thereby reducing VMT. *Application: employment land uses only.*
17. **Free Door-to-Door Transit Fleet:** Provide direct shuttle service to the Project site from areas with high concentrations of employees. This strategy reduces drive-alone commute trips, thereby reducing VMT. *Application: employment land uses only.*
18. **Alternative Transportation Benefits:** This strategy requires project employers to provide general commute benefits to employees, which may include financial subsidies or pre-tax deductions for transit, carpooling, and vanpooling activities. Transit, in this case, can apply to VTA bus routes and / or other city-provided transit systems, such as Morgan Hill Quick Ride on-demand rideshare service (MoGo). *Application: employment land uses only.*
19. **Access to Neighborhood Schools:** Project contributes to the development of a neighborhood school that would serve families living in the development. Neighborhood schools primarily serve the neighborhoods immediately surrounding the school and allow students to walk or bike to school, reducing the use of automobiles for drop-off and pick-up trips and thereby reducing VMT. *Application: residential land uses only.*
20. **Ride-Sharing Programs:** Organize a program to match individuals interested in carpooling who have similar commute patterns. The strategy encourages the use of carpooling, reducing the number of vehicle trips and thereby reducing VMT. (Expected participation rate ranges between 2-10%) *Application: employment land uses only.*
21. **Subsidize Public Transit Service Upgrades:** The Project subsidizes transit service through fees and contributions to the transit provider, thereby improving transit service to the Project, resulting in increased use of transit and reduced VMT. VMT reduction is based on

the contribution's effect on transit frequency and the number of routes affected by contributions. This strategy must be negotiated with the City and VTA. Transit, in this case, can apply to VTA bus routes and/or other city-provided transit systems, such as Morgan Hill Quick Ride on-demand rideshare service (MoGo). *Application: residential and employment land uses.*

22. **Behavioral Intervention:** This strategy requires the project to provide intensive one-on-one counseling and encouragement, along with subsidies, to encourage individuals to use non-drive alone modes. Implementing this program encourages the use of transit, shared ride modes, bicycling, walking, and telecommuting, reducing drive-alone trips and thereby reducing VMT. *Application: residential and employment land uses.*
23. **Vanpool Incentives:** The strategy requires project employers or building operators to provide subsidies for individuals to form new vanpools for their commute. This encourages the use of vanpools, reducing drive-alone trips and thereby reducing VMT. *Application: applies to employment land uses only.*
24. **Voluntary Travel Behavior Change Program:** Provide a program that targets individual attitudes towards travel and providing tools for individuals to analyze and alter their travel behavior. Voluntary Travel Behavior Change programs include mass communication campaigns and travel feedback programs such as travel diaries or feedback on calories burned from activities and travel. This strategy encourages the use of shared ride modes, transit, walking, and biking, thereby reducing VMT. *Application: residential and employment land uses.*

CONCLUSION:

The CEQA Guidelines and OPR encourages local jurisdictions to adopt VMT Screening Criteria and Thresholds of Significance intended for general use by resolution as part of a public process. Lead agencies also have the option to establish thresholds on a project-by-project basis as the City has been conducting VMT analysis since the implementation of SB 743. The location of Morgan Hill within the Bay Area causes large commutes for community members for work, shopping, services, and recreation. The lack of public transportation also impacts people's commuting choices. Requiring development in Morgan Hill to meet the 15% reduction in emissions is very challenging. Therefore, staff proposes adopting the above proposed Screening Criteria and Thresholds of Significance through a public process which improves transparency and can be used to help educate the public and project applicants about the City's expectations. If the City adopts VMT Screening Criteria and Thresholds of Significance, it establishes consistency on when VMT is exempt from review and establishes a set standard to be utilized city-wide. In addition, adopting VMT Screening Criteria or Thresholds of Significance will streamline certain projects that generate low VMT or that are located within low VMT areas of the City. Also, adopting a defined list of VMT Screening Criteria and Thresholds of Significance assists in aligning with state goals for greenhouse gas reduction, infill development, transit, active transportation, and public health.

Therefore, Staff recommends the Planning Commission adopt the Resolution recommending the City Council adopt Screening Criteria and Thresholds of Significance regarding the City's implementation of SB 743 transition from LOS to VMT as the metric for transportation analysis under CEQA for development projects; and that the use of LOS thresholds shall be utilized in the review of non-CEQA related impacts for discretionary planning applications in accordance with the General Plan, separate and distinct from the VMT Thresholds of Significance.

CEQA (California Environmental Quality Act):

Not a Project: The adoption of Vehicle-Miles-Traveled (VMT) screening criteria and thresholds of significance under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15064.7 does not require environmental review. This activity is not a project

pursuant to State CEQA Guidelines Sections 15060(c)(3) and 15378. The establishment and implementation of a VMT threshold is a state-mandated requirement under SB 743 and Section 15064.3 of the CEQA Guidelines.

COMMUNITY ENGAGEMENT:

A 10-day public hearing notice was published in the Friday, June 9, 2023 edition of the Morgan Hill Times pursuant to Government Code Sections 65090-65096. In addition, the Planning Commission held public workshops regarding this item on March 10, 2020, April 28, 2020, June 23, 2020, and August 11, 2020. The City Council held a public workshop regarding this item on June 2, 2021.

ATTACHMENTS:

1. Draft Resolution - VMT Policy
2. Morgan Hill VMT Methodology Memo
3. Morgan Hill VMT Mitigation Memo

RESOLUTION NO. 23-06

**A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF MORGAN HILL RECOMMENDING THAT
THE CITY COUNCIL ADOPT A CITYWIDE VEHICLE
MILES TRAVELED (VMT) POLICY INCLUSIVE OF
ESTABLISHING VMT AS THE APPROPRIATE METRIC
FOR EVALUATING TRANSPORTATION-RELATED
IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT (CEQA) AND ESTABLISHING VMT
SCREENING CRITERIA, VMT THRESHOLDS OF
SIGNIFICANCE, AND TRANSPORTATION DEMAND
MANAGEMENT (TDM) STRATEGIES**

WHEREAS, the California Environmental Quality Act (CEQA) was enacted by the State of California in 1970 to ensure the long-term protection of the environment and requires public agencies to analyze and disclose the effects of their actions on the environment; and

WHEREAS, the Governor's Office of Planning and Research (OPR) develops the CEQA Guidelines to interpret CEQA statutes and published court decisions, including several appendices to the CEQA Guidelines that contain forms and guidance for lead agencies when performing environmental review; and

WHEREAS, in 2013, Senate Bill (SB) 743 (Steinberg) was signed into law directing OPR to produce new CEQA guidance that removes automobile Level of Service (LOS) from transportation analysis under CEQA and update the way transportation impacts are analyzed under CEQA for new land use and transportation projects using alternative metrics that promote a reduction in greenhouse gases, the development of multimodal transportation, and a diversity of land uses, all towards achieving the State's climate action goals; and

WHEREAS, in 2018 OPR proposed, and the California Natural Resources Agency adopted, Section 15064.3 of the State's CEQA Guidelines that identifies Vehicle Miles Traveled (VMT) as the most appropriate measure of a project's transportation impacts under CEQA, and states that a project's effect on automobile delay shall not constitute a significant environmental impact; and

WHEREAS, as of July 1, 2020, all lead agencies are required to use VMT to measure transportation impacts, in accordance with Section 15064.3 of the CEQA Guidelines; and

WHEREAS, VMT measures the amount and distance of automobile travel attributable to a project, taking the number of passengers within a vehicle into account. Typically, projects at a greater distance from other uses, located in areas with limited

access to non-auto modes of travel, generate more driving than those that are located proximate to other complementary uses and/or where there are transportation options other than the automobile. The information is used to calculate VMT is already required to calculate and factor air quality and greenhouse gas emissions; and

WHEREAS, OPR released a Technical Advisory on Evaluating Transportation Impacts in CEQA, which includes recommendations for thresholds of significance for evaluating impacts of office, residential, and retail developments, and provides screening criteria for identifying the types of projects that can be presumed to have a less than significant impact; and

WHEREAS, thresholds of significance are identifiable quantitative, qualitative, or performance level measures of a particular environmental effect, non-compliance with which means the effect will normally be determined to be significant, and compliance with which means the effect normally will be determined to be less than significant; and

WHEREAS, the City of Morgan Hill intends to adopt a VMT Policy, inclusive of establishing VMT screening criteria and thresholds of significance, supported by substantial evidence, in order to meet the intent of State legislation; and

WHEREAS, CEQA Guidelines Section 15064.7(b) directs lead agencies to adopt thresholds of significance by ordinance, resolution, rule, or regulation through a public process, and be supported by substantial evidence; and

WHEREAS, such requests were considered by the Planning Commission at its meeting of June 27, 2023; and

WHEREAS, the adoption of Vehicle-Miles-Traveled (VMT) policy, consisting of screening criteria and thresholds of significance and are supported by substantial evidence, in accordance with CEQA Guidelines Section 15064.7 does not require environmental review. This activity is not a project pursuant to State CEQA Guidelines Sections 15060(c)(3) and 15378. The establishment and implementation of a VMT threshold is a state-mandated requirement under SB 743 and Section 15064.3 of the CEQA Guidelines; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission has considered the full record before it, which may include but not limited to such things as the staff report, public testimony, and other materials and evidence submitted or provided.

Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. The Planning Commission recommends that the City Council adopts a citywide policy establishing Vehicle Miles Traveled (VMT), consisting of screening criteria and thresholds of significance and are supported by substantial evidence, as the standard of measurement for analysis of potential environmental impacts from vehicular traffic under the California Environmental Quality Act (CEQA), which is attached hereto as Exhibit A.

SECTION 3. The Planning Commission recommends that the City Council further finds that the use of Level of Service (LOS) thresholds shall be utilized in the review of non-CEQA related impacts for discretionary planning applications in accordance with the General Plan, separate and distinct from the VMT Thresholds of Significance described herein.

PASSED AND ADOPTED THIS 27th DAY OF JUNE 2023, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

JENNA LUNA, Deputy City Clerk

JOSEPH MUELLER, Chair

EXHIBIT "A"

CITY POLICY ESTABLISHING SCREENING CRITERIA AND THRESHOLDS OF SIGNIFICANCE USING VEHICLE MILES TRAVELLED (VMT) TO MEASURE TRANSPORTATION IMPACTS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Morgan Hill VMT Screening Criteria

Screen Type	Screening Criteria
Project Size	Projects that generate less than 110 average daily trips (when estimating trips generated by a project, Institute of Transportation Engineers (ITE) guidelines or local surveys of trip generations need to be reviewed and approved by the City of Morgan Hill; such analysis will need to account for trip generation of all uses on the project site when calculating the total number of daily trips)
Locally Serving Retail	Retail projects that are less than 50,000 square feet (includes fast-food/quick-serve restaurants)
Low VMT Area	Residential and employment projects located within a low VMT generating area (the Low VMT Area screen is equal to the City of Morgan Hill's average home-based VMT per resident or VMT per employee, depending on the type of project)
Transit Proximity	Projects located within Transit Priority Areas or High Quality Transit Corridors (located within half a mile radius of an existing or planned major transit stop)
Affordable Housing	100% affordable residential development (or the residential component of a mixed-use development)
Active Transportation Projects	Transportation projects that promote active transportation (such as transit, bicycle, and pedestrian facilities)

Morgan Hill VMT Thresholds of Significance

Land Use	Thresholds of Significance
Residential	VMT per capita does not exceed the City of Morgan Hill's baseline VMT per capita
Office & Industrial	VMT per employee does not exceed the City of Morgan Hill's baseline VMT per employee
All Other Uses (includes commercial/retail uses over 50,000 square feet)	No net increase in total VMT within the City of Morgan Hill



VISION THAT MOVES YOUR COMMUNITY

TECHNICAL MEMORANDUM

Date: May 12, 2023

To: Adam Paszkowski, Morgan Hill

Project No.: 073-048 Morgan Hill VMT
Thresholds

From: Vamsee Modugula & Arthur Chen, TJKM

Jurisdiction: City of Morgan Hill

Subject: **Morgan Hill VMT Methodology Memo (FINAL)**

CEQA Guidelines Section 15064.3(b)(4) states, “a lead agency may use models to estimate a project’s vehicle miles traveled quantitatively.” In Appendix 1 of the OPR Technical Advisory, it states, “travel demand models, sketch models, spreadsheet models, research, and data can all be used to calculate and estimate VMT.”

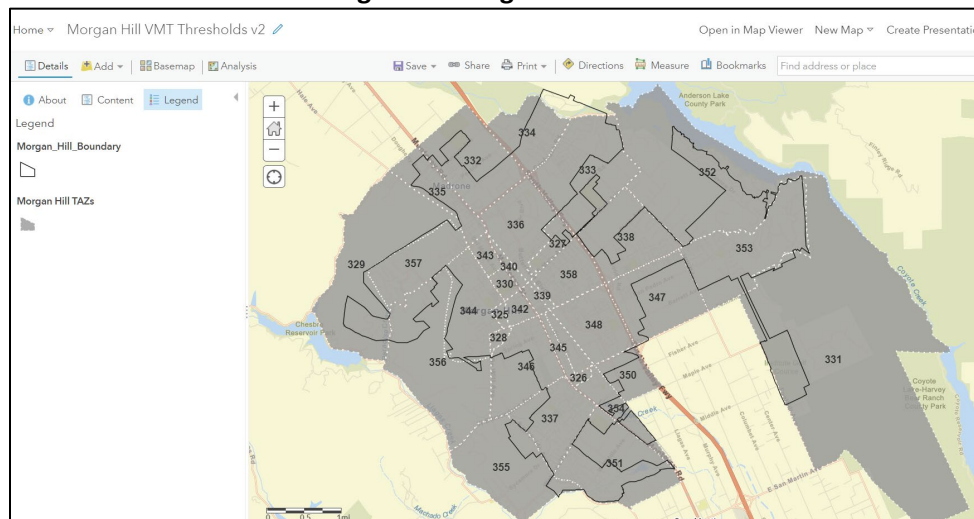
Various travel demand models and sketch planning tools are available for estimating VMT. The main travel demand model in use for the Santa Clara County region (which includes Morgan Hill) is the Valley Transportation Authority (VTA) Travel Demand Model (TDM). The VTA TDM contains local land uses and roadway networks and is the best tool for estimating VMT for the City of Morgan Hill.

The VTA TDM is a four step travel demand model which runs through the following four steps:

1. Trip generation (number of trips),
2. Trip distribution (where the trips go),
3. Mode choice (how the trips are divided among the available modes of travel),
4. Trip assignment (route the trips will take).

34 TAZs make up the City of Morgan Hill in the VTA TDM as shown in Figure 1. It should be noted that a very small portion of the city is in zones 329, 331, 346, 352, 355 and 356.

Figure 1: Morgan Hill TAZs



1. VMT METHODOLOGY AND METRICS

To calculate VMT from the VTA TDM, an origin destination (OD) methodology was used. This method uses two major outputs from the VTA model - the first is a set of vehicle trip tables (which includes all vehicle trips by vehicle mode and by time of day) that contain the number of trips between each zone in the model. The second data input is the set of highway distance skims (by vehicle mode and by time of day) that allows trip distances to be calculated for each OD pair between TAZs to be based on congested travel time, speed, and costs from the final highway network assignment. The total VMT matrices are then created by multiplying the final OD trip tables with the corresponding highway distance skims.

CEQA Guidelines Section 15064.3(b)(4) states, “[a] lead agency has discretion to choose the most appropriate methodology to evaluate a project’s [VMT], including whether to express the change in absolute terms, per capita, per household or in any other measure.” VMT can be expressed as an efficiency-based metric (e.g., VMT per resident, VMT per employee, or VMT per service population) or as absolute metric (e.g., total VMT). OPR recommends expressing VMT as an efficiency-based metric to allow for more direct comparisons to baseline conditions. VMT fluctuates based on changes in population, employment, economic activity, or due to expanding transportation options (e.g., Uber, Lyft, Micro-Mobility, and autonomous vehicles).

The following are different type of VMT metrics that can be used to determine significance for projects in Morgan Hill:

1. **Total VMT** – VMT generated by all land uses in a defined geographic area (Morgan Hill boundaries or TAZ equivalent). Total VMT is calculated by taking the distance traveled by all passenger vehicle trips that are assigned on the roadway network.
2. **VMT per Service Population** – VMT generated by all land uses in a defined geographic area (Morgan Hill boundaries or TAZ equivalent) divided by the total number of residents and employees. Service population includes any one that generates traffic in an area such as total population, employment, students, and hotel guests. This metric reflects all passenger vehicle trips assigned on the roadway network.
3. **Home-based VMT per Resident** – VMT generated from travel between resident’s homes and other destinations, such as for work, school, household errands, in a defined geographic area divided by the total residents. This metric excludes trips between two non-residential locations, such as a trip between a retail center and a school. Home based VMT per resident reflects all passenger vehicles assigned to the roadway network and is calculated using the production side of the vehicle trip table.
4. **Home-based VMT per Employee** – VMT generated from travel between an employee’s home and work in a defined geographic area divided by the number of employees in the geographic area. Home-based work VMT per employee reflects all passenger vehicles assigned to the roadway network and is calculated using the attraction side of the vehicle trip table.

2. MORGAN HILL VMT METRICS

Development projects in the City of Morgan Hill can be split into two main types; transportation projects and land use projects. Transportation projects include roadway widenings, signal installations, sidewalk improvements, bicycle lanes, etc. Land use projects include residential dwellings, commercial buildings, parks, medical facilities, or government buildings.

For transportation projects, OPR recommends the total VMT methodology for estimating the VMT impact of transportation projects. The total VMT within a defined geographic area is calculated for the before and after project conditions. The impacts of the transportation project is reflected by whether VMT generated by the project increases the total roadway VMT. For more information, the OPR Technical Advisory and California Department of Transportation (Caltrans) Draft Transportation Analysis Framework (Caltrans, 2020) provides a step by step guidance for estimating VMT for transportation projects.

For land use projects, OPR recommends one of the following metrics to calculate a project's VMT significance impact:

- Home-based VMT per Resident and Home-based VMT per Employee metrics.
- Home-based VMT per service population.

TJKM obtained the latest VTA TDM and isolated Morgan Hill TAZs and calculated the VMT metrics for the city for the base year (2015) and the forecast year (2040). Table 1 presents Morgan Hill VMT metrics from the VTA TDM.

Table 1 – VMT Metrics for City of Morgan Hill

VMT Metrics		
	Home-Based VMT per Resident	Home-Based VMT per Employee
2015 Base Year Model	24.64	21.42
2040 Forecast Year Model	25.46	22.65

Source: VTA TDM

3. MORGAN HILL VMT SCREENING CRITERIA

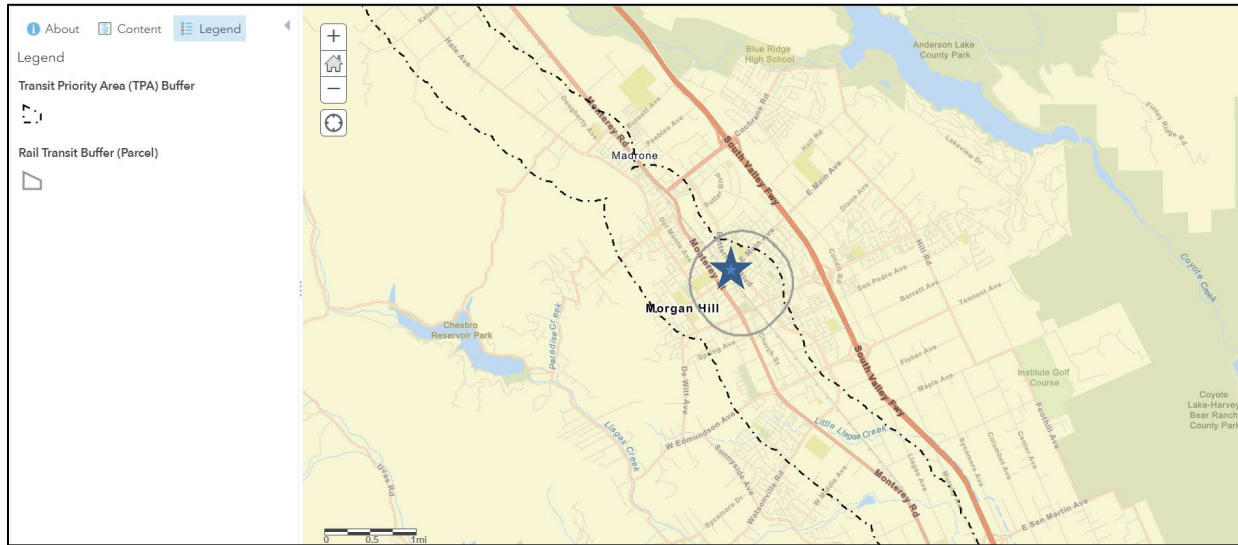
The OPR Technical advisory provides “screening thresholds” that local agencies may use to determine when a land use or transportation project would typically be expected to cause a less than significant VMT impact.

Projects that meet the screening threshold/criteria for VMT would most likely reduce VMT in a specific TAZ within Morgan Hill. In addition, a project that meets at least one of the screening criteria would be exempt from further VMT analysis.

Below are various land use projects VMT screening criteria that may be applicable to projects within Morgan Hill. For single use land use projects, meeting one of the following criteria is sufficient. For multiple land use projects, such as a mixed use project, multiple screening criterion need to be met for each type of land use for it to be exempt from further VMT analysis.

1. **Project Size Screening** – OPR Technical Advisory (page 12) states that local agencies may screen out projects that generate less than 110 average daily trips. When estimating trips generated by a project, Institute of Transportation Engineers (ITE) guidelines or local surveys of trip generations need to be reviewed and approved by the City of Morgan Hill. Such analysis will need to account for trip generation of all uses on the project site when calculating the total number of daily trips.
2. **Locally Serving Retail Screening** – OPR Technical Advisory (page 16) states that local serving retail projects, defined as retail projects that are less than 50,000 square feet may be presumed to have an insignificant VMT impact. Fast food restaurants are in this category. Local serving retail generally improves proximity and convenience for residents to food and other consumer goods and reduce the vehicle distance travelled.
3. **Low VMT Area Screening** – OPR Technical Advisory (page 12) states that residential and employment projects located within a low VMT generating area may be presumed to have an insignificant VMT impact. OPR’s guidance suggests using low VMT screening criteria as 15 percent below a region’s home based VMT per resident or home based VMT per employee metric but allows the lead agency to set their own thresholds. Morgan Hill has elected to use the low VMT area screening as equal to the city’s average Home-based VMT per resident or VMT per employee, depending on the type of project. Further discussion in the next section will support findings that show why using the existing average is better compatible with Morgan Hill’s development standards.
4. **Transit Proximity Screening** – OPR Technical Advisory (page 13) states that projects located within Transit Priority Areas or High Quality Transit Corridors are presumed to have a less than significant impact and will not require further VMT analysis. Close proximity means any project located within half a mile radius of an existing or planned major transit stop. Major transit stops are defined as either rail transit with dedicated right of way, a ferry terminal served by bus or rail or the intersection of two or more bus routes with headways of 15 minutes or less during morning and afternoon peak commute periods. Morgan Hill has a Caltrain station in the downtown area that fulfills this screening criteria. In addition, VTA bus route 68 is a high capacity bus line with stations along Monterey Road in Morgan Hill that also meet this criteria.

Figure 2: Morgan Hill Transit Buffer around Caltrain Station and VTA Route 68



5. **Affordable Housing Screening** – OPR Technical Advisory (page 14) states affordable housing generates lower VMT than market housing. Adding affordable housing to infill locations generally improves jobs-housing match, in turn shortening commutes and reducing VMT. Lower income families tend to choose a residential location close to their workplace and have lower levels of auto ownership, allowing buildings to be designed with less parking which, in some cases, represents the difference between a project being economically viable or not. Therefore, a project consisting of a high percentage of affordable housing may be a basis for the lead agency to find a less-than-significant impact on VMT. Evidence supports a presumption of less than significant impact for a 100 percent affordable residential development (or the residential component of a mixed-use development) in infill locations. Lead agencies may develop their own presumption of less than significant impact for residential projects (or residential portions of mixed use projects) containing a particular amount of affordable housing, based on local circumstances and evidence. Not every city has screened out projects with affordable homes but most have included them in VMT reduction mitigation measures that calculate lower VMT for affordable homes.
6. **Active Transportation Projects** – For transportation projects, CEQA Guidelines Section 15064.3(b)(2) states, “Transportation projects that reduce, or have no impact on, vehicle miles traveled should be presumed to cause a less than significant transportation impact.” OPR Technical Advisory (page 23) states that transportation projects that promote active transportation, such as transit, bicycle, and pedestrian facilities, are presumed to generally reduce VMT and can be screened out from further analysis.

4. MORGAN HILL VMT THRESHOLDS OF SIGNIFICANCE

Section 15064 of the CEQA Guidelines provide general criteria to local agencies in determining the significance of environmental effects of their projects (such as VMT) as required by section 21083 of the Public Resources Code. The Natural Resources Agency updated CEQA guidelines Section 15064 to expressly clarify that agencies may rely on standards adopted for environmental protection as thresholds of significance. An agency that relies on a threshold of significance should explain how the application of the threshold indicates a less than significant effect.

The VMT Thresholds of Significance for Morgan Hill are based on the type of land use development - VMT per capita for residential projects and VMT per job or employee for employment projects. While OPR suggests a threshold of 15 percent reduction in the VMT metric as compared to the existing baseline, it recognizes that not all cities in California are similar in terms of land use and transportation options.

Many of the cities and counties adopting the OPR recommended 15% threshold are jurisdictions where the majority of the city falls within transit priority areas and / or are mostly urbanized near a high employment center core. With land parcels in these cities and counties mostly screened out, few projects in the 15% threshold areas would require a full CEQA transportation analysis (including VMT).

Below are some examples of VMT thresholds that deviate from OPR's recommendation. Appendix 1 shows the full list compiled as part of a literature review.

- Baseline – City of Laguna Hills, City of Corona, City of Pasadena, City of Glendora, Canyon lake, Chino, Laguna Niguel, Walnut, Calimesa, Jurupa Valley, Lake Elsinore, Fullerton, Menifee, Moreno Valley, Murrieta, Norco, Cucamonga, San Dimas, Seal Beach, San Jacinto, Upland, Vallejo, Victorville, Yorba Linda
- 3% below baseline – City of Beaumont, Wildomar
- 4% below baseline – County of San Bernardino
- 5% below baseline – Simi Valley in Ventura County

OPR guidelines state that lead agencies have the discretion to setup their own VMT thresholds. If they are deviating from OPR's 15% reduction in VMT, they need to provide substantial evidence. Western Riverside Council of Governments, WRCOG did a detailed analysis and took a legal opinion in this regard which stated that "*Substantial evidence is critical in the threshold setting process and should explain why the OPR recommended threshold is not appropriate for the lead agency and why another threshold was selected*". This opinion considers the fact that the 15-percent reduction is not included in the statute or the proposed CEQA Guidelines; rather it is only included in OPR's *Technical Advisory*. The technical advisory relies heavily on CAPCOA's "Quantifying Greenhouse Gas Mitigation Measures" report which says that 15% is the reduction possible by combining several mitigation strategies for places classified as suburban centers. The efficacy of these mitigation measures decreases for suburban and rural areas that do not have good mixed landuse, balance of jobs and housing and transit options. Also, these reductions are not based on a before and after study of implementation of mitigation strategies. The percentages were derived comparing VMT performance for a small set of cities in California using data collected a decade ago. Further studies are needed to understand short and long term effects of TDM strategies in reducing GHG emissions.



Given all of the above and the fact that lead agencies have discretion in setting thresholds, some cities have taken the below approach.

Since an impact under CEQA is considered to have occurred when there is an increase in VMT and GHG gas emissions, a starting level for thresholds can be existing conditions or baseline VMT metrics (Total VMT, VMT per capita, VMT per employee, VMT per service population etc.). Since VMT increases with increase in population and employment, impact can be calculated by comparing build alternatives to baseline conditions. This assumes that trip patterns generated by new land use is similar to existing land uses.

5. VMT THRESHOLDS

Morgan Hill will use the city average as the VMT threshold for both residential (VMT per Capita) and employment (VMT per employee) land uses. This balances the city's development goals with environmental goals. Residential and employment projects can be added to zones where the VMT metric is below or equal to the city's average. This ensures that at a minimum, the city's VMT metrics remain the same. The table below shows the percentage of TAZs that meet the criteria when using the baseline City Average as the threshold.

Table 2: VMT Threshold Summary

Using City Average as Threshold...			VMT Metric
Metric	Meets threshold	Percent	Value
VMT / Capita	24 of 34 Zones meet threshold	71%	24.64
VMT / Employee	13 of 34 Zones meet threshold	38%	21.42

Following are the recommended thresholds for Morgan Hill.

BASE YEAR VMT THRESHOLDS

A project would result in a significant project-generated VMT impact if:

- For residential projects, its net VMT per capita exceeds Morgan Hill's baseline VMT per capita.
- For office and industrial projects, its net VMT per employee exceeds Morgan Hill's baseline VMT per employee.
- For all other uses, including commercial / retail uses over the 50,000 square feet local threshold, a net increase in total VMT within Morgan Hill would be considered a significant impact.

CUMULATIVE VMT IMPACTS

For future year forecasts, a project would result in a significant VMT impact if:

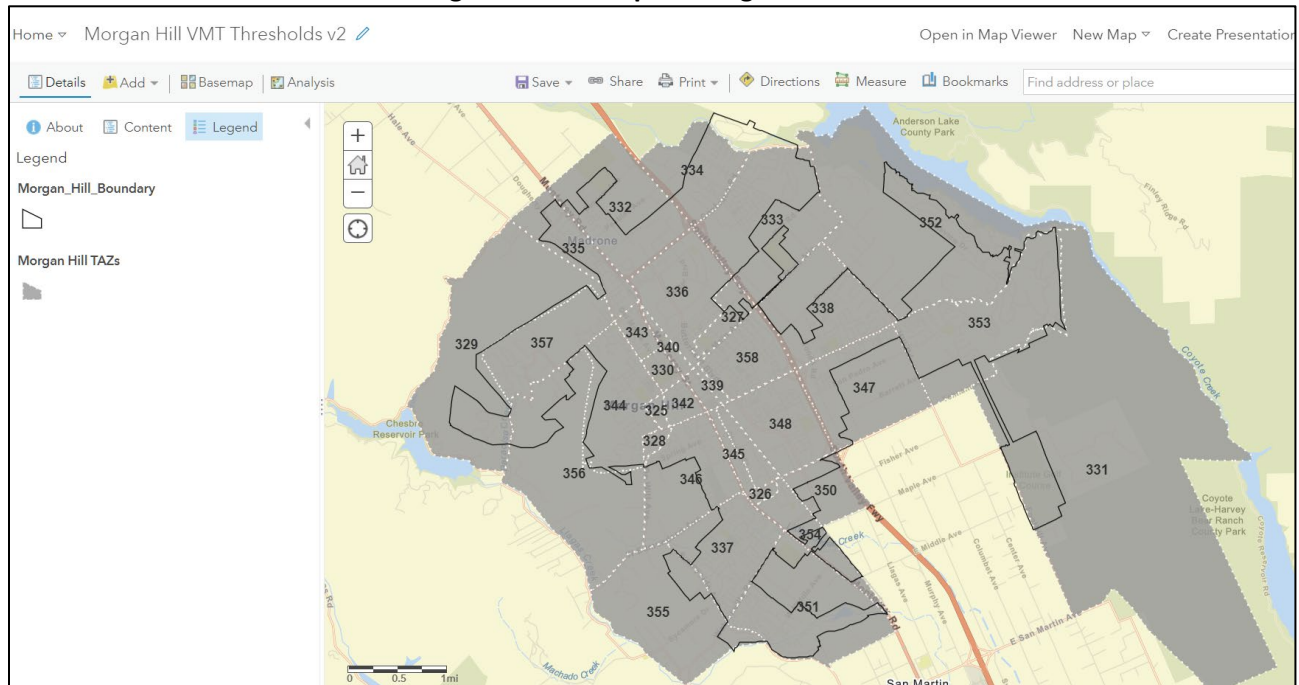
- For residential projects, its cumulative project-generated VMT per capita exceeds the future baseline VMT per capita for Morgan Hill.
- For office and industrial projects, its cumulative project-generated VMT per employee exceeds the future baseline VMT per employee for Morgan Hill.
- For all other land development project types, a net increase in total VMT in the Cumulative Plus Project scenario would be considered a significant impact.

Online maps have been provided for the various TAZs that comprise Morgan Hill along with VMT per Capita and VMT per Employment data. In addition, a half mile boundary transit buffer zone has been drawn around the Morgan Hill Caltrain station and VTA Route 68 to show transit accessible areas which are exempt from VMT analysis. The online map can be accessed here: <https://arcg.is/1XTCfa0>

APPENDIX A – VMT METRICS BY ZONE MAPS

Figure 3 shows all the traffic analysis zones in Morgan City and their zone number. This map can be used in conjunction with Table 2's VMT metrics and how they compare to different options for thresholds.

Figure 3: TAZ Map of Morgan Hill



The following maps show TAZs in Morgan Hill which are under the threshold, are mitigatable, or unmitigatable for VMT per Capita and VMT per Employee metrics.

Figure 4: VMT per Capita Map for Morgan Hill

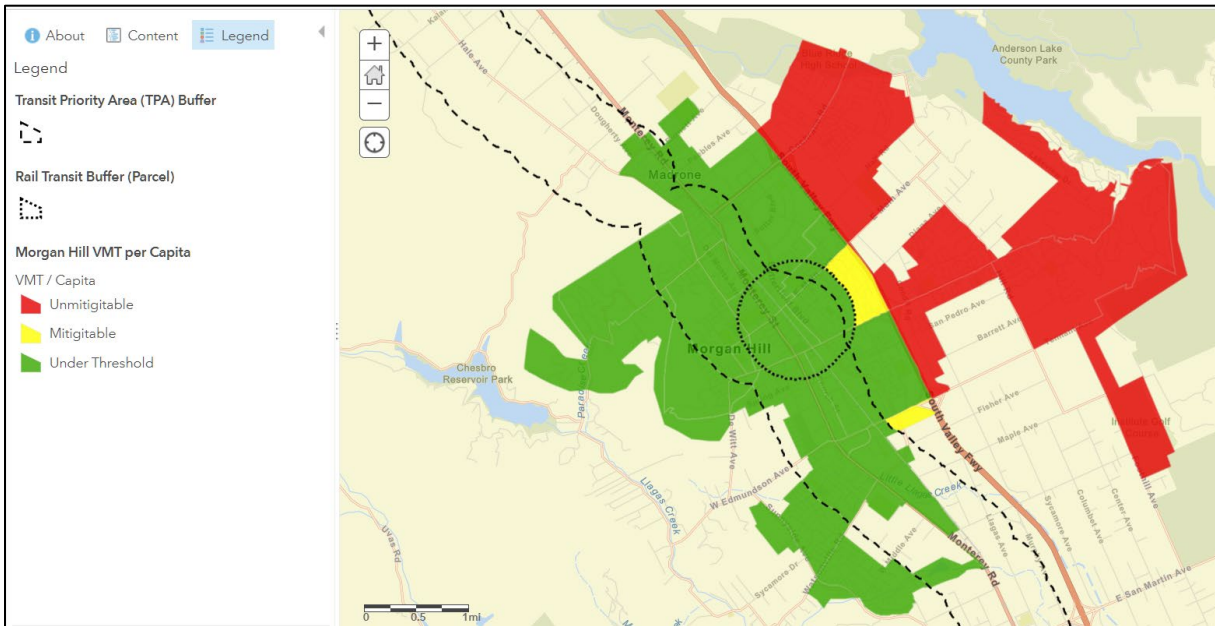
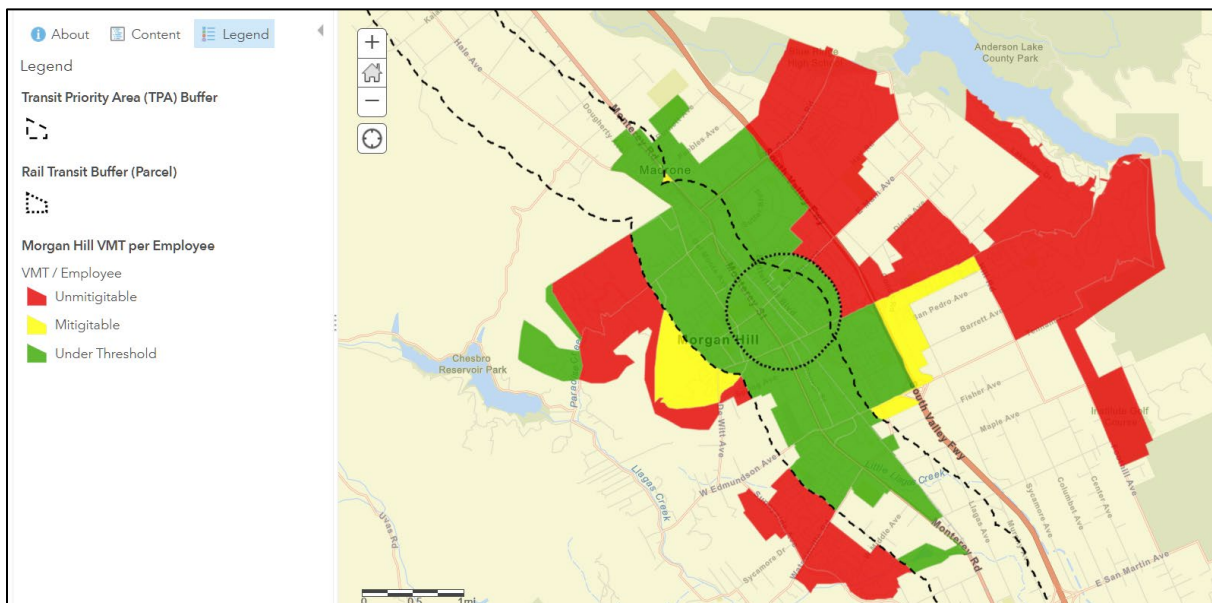


Figure 5: VMT per Employee Map for Morgan Hill





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APPENDIX B – CITIES IN CALIFORNIA THAT DEVIATE FROM OPR’S RECOMMENDATION OF 15% REDUCTION IN VMT METRICS AS COMPARED TO BASELINE

Name	County	Metric - Residential	Threshold - Residential	Metric - Office	Threshold - Office
Aliso Viejo	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Buena Park	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Calimesa	Riverside	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Fountain Valley	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Fullerton	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
La Habra	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Ontario	San Bernardino	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Orange	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Palm Springs	Riverside	<u>VMT/SP</u>	< City VMT at general plan build-out	<u>VMT/SP</u>	< City VMT at general plan build-out
San Bernardino	San Bernardino	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Twentynine Palms	San Bernardino	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Upland	San Bernardino	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Yorba Linda	Orange	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Yucca Valley	San Bernardino	VMT/SP	< City VMT at general plan build-out	VMT/SP	< City VMT at general plan build-out
Tulare	Tulare	VMT/capita	< TAZ level VMT	VMT/employee	< TAZ level VMT

Name	County	Metric - Residential	Threshold - Residential	Metric - Office	Threshold - Office
Simi Valley	Ventura	VMT/capita	≤ 95% of city VMT	VMT/employee	≤ 95% of city VMT
San Bernardino	San Bernardino	VMT/capita	≤ 96% of unincorporated county VMT	VMT/employee	≤ 96% of unincorporated county VMT
Wildomar	Riverside	<u>case-by-case</u>	≤ 97% of the city VMT, or ≤ the region's VMT	<u>case-by-case</u>	≤ 97% of regional or city VMT
Beaumont	Riverside	VMT/SP	≤ 97% of the city VMT, or ≤ the region's VMT	VMT/SP	≤ 97% of the city VMT, or ≤ the region's VMT
Canyon Lake	Riverside	VMT/SP	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
Chino	San Bernardino	VMT/SP	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
Corona	Riverside	VMT/SP	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
Glendora	Los Angeles	VMT/capita	≤ City baseline VMT	VMT/employee	≤ City baseline VMT
Jurupa Valley	Riverside	VMT/capita	≤ City baseline VMT	VMT/employee	≤ City baseline VMT
Laguna Hills	Orange	VMT/capita	≤ City baseline VMT	VMT/employee	≤ City baseline VMT
Laguna Niguel	Orange	VMT/capita	≤ City baseline VMT	VMT/employee	≤ City baseline VMT
Lake Elsinore	Riverside	VMT/SP	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
Moreno Valley	Riverside	<u>VMT/capita</u>	≤ City baseline VMT	<u>VMT/employee</u>	≤ City baseline VMT
Murrieta	Riverside	<u>VMT/SP</u>	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
Norco	Riverside	<u>VMT/SP or VMT/capita</u>	≤ City baseline VMT	VMT/SP or VMT/employee depending on context	≤ City baseline VMT
Rancho Cucamonga	San Bernardino	VMT/SP	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
San Dimas	Los Angeles	VMT/SP	≤ City baseline VMT	VMT/SP	≤ City baseline VMT
Seal Beach	Orange	VMT/capita	≤ City baseline VMT	VMT/employee	≤ City baseline VMT
Vallejo	Solano	VMT/capita	≤ City baseline VMT	VMT/employee	≤ City baseline VMT

Name	County	Metric - Residential	Threshold - Residential	Metric - Office	Threshold - Office
Victorville	San Bernardino	VTM/SP	≤ City baseline VMT	VTM/SP	≤ City baseline VMT
Walnut	Los Angeles	No	≤ City baseline VMT	No	≤ City baseline VMT
Apple Valley	San Bernardino	VTM/SP	≤ City VMT at general plan build-out	VTM/SP	≤ City VMT at general plan build-out
Eastvale	Riverside	VTM/capita	≤ County general plan build-out VMT	VTM/capita	≤ County general plan build-out VMT
Menifee	Riverside	<u>VTM/SP</u>	≤ County general plan build-out VMT	<u>VTM/SP</u>	≤ County general plan build-out VMT
Barstow	San Bernardino	VTM/SP	≤ County VMT	VTM/SP	≤ County VMT
Grand Terrace	San Bernardino	VTM/SP	≤ County VMT	VTM/SP	≤ County VMT
Indio	Riverside	VTM/capita	≤ County VMT	VTM/employee	≤ County VMT
Palm Desert	Riverside	<u>VTM/SP</u>	≤ City baseline VMT	VTM/employee	≤ County VMT
Santa Ana	Orange	VTM/SP	≤ County VMT	VTM/SP	≤ County VMT
RIVERSIDE	RIVERSIDE	VTM/capita	≤ County VMT	VTM/employee	≤ County VMT
Alhambra	Los Angeles	VTM/capita	≤ Regional VMT	VTM/employee	≤ Regional VMT
West Covina	Los Angeles	VTM/SP	≤ Regional VMT	VTM/SP	≤ Regional VMT

Source: UC Davis Research Project Draft. To be finalized in mid-2023.



TJKM

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TECHNICAL MEMORANDUM

Date: May 12, 2023

To: Adam Paszkowski, Morgan Hill *Project No.:* 073-048 Morgan Hill VMT Thresholds

From: Vamsee Modugula & Arthur Chen, TJKM *Jurisdiction:* City of Morgan Hill

Subject: **Morgan Hill VMT Mitigation Measures Memo (FINAL)**

This memo describes VMT (Vehicle Miles Traveled) mitigation strategies that may apply to projects in the City of Morgan Hill. The traditional options for mitigating traffic impacts, such as widening a roadway or an intersection are no longer applicable due to SB743. This memo summarizes potential strategies to reduce VMT that are suited to the built environment of the City and identifies new mitigation program ideas that the City may consider as part of future planning efforts or projects.

1. MORGAN HILL VMT MITIGATION OVERVIEW

The OPR Technical Advisory (page 26) states that environmental documents must identify feasible mitigation measures for projects that results in a significant environmental impact. With the new metric of VMT, the mitigation measures should reduce the amount of vehicle travel generated by a project so that the impact is substantially reduced or avoided altogether.

The OPR Technical Advisory (page 27) provides several potential mitigation measures that can result in a reduction in vehicle travel. These types of measures are typically described as transportation demand management (TDM) strategies and can be applied at the project scale. The OPR Technical Advisory also states that mitigation fee programs can be effective at reducing VMT in the project region. Fee programs can serve as VMT mitigation if there is evidence that the fee is guaranteed to be paid and that the projects and programs funded through the fee program will be implemented.

Morgan Hill's predominately suburban and rural land use presents a challenge to the effectiveness of many common TDM strategies that reduce vehicle travel due to lower land use densities and limited travel options. Despite this challenge, identifying key mitigation measures that reduce the number of single-occupant vehicle trips and miles traveled generated by a project is still feasible.

Mitigation measures that affect VMT are those that reduce the number of single-occupant vehicles traveling to or from a particular project site. This can be accomplished by changing the proposed land uses or by implementing TDM strategies. TDM strategies have been determined to be most effective at mitigating VMT, as researched by the California Air Pollution Control Officers Association (CAPCOA). CAPCOA research, done in 2010 *Quantifying Greenhouse Gas Mitigation Measures* along with other research papers published since then gave insight on the extent of VMT mitigation possible in Morgan Hill. In addition, the Santa Clara Valley Transportation Authority (VTA) VMT Mitigation Tool was consulted to find the best data available on VMT mitigation for the city.

2. MORGAN HILL VMT MITIGATION MEASURES

Specific TDM mitigation strategies aimed at reducing VMT need to be tailored to project characteristics, and their effectiveness needs to be analyzed and documented as part of the environmental review process to see if the VMT impacts can be mitigated to an insignificant level. The list of mitigation measures below come from CAPCOA research along with information from the VTA VMT Mitigation tool. In addition, OPR guidelines allow for some degree of discretion from the lead agency depending on the type of the proposed project.

- **Increase residential density** - Where allowed by the current General Plan and zoning, design the Project with increased residential densities compared to existing conditions in the surrounding area. Increased densities affect the distances people travel and provide greater options for the mode of travel they choose. Strategy applies to residential land uses only. The denominator is based on existing residential acreage within the half-mile buffer zone of the Project parcel. *Application: Residential land uses only.*
- **Increase development density** - Where allowed by the current General Plan and zoning, increase the amount of space dedicated to mixed employment and high-density residential uses in the area surrounding the Project, particularly in a vertical configuration (defined as ½ mile buffer from the Project parcel). Having different types of land uses near one another can reduce VMT because trips between land use types are shorter and may be accommodated by non-automotive modes of transport. *Application: Residential and employment land uses.*
- **Affordable Housing** - Develop on-site deed-restricted affordable, below-market rate (BMR) housing, for low-income households to reside in the Project. At the same site, households with incomes at or below 80% of the regional median income generally make fewer trips by automobile than households with higher incomes, resulting in reduced VMT. BMR housing provides greater opportunity for families to live closer to transit. *Application: Residential land uses only.*
- **Increase Employment Density** - Where allowed by the current General Plan and zoning, design the Project with increased employment densities compared to existing conditions in the surrounding area. Increased densities affect the distances people travel and provide greater options for the mode of travel they choose. Strategy applies to employment land uses only. Employment density is measured as the ratio of the number of employees to the net commercial and industrial acreage in a given area. *Application: Employment land uses only.*
- **Increase Bike Access** - Implement bicycle facilities that close gaps in the bicycle network and/or improve the existing bicycle network (e.g. construct barrier or buffer for an existing bike lane). Improving bike access to the Project promotes biking as an alternative to driving, and reduces VMT. VMT reductions are based on a reduction of the distance between the project frontage to a bicycle facility. This measure only applies to bicycle facilities that provide a dedicated lane for bicyclists or a completely separated right-of-way for bicycles and pedestrians. These facilities include Class I (trail) Class II (bike lane), and Class IV (protected bike lane) bikeways. This measure would not be applicable if the resulting gap between the project and the external bikeway exceeds 1/3 mile. *Application: Residential and employment land uses.*
- **Network Connectivity / Design Improvements** - Build new street connections and/or connect cul-de-sacs to provide pedestrian and bicycle access. This measure enhances walkability, connectivity, and street accessibility within a neighborhood. VMT reductions are based on the change to intersection densities within a 1/4 mile buffer of the Project, and internal connections inside the

Project area. Intersection densities calculation should be conducted in GIS. Proposed improvements should be negotiated with the City. *Application: Residential and employment land uses.*

- **Increase Transit Accessibility** - Building the project within proximity to a transit station or stop with high-quality service enhances access to transit, which facilitates the use of transit for people traveling to/from the project site. Facilitating transit use results in a mode shift from driving to transit and thereby reduces VMT. In the SCC VMT Evaluation Tool, this strategy is applied by taking the distance between the project site and the closest transit stop without project improvements and the distance to the closest transit stop with project improvements and applying an elasticity factor; therefore, the project can reduce its VMT by relocating a transit stop closer to the site. Proposed changes to transit stop locations are subject to negotiations with the applicable transit operator. *Application: residential and employment land uses.*
- **Traffic Calming Measures** - Implement pedestrian/bicycle safety and traffic calming measures both on-site and in the surrounding neighborhood. Providing traffic calming measures promotes walking and biking as an alternative to driving, and reduced VMT. VMT reductions are based on proposed median refuges, bulb-outs, and/or other pedestrian crossing enhancements beyond the project frontage. Proposed traffic calming features such as speed bumps require further study and conceptual City Approval. *Application: Residential and employment land uses.*
- **Pedestrian Network Improvements** - Implement pedestrian improvements both on-site and in the surrounding neighborhood. Improving the pedestrian connections encourages people to walk instead of drive and reduces VMT. Pedestrian improvements include but are not limited to: sidewalks; marked or signalized pedestrian crossings at intersections; lighting; and curb ramps. Some proposed pedestrian improvements requires additional study and conceptual City approval. *Application: Residential and employment land uses.*
- **Provide Bike Facilities** - This strategy requires the project developer to provide and maintain facilities for bicycle users at the project site. Examples of end-of-trip facilities include bike parking, bicycle lockers, showers, and personal lockers. The extent of VMT reduction is based on the Project provision of secure bike parking or secure bike parking and additional facilities. *Application: Employment land use only.*
- **School Pool Program** - Organize a program that matches families in carpools for school pick-up and drop-off. Organizing a School Pool Program helps match parents who transport students to schools without a busing program, including private schools, charter schools, and neighborhood schools where students cannot walk or bike. The school pool program would be open to all families in the development. School pools reduce the total number of vehicle trips traveling to and from schools, thereby reducing VMT. Subject to negotiations with the City and possible negotiations with schools serving the Project. *Application: Residential land uses only.*
- **Implement Bike Sharing Program** - This strategy requires the project developer to dedicate space for or provide subsidies to a bike sharing system, ideally one with high penetration in a larger area, such as Bay Wheels. Bike share substitutes for some driving trips and provides a first/last-mile connection for transit users, reducing auto trips and thereby reducing VMT. This reduction only applies if a bike share station is eventually built on site. *Application: residential and employment land uses.*
- **Implement Commute Trip Reduction Marketing/Education** - Implement a marketing campaign targeting all Project employees and visitors that encourages the use of transit, shared rides, and active modes. Marketing strategies may include new employee orientation on alternative

commute options, event promotions, and publications. Providing information and encouragement to use transit, share ride modes, and active modes, reducing drive-alone trips and thereby reducing VMT. *Application: employment land uses only.*

- **Commute Trip Reduction Program** - Provide a comprehensive program to reduce the number of drive-alone commute trips to the Project and actively monitor and react to changes in mode share. Program includes encouraging and assisting employees in using an alternative commute mode. Tools include carpooling encouragement, ride share assistance, flexible/alternative work schedules, vanpool assistance, and bicycle end of trip facilities. *Application: employment land uses only.*
- **Subsidized Transit Program** - This strategy requires project employers or building operators to provide either partially or fully subsidized transit passes for all project affiliates (employees and/or residents). Providing subsidies for transit use encourages people to use transit rather than driving, thereby reducing VMT. This strategy differs from TP 14 Transit Service Expansion in that subsidies are provided to the employees or residents, not the public transit agency. Note that certain discounted transit pass programs have specific requirements; for instance, VTA's SmartPass Program requires 100% subsidy for all residents / employees. For subsidies applied to VTA's transit lines, the project must be within a half mile radius of the nearest bus stop. *Application: residential and employment land uses.*
- **Telecommuting and Alternative Work Schedule Program** - This strategy requires project employers to allow and encourage employees to telecommute from home when possible, or to shift work schedules such that employees work slightly longer days resulting in fewer days in the office in a one-week or two-week period. This strategy reduces commute trips, thereby reducing VMT. *Application: employment land uses only.*
- **Free Door-to-Door Transit Fleet** - Provide direct shuttle service to the Project site from areas with high concentrations of employees. This strategy reduces drive-alone commute trips, thereby reducing VMT. *Application: employment land uses only.*
- **Alternative Transportation Benefits** - This strategy requires project employers to provide general commute benefits to employees, which may include financial subsidies or pre-tax deductions for transit, carpooling, and vanpooling activities. Transit in this case can apply to VTA bus routes and / or other city provided transit systems, such as Morgan Hill Quick Ride on-demand rideshare service (MoGo). *Application: employment land uses only.*
- **Access to Neighborhood Schools** - Project contributes to the development of a neighborhood school that would serve families living in the development. Neighborhood schools primarily serve the neighborhoods immediately surrounding the school and allow students to walk or bike to school, reducing the use of automobiles for drop-off and pick-up trips and thereby reducing VMT. *Application: residential land uses only.*
- **Ride-Sharing Programs** - Organize a program to match individuals interested in carpooling who have similar commute patterns. Strategy encourages the use of carpooling, reducing the number of vehicle trips and thereby reducing VMT. (Expected participation rate ranges between 2-10%) *Application: employment land uses only.*
- **Subsidize Public Transit Service Upgrades** - Project subsidizes transit service through fees and contributions to the transit provider, thereby improving transit service to the Project, resulting in increased use of transit and reduced VMT. VMT reduction is based on the contribution's effect on transit frequency and the number of routes affected by contributions. Strategy differs from the "Subsidized or Discounted Transit Program" in that subsidies are provided to the public transit

agency, not the employees. This strategy must be negotiated with the City and VTA. Transit in this case can apply to VTA bus routes and / or other city provided transit systems, such as Morgan Hill Quick Ride on-demand rideshare service (MoGo). *Application: residential and employment land uses.*

- **Behavioral Intervention** - This strategy requires the project to provide intensive one-on-one counseling and encouragement, along with subsidies, to encourage individuals to use non-drive alone modes. Implementing this program encourages the use of transit, shared ride modes, bicycling, walking, and telecommuting, reducing drive-alone trips and thereby reducing VMT. *Application: residential and employment land uses.*
- **Vanpool Incentives** - The strategy requires project employers or building operators to provide subsidies for individuals forming new vanpools for their commute. This encourages the use of vanpools, reducing drive-alone trips and thereby reducing VMT. *Application: applies to employment land uses only.*
- **Voluntary Travel Behavior Change Program** - Provide a program that targets individual attitudes towards travel and providing tools for individuals to analyze and alter their travel behavior. Voluntary Travel Behavior Change programs include mass communication campaigns and travel feedback programs such as travel diaries or feedback on calories burned from activities and travel. This strategy encourages the use of shared ride modes, transit, walking, and biking, thereby reducing VMT. *Application: residential and employment land uses.*