HOUSING WEBINAR SERIES: HOUSING & VMT MITIGATION

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Matt Goyne, PE
m.goyne@fehrandpeers.com

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AGENDA

Why use Housing as VMT Mitigation?

How to calculate VMT reductions associated with housing?

How to implement housing as VMT mitigation?

Discussion and Q&A

Why Housing as VMT Mitigation?

CEQA Context

CEQA Requires balancing impact on the environment with provision of homes

CEQA Statute 21001

(d) Ensure that the long-term protection of the environment**, consistent with the provision of a decent home and suitable living environment for every Californian, shall be the guiding criterion in public decisions.**

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Legislative Context

Senate Bill 743, which enabled the transition to VMT, included the following two legislative intent statements:

- Ensure that the environmental impacts of traffic, such as noise, air pollution, and safety concerns continue to be properly addressed and mitigated through the California Environmental Quality Act.
- More appropriately balance the needs of congestion management with statewide goals related to:

Infill Development

Promotion of Public Heath Through Active Transportation

Reduction of GHG Emissions

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Executive Order N-2-24

Infill homes are needed

Climate and Housing Goals are Linked

CARB's Scoping Plan for Achieving Climate Neutrality

- ✓ 85% below 1990 levels by 2045
- ✓ Infill housing reduces driving and GHG and improves air quality

Infill housing reduces cost of living

- ✓ Leverages existing infrastructure and amenities
- ✓ Reduces automobile travel and costs for affordable housing residents

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Executive Order N-2-24

4. Aligning Infill Housing Development with State Climate Policies

A. Establish a task force to develop "a framework for a Statewide Mitigation Bank to provide flexibility in the **use of infill housing as a mitigation strategy** for transportation and housing projects with significant environmental impacts under CEQA."

B. CARB shall develop metrics to assess **climate and environmental benefits** of infill housing.

Infill Development

Promotion of Public Heath Through Active Transportation

Reduction of GHG Emissions

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Tackles Multiple Local Challenges

All communities in California are struggling to meet state mandated VMT/GHG reduction and RHNA goals

Climate Action Plans

Incorporate VMT and GHG reduction benefits in Climate Action Plans

Housing Elements

Align CEQA processes support RHNA housing production goals

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CALCULATING VMT REDUCTIONS ASSOCIATED WITH INFILL HOUSING

1) General Guidance

2) City/County Association of Governments of San Mateo County Example

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Two General Approaches

INFILL ACCELERATION PROGRAM

Reduce Obstacles to Infill Construction
✓More Units in Low-VMT Areas
✓Less Units in Higher-VMT Areas

HOUSING RELOCATION SUBSIDY

"Drive 'Til You Qualify" Problem
✓Provide Housing Subsidy
✓Reduce Cost Differential to Allow Relocation
✓Lower Household VMT

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Where could new housing qualify as VMT Mitigation?

INFILL CEQA STATUTORY DEFINITIONS (PRC § 21061.3)

✓ Urbanized area per census
✓ 75% perimeter is built out

Is the site located in the following:

✓ One-half mile to high-quality transit,
✓ Existing low VMT area, or
✓ Is it in close proximity to amenities & services?

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Does this only help urban areas?

Thankfully, not. All communities can identify their infill areas, such as town centers, that generate less VMT due to proximity to jobs or amenities, even without high-quality transit.

PRC § 21080.4(a)(3)(B) “Proximal” to six or more amenities:

- Supermarkets or grocery stores
- Public parks
- Community centers
- Pharmacy or drugstores
- Medical clinics or hospitals
- Public libraries
- Schools that maintain a kindergarten or any of grades 1 to 12

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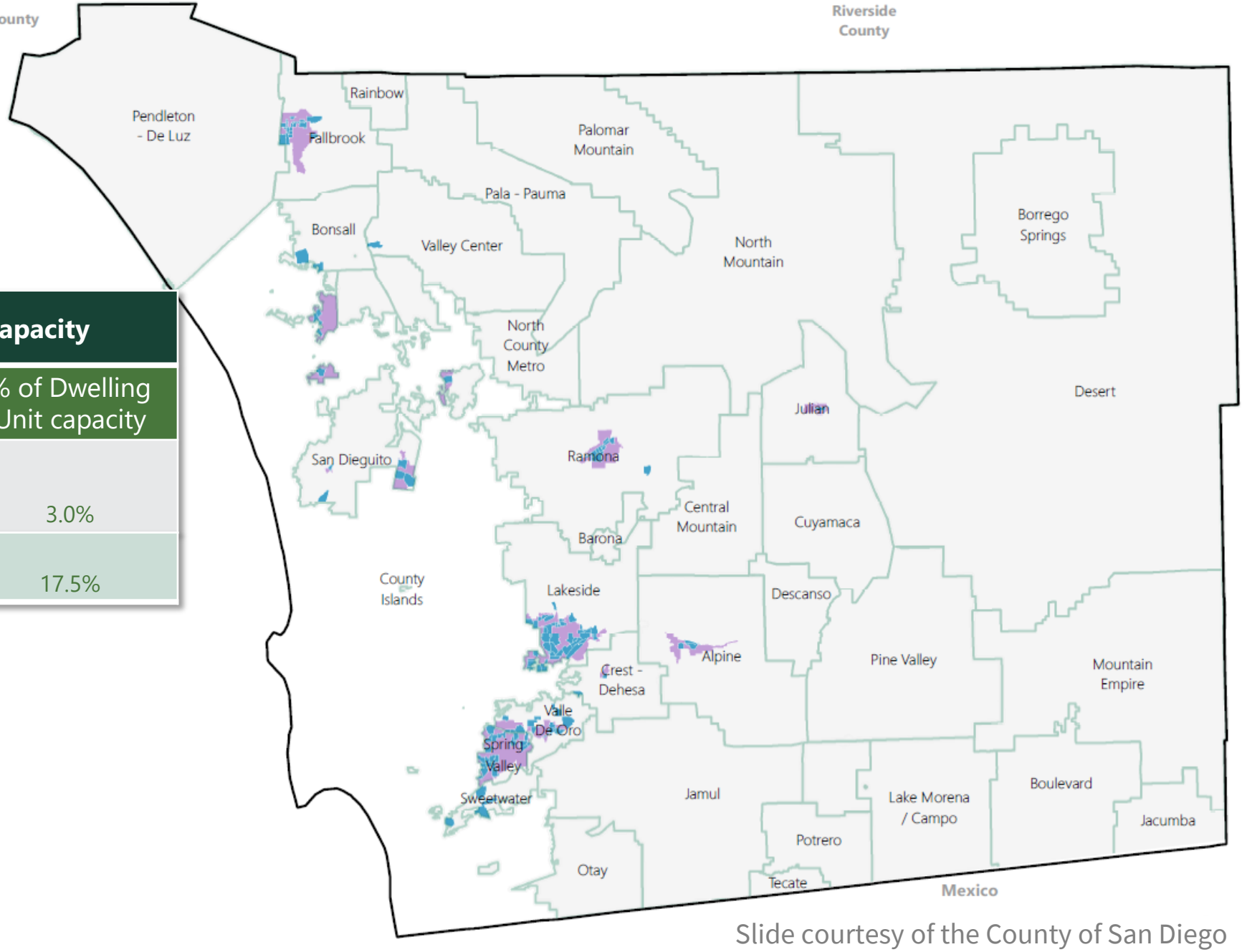
San Diego Unincorporated County Example

58,000 General Plan Housing Capacity			
Options	Acres	Dwelling Units	% of Dwelling Unit capacity
VMT Efficient Regional Average	2,470	1,700	3.0%
Infill + Village	33,782	10,180	17.5%

Legend

- Community Plan Area
- Infill Area
- Village Buffer Area



Slide courtesy of the County of San Diego

How to calculate the VMT reductions?

Three Components:

1) Increased Density

2) Provision of Affordable Housing

3) Proximity to Transit, Jobs, Amenities, or Services

Density

Compare density of project to density of surrounding neighborhoods

VMT Reductions Associated with Density

Density (Dwelling units per acre)	VMT Reduction Compared to Average U.S. Density
9.1	0%
10	-2.2%
15	-14.3%
20	-26.4%
25	-30%

Source: CAPCOA 2021 Handbook, Measure T-1

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Affordable Housing

Account for the VMT reduction effects of affordable housing

VMT Reductions Associated with Affordability

Percentage of Affordable Housing	VMT Reduction Compared to 100% Market Rate
10%	-2.9%
15%	-4.3%
20%	-5.7%
50%	-14.3%
100%	-28.6%

Source: CAPCOA 2021 Handbook, Measure T-4

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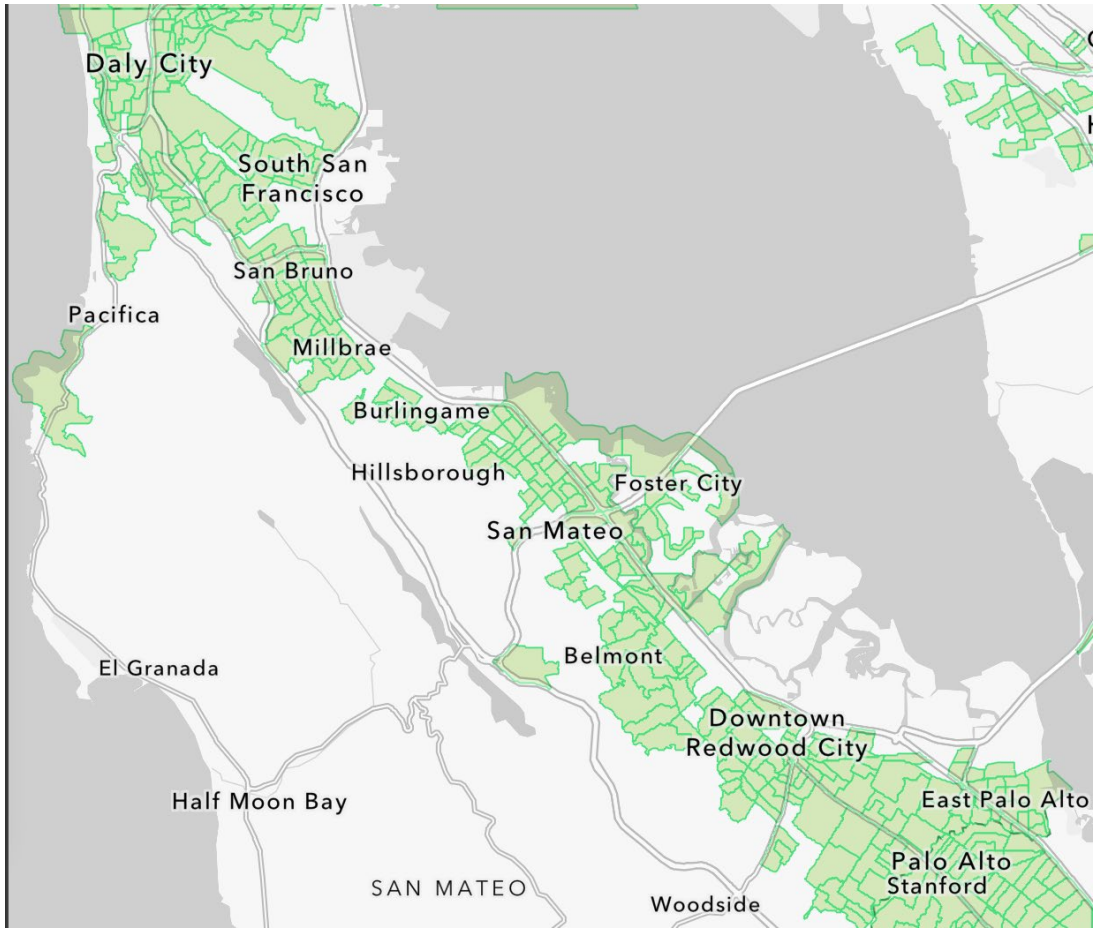
Proximity

Compare VMT in project location to regional or sub-regional average to understand benefits of location compared to business-as-usual growth. Data sources include:

- Regional travel demand models
- Big Data – StreetLight, Replica
- California Household Travel Survey data



Existing low VMT areas of San Mateo County (Source is VMT+ based on StreetLight Data)

C/CAG Example

- Worked with County Department of Housing to select affordable housing projects throughout the County as case studies
- Effectiveness of Affordable Housing
  - 17 daily VMT reduction per unit built
  - $0.76 per lifespan VMT reduced
- Missing middle can be used as mitigation, but wouldn't get benefit of affordability reduction

Peninsula Station affordable housing project in San Mateo (courtesy of Transform)

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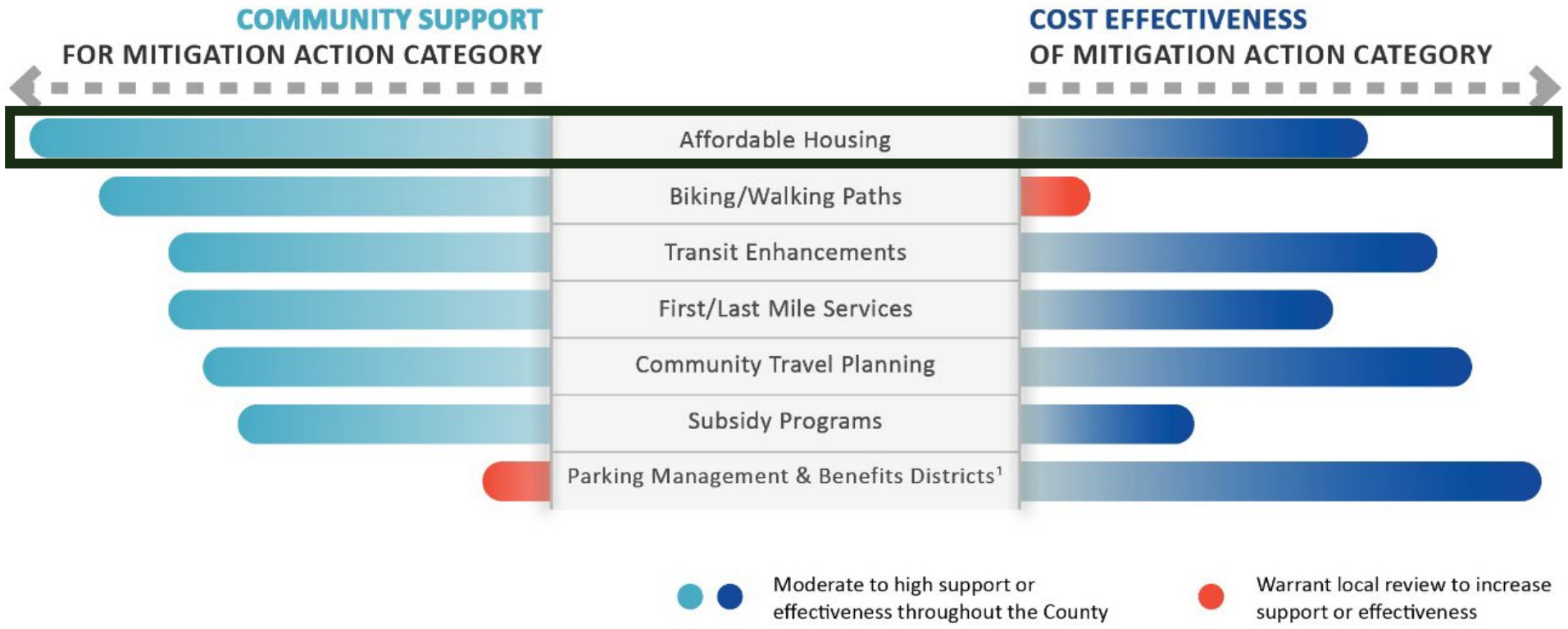
C/CAG Example



(1) This action was changed to Parking Benefits District after feedback was received to enhance benefits to equity communities and thus this mitigation action could be designed to increase community support.

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What else could you do to further reduce VMT of new housing?

Account for all zoning or code compliance components:

1) Increased Density

2) Provision of Affordable Housing

3) Proximity to Transit, Jobs, Amenities, or Services

4) **Parking and TDM Policies (if these are clearly defined)**

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HOW TO IMPLEMENT HOUSING AS VMT MITIGATION?

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Key Questions

To address feasibility and additionality questions

- Are there existing programs that fund affordable or missing middle housing?
- Does the community have a track record of not funding all the identified affordable housing needs?
- Are there any other programs claiming the VMT credit?

San Mateo County Example

C/CAG program allows flexibility to providing funding directly to affordable housing developers or go through County Department of Housing

San Mateo County Department of Housing officials were able to provide evidence of:

- Track record of building affordable housing (~4,700 units built over past in 10 years)
- Number of affordable housing projects exceed the amount of funding available
- Gap financing for 25% of the total housing cost allows housing to be built
- No other financing programs they manage are currently claiming VMT or GHG credits

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Leverage Existing Programs

When is an exchange or bank the right option?

Housing Provider	Fund via a VMT Exchange or Bank?
Individual Affordable Housing developments seeking funding	Exchange
County or City Housing Departments	Exchange or Bank
Regional Housing Trust Funds	Bank

THANK YOU

Matt Goyne m.goyne@fehrandpeers.com

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QUESTIONS

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