



**Agenda Item No: 7.a**  
**Meeting Date: December 2, 2019**

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Community Development**  
*Paul A. Jensen*

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**City Manager Approval:** *[Signature]*

**TOPIC: GENERAL PLAN 2040 / DOWNTOWN PRECISE PLAN**

**SUBJECT: GENERAL PLAN 2040 PROGRESS REPORT #3 AND RESOLUTION AMENDING RESOLUTION NO. 14426, MODIFYING APPOINTMENTS TO THE GENERAL PLAN 2040 STEERING COMMITTEE (CITY FILE NOS. GPA 16-001 & P16-013)**

- RECOMMENDATION:**
1. Adopt Resolution approving changes to General Plan 2040 Steering Committee membership
  2. Accept General Plan Progress Report
  3. Provide Direction to Staff on Transportation Policy Issues

**EXECUTIVE SUMMARY:**

Staff is providing the third Progress Report to the City Council on the General Plan Update. The report is organized into three parts:

1. Part One is a resolution appointing Eleanor Huang as the new Youth Representative to the General Plan 2040 Steering Committee.
2. Part Two is a status report on the General Plan Update, including recently completed tasks and work in progress. City Council feedback on this item is not required, but staff welcomes comments and will be prepared to respond to questions on this material.
3. Part Three is a report on the transportation policy issues that need to be resolved as part of the General Plan Update. The issues relate to the implementation of SB 743, a state law that changes the way California cities and counties measure transportation impacts under the California Environmental Quality Act (CEQA). SB 743 is intended to support the State’s climate action goals by reducing dependence on motor vehicles, which are the leading source of greenhouse gases in California. Three specific questions are presented for City Council discussion and feedback. City Council feedback is time-sensitive, as the City will be conducting traffic modeling for the General Plan Update in January 2020

\_\_\_\_\_ **FOR CITY CLERK ONLY** \_\_\_\_\_

**File No.:** \_\_\_\_\_

**Council Meeting:** \_\_\_\_\_

**Disposition:** \_\_\_\_\_

**BACKGROUND:**

The City of San Rafael initiated a General Plan Update at the end of 2017. The project is scheduled for completion in 2020. Staff has been providing updates to the City Council on the process and will continue to do so in the coming months. Progress Report #1 was presented to the City Council on [March 4, 2019](#). Report #2 was presented on [July 15, 2019](#). Progress Report #3 focuses on activities completed between July and November 2019.

The staff report is organized into three parts. The Analysis section below provides an overview of each part, as well as a discussion of issues and key decisions. A specific City Council action/response is requested at the end of each section.

**ANALYSIS:**

**PART ONE: STEERING COMMITTEE MEMBERSHIP CHANGE**

The General Plan 2040 Steering Committee was appointed by the City Council in December 2017. The Committee includes 24 members and 22 alternates. The Committee Bylaws require Council approval for the appointment of new Committee members.

The Youth representative to the Committee (Bella Bromberg) has stepped down in order to attend college out of state. Staff proposes to replace Ms. Bromberg with Eleanor Huang. Eleanor is a student at the Marin School of Environmental Leadership and resides in Terra Linda. She served as a student representative to the Climate Change Action Plan Green Ribbon Working Group and has expressed enthusiasm about serving on the Steering Committee as they wrap up their work in the next five months. Jack McGinn will remain the Youth “Alternate” in the event Ms. Huang is unable to attend a meeting. A Resolution appointing Eleanor Huang as a Committee member is attached to this Staff Report.

*Requested City Council Action: Adopt the Resolution appointing Eleanor Huang as the Youth representative to the General Plan 2040 Steering Committee.*

**PART TWO: GENERAL PLAN TASK UPDATE**

There are three major tasks underway, summarized below:

1. **Policy Development.** As of November 14, 2019, staff has completed Draft General Plan 2040 policies for all of the State-mandated elements except Circulation and Environmental Justice.<sup>1</sup> Completed policies include Land Use, Safety, Open Space, Conservation, and Noise. Staff has also updated policies relating to infrastructure, sustainability/climate action, and air and water quality.

Policies are being updated through an iterative process. As we reported during Progress Reports #1 and #2, the first step was to complete an “audit” of each element and determine which policies from the existing General Plan 2020 should be carried forward, edited, deleted, or replaced. Following the audit, policies for the 2040 Plan are being drafted, reflecting staff’s assessment and comments from the General Plan Steering Committee. Each set of Draft 2040 policies is being presented to the General Plan Steering Committee, with an opportunity for oral and written comments. The Draft 2040 policies are then revised again to reflect Steering Committee input.

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<sup>1</sup> The Housing Element will be updated in 2022, as required by State law. It is not part of the General Plan 2040 Update process.

Staff is in the process of drafting policies for the Circulation Element (to be retitled the “Mobility” Element in General Plan 2040). Other policies in production include neighborhoods, parks/recreation and economic vitality. Staff will be developing the remaining policies in January and February, in order to develop an Administrative Draft General Plan by March 2020.

In the course of updating Policy NH-1 (Neighborhood Planning), the public has raised the issue of which areas should receive priority for more detailed plans after the General Plan is adopted. The prior General Plan (2020) included a list of neighborhoods that had requested such plans. Staff recommends that future sub-area plans be focused on areas with unique local issues or significant potential for change between 2020 and 2040. The top two priority areas are the Northgate Town Center and the Canal/ East San Rafael neighborhoods. A proposed program in General Plan 2040 seeks funding to do area plans for these locations. These could be policy plans providing general direction based on community and property-owner engagement or Precise Plans with new zoning and design standards. If the plans support transit-oriented development, they may be eligible for state and regional grant funding. The General Plan Implementation Fee provides another potential funding source.

2. **Alternatives Analysis for General Plan 2040 and the EIR.** The General Plan Update includes an analysis of future land use and transportation alternatives. This is required under CEQA and also allows the City to model or simulate the impacts of different 20-year growth scenarios for 2020-2040 as part of the General Plan process. This includes alternatives for Downtown San Rafael, which are being developed through the Downtown Precise Plan.

The key impact explored in the alternatives analysis is traffic. Traffic forecasts also enable an evaluation of each alternative on air quality, noise, and greenhouse gas emissions, since they are impacted by vehicle travel. The alternatives analysis also facilitates a discussion of key opportunity sites in the city.

The City anticipates testing three alternatives. Each alternative will assume different levels of growth and change for Downtown, the Northgate area, parts of southeast San Rafael, and specific sites where development opportunities may exist. The San Rafael Rock Quarry is presumed to not redevelop by the horizon year of the Plan (2040), consistent with the operator’s request to the County to extend their quarrying permit through 2044.

The alternatives will be analyzed by calculating potential 20-year job and housing growth for small geographic areas (called Traffic Analysis Zones or TAZs), and then running a traffic model to forecast conditions in 2040. The City is using the Transportation Authority of Marin (TAM) model to conduct this task. The model also considers growth in regional traffic over the next 20 years, as well as regional improvements to the transportation network and changes in transportation technology and travel behavior. Thus, the forecasts for 2040 consider not only the decisions made by San Rafael, but the cumulative changes resulting from growth throughout the Bay Area.

A number of property owners outside of Downtown have requested new General Plan Land Use Map designations for their properties in order to facilitate development in the next 20 years. These requests will be considered by the Planning Commission in January 2020 and will be further evaluated during the Alternatives Analysis process.

3. **Update on Downtown Precise Plan.** Work is continuing on the Downtown Precise Plan. Opticos Design completed a Downtown Profile Report in June 2019 and a Downtown Options Report

(Options Report) in August 2019.<sup>2</sup> The Options Report was intended as a discussion guide for design and transportation choices. Staff has continued to solicit input on the project and convened a pop-up workshop on Fourth Street on August 29, a Planning Commission discussion on September 10, a City Council study session on October 7, a General Plan 2040 Steering Committee discussion on October 9, and a discussion with the Citizens Advisory Committee on Affordable Housing and Economic Development on November 7.

The Options Report identifies four subareas within Downtown. It presents an illustrative plan and statement of design intent for each area. From west to east, the subareas are: West End Village; Downtown Core; Transit Station Area; and Montecito Commercial area. Opportunity sites within each area have been identified, and a hypothetical 20-year “development program” has been created to show possible uses on these sites. In most cases, the opportunity sites are presumed to develop with multi-family housing or mixed use (residential over commercial/ service uses). The illustrative plans also show possible public space improvements, such as a new civic plaza north of the SMART station, an expanded civic space at 4th and Court, and the repurposing of Ritter Street between 2nd and 3rd Streets (at Lincoln).

The Options Report also examines potential transportation improvements Downtown, with a focus on making the area more pedestrian-, bicycle-, and transit-friendly. Among the changes explored are a dedicated east-west bikeway, the conversion of B, C, and D Streets from one-way streets to two-way streets, and the redesign of a portion of Fourth Street as a “shared” street. The “shared” street concept would remove the curbs and change the paving materials, creating an environment where bicycles, cars, buses, and pedestrians use the same space. This concept could be applied to a single block, or several blocks (extending west from the SMART station to A Street, for example).

In presenting these concepts to the Steering Committee and others, there appears to be support for the restoration of two-way traffic on B, C, and D Streets. The bike lane idea has received mixed feedback, principally because the design shown would likely remove on-street parking along both sides of Fifth Avenue and create a potential hardship for residents, businesses, and visitors. The shared street idea for 4th Street has received mixed feedback also, due to its impact on parking, potential cost, and concerns about auto traffic being displaced to adjacent streets. These ideas were introduced to the City Council during the October 7 study session but were not discussed in depth.

The illustrative land use plans have generated mostly positive responses, with concerns primarily related to: (a) the economic (market) feasibility of what is shown in the Illustrative Plan; (b) the challenges of assembling small parcels to create viable development sites; (c) the ability to meet parking demand; (d) the long-term future of the retail sector, and (e) the need for curbside management strategies. Other issues that have been raised include homelessness prevention strategies and the proposed focus on housing near the SMART station, rather than office and employment-based uses.

Staff is working to address these issues and ensure that they are adequately covered in the Precise Plan. Staff has also been working with Opticos to refine the list of opportunity sites and the projected development forecasts. The Opticos forecasts indicate capacity for more than 2,250 new housing units and 1,500 jobs in the 265-acre Precise Plan area under current zoning.

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<sup>2</sup> Opticos Design is a Berkeley-based planning and design firm. In January 2019, they were selected by the City to prepare the Downtown Precise Plan.

The Options Report also addresses approaches for regulating building heights and height bonuses. To date, the only changes proposed to existing height limits are immediately east of Highway 101 (along Irwin Street and a small portion of 4th Street). These changes are consistent with the recommendations of the Station Area Plan adopted in 2012. Additional changes to height limits could be considered, and changes to the height “bonuses” offered for affordable housing and other community benefits also could be considered. Other questions raised by the Options Report include the phasing of capital improvements and the balance between residential and non-residential uses.

Opticos Design is moving on to the next phase in Downtown Precise Plan development, which includes development of the Plan itself, plus a form-based zoning code and design guidelines.<sup>3</sup> The Plan will include economic development and parking management strategies addressing the issues raised during the past few months, as well as proposed public space and circulation improvements. The form-based code will replace existing zoning regulations for Downtown with a more design-oriented code that provides more flexibility.

*Requested City Council Action: Accept the Informational Report on General Plan 2040.*

**PART THREE: TRANSPORTATION POLICY DISCUSSION**

On June 3, 2019, staff provided the City Council with an [informational report](#) on Traffic Methodologies for General Plan 2040. The informational report provided a complete discussion of current traffic methodologies employed by the City. It also summarized state legislation (SB 743) that requires local governments to change the way they measure transportation impacts in their implementation of the California Environmental Quality Act (CEQA). The effects of the new requirements on San Rafael’s General Plan 2040 and future environmental impact reports (EIRs) were presented and discussed with the City Council.

Like many communities in California, San Rafael has used “Level of Service” (LOS) to monitor traffic impacts at intersections for the past 35 years. LOS uses a letter grade (from “A” to “F”) to define the acceptable level of delay at intersections during the AM and PM peak hours. When an intersection falls below the standard, physical improvements such as turning lanes or signal adjustments may be programmed to restore traffic conditions. While this approach is generally easy to understand, increasing road capacity to accommodate more cars may induce demand and result in additional vehicles and vehicle emissions. Increasing emissions runs counter to the greenhouse gas (GHG) reduction goals mandated by California Assembly Bill 32 (AB 32) and the City’s Climate Change Action Plan 2030.

In 2013, the Governor signed SB 743, which mandates major changes in how transportation impacts are analyzed under CEQA. SB 743 requires a shift to traffic analysis methodology from LOS and local street operations to “vehicle miles traveled” (VMT). The intent is to analyze and reduce the amount of driving and the length of vehicle trips associated with new development, rather than reducing vehicle delays on the local street network. With the use of VMT, the longer the vehicle travel from origin to destination, the greater the impact.

Effective July 2020, cities and counties in California may no longer use LOS to evaluate transportation impacts in CEQA documents and must instead shift to VMT. The reasons for this shift are laid out in the [staff report](#) from June 3, 2019. LOS methodology can continue to be used by cities/ counties to manage

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<sup>3</sup> A “Form Based Code” is an alternative to conventional zoning that emphasis the physical form of buildings and public spaces rather than the specific uses and activities that may occur on a property.

and monitor the local roadway network, but it cannot be linked to or required for CEQA/ environmental review.

Switching from LOS to VMT is intended to:

- Streamline CEQA review for projects that improve infrastructure and safety for pedestrians, bicyclists, and transit-riders while reducing the need to travel exclusively by automobile.
- Facilitate residential, commercial, and mixed-use infill projects close to transit that minimize impacts to air quality and reduce greenhouse gases by reducing the number of miles driven by automobiles.
- Focus CEQA transportation mitigation on pedestrian, bicycle, and transit facilities, as well as transportation demand management (carpooling, flextime, etc.).

The emerging General Plan 2040 also strives to reduce GHG emissions and increase transportation options for San Rafael residents and workers. The Plan will provide the capacity for the City to create new housing and vibrant urban places, particularly in the Downtown area. It will also incorporate key provisions of the Climate Change Action Plan 2030, as well as regional initiatives to bring residents and jobs closer together. Growth strategies should reduce the need to travel long distances by car (for work, services, etc.), support transit ridership, and reduce environmental and fiscal impacts.

VMT is measured a number of different ways. “Total VMT” is based on all vehicle trips over a given period of time (such as a weekday), while “per capita VMT” is total VMT divided by the community’s population. “Total VMT” is used when evaluating a Plan (such as the General Plan), while per capita VMT is used to evaluate an individual development project. Per capita VMT is expressed based on a defined subset of travelers, as follows:

- “Home-based VMT per resident” refers to the trips made by those who live in the community. This is the recommended metric for evaluating residential projects.
- “Home-based work VMT per employee” refers to the trips made by those who work in the community, including commuters who live in other communities. This is the recommended metric for evaluating employment projects.
- “Total VMT per service population” is a per capita figure that includes all persons in vehicles traveling through a city, including residents, workers, and visitors. This is the recommended metric for evaluating mixed use projects.

## **Key Decisions**

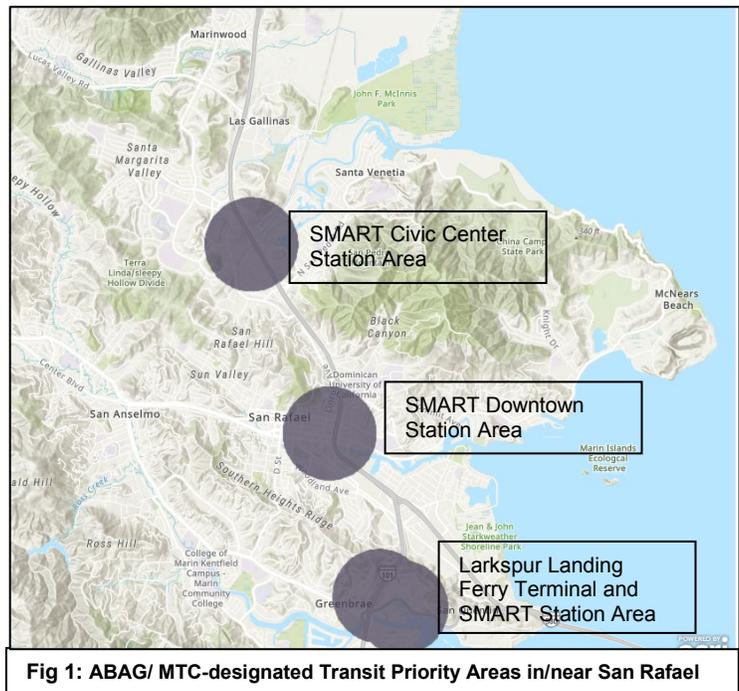
A series of decisions must be made by cities and counties as they make the shift to VMT. These are presented below, with a staff recommendation provided for each step. In three of the steps below, the staff recommendation requires further discussion and direction from the City Council. City staff and the consulting team will facilitate this discussion at the meeting on December 2.

### ***Transportation Policy 1: Establishing Screening Criteria***

“Screening criteria” are used to determine whether a project is likely to result in a significant impact on the environment. Projects that meet the screening criteria would not be required to conduct a quantitative VMT analysis and would only require a qualitative discussion in the CEQA document. This is most appropriate for projects that are consistent with the General Plan, provide public benefits such as affordable housing, and /or reduce VMT based on their characteristics. Projects can be presumed to reduce VMT if they are located in “transit priority areas” (TPAs), such as Downtown San Rafael, the Civic Center Station area (see Figure 1), and areas along bus routes with headways of 15 minutes or less.

Fehr and Peers<sup>4</sup> recommends that the following projects be screened from quantitative VMT analysis requirements, based on best practices, State guidance, and regional VMT data for these project types:

- All projects within the Downtown Precise Plan area that are consistent with the policies and growth assumptions for the area, since the VMT impacts of such projects are positive.
- Projects outside the Downtown Precise Plan area but within ½ mile of the SMART stations Downtown and at the Civic Center, provided they have a floor area ratio (FAR) of at least 0.75 and do not displace existing rental housing.
- Projects that contain 100 percent affordable housing.
- Neighborhood-serving retail projects with less than 50,000 square feet (these projects tend to have low VMT, since they serve residents of nearby neighborhoods).
- Projects that generate or attract fewer than 110 trips per day, which is generally equivalent to:
  - Single Family Housing: 10 units or less
  - Multi-Family Housing: 15 units or less
  - Warehouse: 60,000 SF or less
  - Light Industrial: 20,000 SF or less
  - Office: 10,000 SF or less



In addition, transit projects, bike/ped improvements, travel lane reductions, traffic safety improvements that do not induce additional driving, and road repair projects also would be screened from conducting a quantitative VMT analysis. Attachment 2 to this staff report is a flow chart demonstrating how the screening process would work in practice.

***Requested City Council Action:*** None. The proposed screening criteria will be incorporated in a transportation policy that will ultimately be brought to the City Council for approval. Specific direction from the City Council is not required at this time, but staff will be available to respond to questions.

**Transportation Policy 2: Determining a Significant VMT Impact Under CEQA**

Projects that do not meet the criteria listed under Policy 1 above would be required to prepare a quantitative analysis of VMT. Similar to the City’s current requirements for LOS, the analysis would consider VMT impacts under *baseline* conditions (e.g., the project, plus existing conditions). It would also consider VMT impacts under *cumulative* conditions (e.g., the project plus other projects and

<sup>4</sup> Fehr and Peers is the transportation consultant retained to analyze transportation impacts of the General Plan 2040 and Downtown Precise Plan and advise the City on compliance with recent state transportation-related legislation.

regional growth expected in the future). The Transportation Authority of Marin (TAM) model would be used to perform this analysis. The latest TAM model has been expressly designed to calculate VMT impacts and the benefits of various reduction measures.

To analyze the specific VMT impacts of the project, the TAM model would be run with and without the proposed project. The model outputs would include estimates of total VMT, and VMT per employee, per resident, and per service population, depending on the proposed land uses. For smaller projects, the model may not be sensitive enough to accurately calculate VMT. In such instances, the VMT rates used in the model could be applied to an individual project to determine the estimated VMT impacts.

In terms of determining what constitutes a “significant” impact under CEQA, the City of San Rafael has the discretion to set its own threshold. The State Office of Planning and Research (OPR) has provided guidance on this topic area. OPR recommends that projects achieve a VMT reduction of 15 percent below the regional average in order to meet the State’s GHG reduction goals. The California Air Resources Board (ARB) has recommended a slightly higher threshold of 16.8 percent.

The challenge for San Rafael is that its VMT is currently substantially above the regional average. Persons working in San Rafael commute relatively long distances by car, while many of those living in San Rafael commute to San Francisco or other regional employment centers. Accomplishing a VMT reduction that is 15 percent below the regional average may not be feasible, even with mitigation.

Another approach would be based on identifying the reduction in VMT rates that would occur on a citywide basis, by using the new TAM travel model to compare existing (2015) VMT rates for San Rafael to future year 2040 VMT rates. This would result in a less onerous target but would be more reasonable and logical for San Rafael. Staff is recommending that this approach be used in San Rafael, as the approaches recommended by OPR and the ARB would likely be unattainable in much of the City. San Rafael’s current VMT per capita is currently about 15% above the regional average, effectively meaning that a 30 percent reduction would be required to meet the regional target. This may be infeasible given the city’s land use and transportation patterns, and the dynamics of the regional economy and real estate market.

Under staff’s proposal, a development project would be found to have a significant impact if it did not achieve a 15% reduction below the citywide average (either for service population, resident, or worker, depending on the project type) by 2040. Such projects would also need to be reviewed and determined to be consistent with the MTC Regional Transportation Plan (RTP) and San Rafael General Plan 2040.

Transportation improvement projects (e.g., road widening, bike lanes, new signals, etc.) would be evaluated based on whether they generate new VMT. A net decrease or no change in VMT would be considered a less-than-significant impact. A net increase in VMT would be considered a significant impact. For example, a project that induced vehicle travel (such as an additional travel lane, street widening, or signalization not anticipated by the General Plan) would result in a finding of significant impact.

***Requested City Council Action: Provide feedback on staff’s proposal to establish a goal of reducing Total VMT in San Rafael by 15 percent between 2015 and 2040.<sup>5</sup> The implication of selecting this goal (vs the goal recommended by OPR or ARB) is that fewer new development projects will be subject to a finding of significant impact and statement of overriding considerations based on their transportation impacts. The Council could also direct staff to use the more aggressive goals set by OPR and the ARB,***

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<sup>5</sup> The exact percentage may be adjusted once the traffic modeling has been completed and the 2015 and 2040 VMT figures are compared. The key is the percentage would be locally determined, rather than linked to the regional average.

*which are based on the entire Bay Area rather than San Rafael or Marin County. This would mean that a larger number of future projects (particularly those outside of Downtown) would be found to have significant impacts and require a statement of overriding considerations.*

**Transportation Policy 3: Identifying VMT Mitigation Measures**

Mitigation for VMT impacts is typically done through two measures. First, cities/counties may adopt Transportation Demand Management (TDM) ordinances. Second, projects can be designed and/or operated in ways that support fewer and shorter vehicle trips (thereby reducing VMT).

TDM ordinances aim to reduce the frequency and length of motor vehicle trips associated with new development projects. Further, TDM ordinances can be structured to:

- spread the peak-hour trips to off-peak hours;
- shift trips toward transit, walking, cycling, and other modes; and
- apply technology (such as electric charging stations) to reduce the environmental impacts of vehicle traffic.

There are quantifiable benefits associated with each measure, allowing a particular menu of measures to be prescribed as a way to reduce the expected VMT for a new project by a specific increment.

TDM programs are implemented on a continuous basis and typically require annual monitoring and reporting. In employment centers, TDM programs are tenant-dependent, so adjustments are required as office or retail tenants move out and new tenants move in. Larger employers may be required to have a TDM Coordinator to disseminate information, conduct surveys, assist employees in forming carpools, and set up home-based work opportunities. Because of economies of scale, TDM programs may be most economical when they are managed by special entities created to administer programs serving multiple employers.

A TDM-based mitigation requires a rigorous ongoing monitoring and reporting program that provides a site's total daily vehicle trips and data on vehicle trip length. TDM program management would require additional city staff, likely in the Public Works Department. Another option for program administration would be through TAM or another regional agency. TAM could potentially serve as the Marin Countywide TDM Coordinator, given that their TDM model will be used by all Marin County cities and towns.

Project design features that reduce VMT could include:

- the provision of supportive amenities and uses that reduce vehicle trips (e.g., child care, fitness center, bicycle facilities, etc.);
- parking lots that do not obstruct pedestrian access;
- sidewalks and pathways;
- easy access to buses and transit facilities; and
- changes to the development program (e.g., adding housing into a proposed office project, to create opportunities for workers to live and work in the same place).

General Plan 2040 will include policies and programs directing the City to work with TAM and other Marin County jurisdictions to determine the most effective way to implement and administer trip reduction and TDM programs. San Rafael has a Trip Reduction Ordinance (Sec 5.81 of the Municipal Code) which requires a trip reduction program for all employers with over 100 employees at an

individual work site. This Ordinance could be strengthened or expanded in scope, and more consistently applied and administered.

The General Plan will identify options for meeting the increased staffing needs associated with administering TDM measures. One option might be to have such programs administered by a regional entity such as TAM, with support provided by all jurisdictions in Marin County. The City may need to prepare TDM guidelines, which could then be used by developers to develop TDM programs as projects are proposed.

*Requested City Council Action: None. A menu of potential VMT mitigation measures will be included in the General Plan 2040. Specific direction from the City Council is not required at this time, but staff will be available to respond to questions.*

***Transportation Policy 4: Determining the Future of LOS in San Rafael***

San Rafael City leaders and the general public have grown accustomed to and become knowledgeable about LOS as a means of understanding local traffic conditions and how new development impacts these conditions. LOS has been effective in measuring the performance of the local street network and managing growth and transportation improvements. A hybrid approach to transportation planning that considers both LOS and VMT may still be appropriate.

As of November 2019, only a few cities in California have made the transition to VMT. Some of those cities (including San Francisco, Oakland, and Pasadena) have abandoned LOS entirely. Others, like San Jose, have shifted to a dual system where LOS continues to be used for local transportation planning, while VMT is used for CEQA documents. In such cases, Downtown areas or areas with access or proximity to high-quality transit (frequent bus service, rail stations, etc.) are excluded from LOS standards. This hybrid system may become the default solution for many Bay Area cities, at least for an interim period as the costs and benefits of abandoning LOS entirely are better understood.

The City Council discussed this topic during their meeting on June 3, 2019. A range of options was presented, including eliminating LOS entirely, retaining the “status quo,” or adopting a more limited form of LOS in which certain areas might be exempt.<sup>6</sup> Several Council members expressed an interest in retaining some form of LOS in General Plan 2040 and continuing to require traffic studies for projects with the potential for localized traffic impacts. Members of the General Plan 2040 Steering Committee have also indicated their support for retaining LOS in some form.

Staff recommends that LOS continue to be measured and monitored throughout the City. However, areas within the Downtown Precise Plan boundary and other areas within ½ mile of the Downtown SMART station would be exempt from LOS considerations. New public facilities also would be exempt. Exempting these areas/project types would remove a potential development obstacle, as projects in these areas would not be required to fund individual technical traffic studies merely to confirm what is already known, or to justify road improvements that run counter to the goal of promoting transit use and reducing VMT in these areas. Projects in these areas would continue to be subject to traffic impact fees.

Non-exempt projects would continue to be subject to a threshold for when an LOS traffic study is required to assess a proposed development project’s impacts on the local transportation network, including

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<sup>6</sup> See pages 8-10 of [staff report](#).

parking. The threshold would be based on the number of peak hour trips the project would be expected to generate, and would likely only apply to larger development projects.

The method of measuring LOS may be changed from the current system, which is based on intersections, to a new method that is based on delays along road segments. A performance standard based on travel speed would be established for each arterial in the city. The standard would be expressed as the acceptable ratio of *uncongested* speed divided by *congested* speed. For example, if a delay index of 2.0 is set for Point San Pedro Road and the speed along the corridor during uncongested conditions is 35 miles per hour, then the acceptable speed during the peak commute period would be 17.5 miles per hour. If a project caused the speed to drop below this level, future improvements could be programmed to improve traffic flow; however, the project's approval would not be made contingent on these improvements.

*Requested City Council Action: Provide feedback on staff's proposal for retaining a modified form of LOS in General Plan 2040. The advantage of retaining such a system is that it continues to provide a familiar tool for evaluating the impacts of a project on the road network and prioritizing how transportation mitigation fees should be spent. The disadvantage is that it means two levels of transportation analysis (LOS, VMT) will be in use.*

*A second policy question for Council feedback is how LOS will be measured, in the event it is retained. The system that has been in place since the 1980s focuses on intersections. The proposed system would be based on travel delays along major arterials. The City (and City Council) will need to select which arterials it is going to monitor and what the acceptable levels of delay should be.*

#### ***Transportation Policy 5: Continuing Traffic Impact Fees***

The City currently collects a traffic impact fee for new development to mitigate transportation impacts. The current fee (\$4,246 per AM and PM peak hour trip generated by the project) is costly and can discourage smaller development projects and new businesses. Further, the traffic mitigation fees that are collected are intended to fund major transportation projects/improvements listed in the General Plan. Some of these improvements require funding that far exceeds the amount that can be collected through impact fees alone.

Fehr and Peers identified an alternative approach to determining impact fees, which would be based on VMT rather than the number of trips generated. Increases in VMT would be calculated for proposed development projects based on the project's location and the mix of uses proposed. Impact fee revenue would be used to pay for VMT reduction measures, such as bike lanes and pedestrian improvements.

After considering the trip-based approach and the VMT-based approach, staff recommends continuing the trip-based approach. Projects with VMT benefits may be included. Impact fee revenues will continue to be used for a combination of road improvement projects and projects that advance local, regional, and state GHG reduction goals. The General Plan will continue to include a list of priority capital improvement projects.

*Requested City Council Action: Confirm staff's recommendation, which is to continue collecting traffic mitigation fees based on the total number of trips a project will generate, rather than the VMT expected from that project. Traffic mitigation fees will continue to be used for a combination of road improvements and improvements that support GHG-reducing transportation modes.*

**SUMMARY OF REQUESTED ACTIONS:**

In summary, staff is requesting the following actions on this staff report:

1. Approve the Resolution approving Eleanor Huang as the Youth Representative to the General Plan 2040 Steering Committee.
2. Accept the Informational Report on General Plan 2040. The Council may provide feedback on the issues raised in this report, including policy development, the priority action to do more focused plans in the Northgate area and Canal neighborhoods, the Land Use alternatives, and the Downtown Precise Plan.
3. Accept preliminary recommendations regarding VMT screening criteria for future development projects (Policy 1) and VMT mitigation measures (Policy 3). Fehr and Peers has provided recommendations based on best practices and its professional assessment of transportation conditions and SB 743.
4. Provide Feedback to Staff on the following Transportation Policy issues:
  - a. Policy 2: Establish a Locally-Based VMT Reduction Target. Establish a target for reducing VMT between 2015 and 2040 that is based on local conditions in San Rafael, rather than simply adopting the State-recommended target of reducing emissions to 15% below the regional average. This will result in a more realistic and less onerous target, although it will likely be less aggressive than the State target.
  - b. Policy 4: Retain LOS as a Planning Tool. Retain LOS as a metric for transportation planning and continue to require LOS calculations for larger development projects that are located outside the Downtown Precise Plan area. The results of the LOS analysis will be used for transportation planning but will not be used as a condition of project approval. Moreover, the method of calculating LOS will change from an intersection-based metric to an arterial delay index.
  - c. Policy 5: Trip-Based Mitigation Fees. Retain a transportation mitigation fee based on the number of trips a new project is expected to generate. A fee based on VMT was considered, but staff is recommending that the trip-based fee be retained at this point in time.

**COMMUNITY OUTREACH:**

A public notice of this meeting was mailed to stakeholders, agencies and special interest groups 15-days prior to this meeting (Attachment 2). Those noticed included, among others, all neighborhood associations in the city, the San Rafael Chamber of Commerce, and members of the General Plan 2040 Steering Committee. Notice of this report was also provided on the General Plan 2040 [meetings and events webpage](#).

**FISCAL IMPACT:**

This progress report is informational and has no fiscal impact on the City budget.

**OPTIONS:**

The City Council has the following options to consider on this matter:

1. Accept report and preliminary recommendations and Approve Resolution, as recommended by staff;
2. Reject report and preliminary recommendations and Resolution and direct staff to return with more information; or
3. Take no action.

**RECOMMENDED ACTION:**

Accept Report and Approve Resolution

**ATTACHMENTS:**

1. Resolution Approving Steering Committee Membership Change
2. VMT Screening and Review Flow Chart
3. Matrix on LOS/VMT transition options and recommendations
4. Post-Card Notice of Meeting