



THE CITY OF SAN DIEGO
M E M O R A N D U M

DATE: January 8, 2019

TO: Claudia Brizuela, Associate Engineer, Planning Department

FROM: Rebecca Malone, AICP, Senior Planner, Planning Department

SUBJECT: Environmental Support for the CEQA Exemption for the Transit Priority Area Parking Standards (TPA Zero Minimum Parking Standards)

The City is proposing to require zero minimum parking space requirements for multifamily residential units within Transit Priority Areas (TPAs). This proposal is referred to as the TPA Zero Minimum Parking Standards. In addition, applicants would be required to provide varying levels of transportation amenities based on a Transportation Amenity Score. The Transportation Amenity Score would be based on a project's average number of bedrooms, jobs within one mile, environment priority index score, and jobs within a 30-minute transit ride, which would be verified by City staff. The Transportation Amenity Score would determine the minimum number of transportation amenities that a development would be required to provide. Multifamily residential development that is at least 20 percent affordable or provides 4 or fewer units or falls within the Centre City planned district would not be required to provide transportation amenities. Any parking that is provided would be required to be unbundled. The City of San Diego conducted an environmental review and determined that the project meets the criteria set forth in CEQA Guidelines Section 15061(b)(3) (General Rule), as the City's reduced parking requirements would not cause a significant effect on the environment. The TPA Zero Minimum Parking Standards are directed at development that meets the requirements described in SB 743 and would, thus, support a reduction in Vehicle Miles Traveled (VMT) (See Attachment 2: Memo Re: Addressing Parking Reductions in Transit Priority Areas under SB 743). As such, consistent with SB 743, reduced parking requirements for multifamily residential projects that are located within a TPA would not result in a significant impact on the environment under CEQA.

While the TPA Zero Minimum Parking Standards would facilitate housing production by reducing economic constraints and maximizing site density, that housing is within the existing allowable density for each zone. The provision of parking is a cost to housing development (\$35,000 to \$90,000 per space) and requires space within the development envelope. The TPA Parking Standards would reduce onsite parking to address a cost impediment to providing housing.

January 8, 2019

The TPA Zero Minimum Parking Standards would not change the plan densities for multifamily residential development depicted within the general plan/community plans, nor would it change any zoning or allowable housing densities. No new additional dwelling units beyond the plan densities would result with the implementation of the TPA Parking Standards. However, the allowance for reduced parking minimums would facilitate construction of housing to achieve planned maximum densities by reducing the space that parking occupies, while staying within the development envelope permitted by the zoning and adopted regulatory framework.

Because the City's reduced parking requirements are directed at development that meets the requirements described in SB 743 and because additional housing facilitated by the TPA Zero Minimum Parking Standards would be within the existing general plan/community plan designations and zoning, reduced parking requirements for multifamily residential projects that are located within a TPA would not result in a significant impact on the environment under CEQA. Therefore, the TPA Zero Minimum Parking Standards would be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment.



Rebecca Malone, AICP

Senior Planner

RM/rm

Attachments:

1. Notice of Exemption for the TPA Parking Standards
2. Memo Re: Addressing Parking Reductions in Transit Priority Areas under SB 743, Dated 12/18/18

cc: Alyssa Muto, Deputy Director, Planning Department
Heidi Vonblum, Program Manager, Planning Department
George Ghossain, Senior Engineer, Planning Department

NOTICE OF EXEMPTION

(Check one or both)

TO: Recorder County Clerk
P.O. Box 1750, MS-A-33
1600 Pacific Hwy, Room 260
San Diego, CA 92101-2422

FROM: City of San Diego
Planning Department
9485 Aero Drive
San Diego, CA 92101

Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

PROJECT NO.: N/A

PROJECT TITLE: TPA Zero Minimum Parking Standards

PROJECT LOCATION-SPECIFIC: City-wide

PROJECT LOCATION-CITY/COUNTY: San Diego/San Diego

DESCRIPTION OF NATURE AND PURPOSE OF THE PROJECT: The City is proposing to require zero minimum parking space requirements for multifamily residential units within Transit Priority Areas (TPAs). In addition, applicants would be required to provide varying levels of transportation amenities based on a Transportation Amenity Score. The Transportation Amenity Score would be based on a project's average number of bedrooms, jobs within one mile, environment priority index score, and jobs within a 30-minute transit ride, which would be verified by City staff. The Transportation Amenity Score would determine the minimum number of transportation amenities that a development would be required to provide. Multifamily residential development that is at least 20 percent affordable or falls within the Centre City planned district would not be required to provide transportation amenities. Any parking that is provided would be required to be unbundled.

NAME OF PUBLIC AGENCY APPROVING PROJECT: City of San Diego

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: City of San Diego Planning Department

EXEMPT STATUS: (CHECK ONE)

- MINISTERIAL
- DECLARED EMERGENCY
- EMERGENCY PROJECT
- GENERAL RULE: Section 15061(b)(3) (General Rule)
- CATEGORICAL EXEMPTION
- STATUTORY EXEMPTION

REASONS WHY PROJECT IS EXEMPT: The City of San Diego conducted an environmental review and determined the project meets the criteria set forth in CEQA Guidelines Section 15061(b)(3) (General Rule), as the City's reduced parking requirements would not cause a significant effect on the environment. The TPA Zero Minimum Parking Standards are directed at development that meets the requirements described in SB 743 and would, thus, support a reduction in Vehicle Miles Traveled (VMT). As such, consistent with SB 743, reduced parking requirements for multifamily residential projects that are located on an infill site and within a TPA would not result in a significant impact on the environment under CEQA. Therefore, the TPA Zero Minimum Parking Standards would be

exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

CONTACT PERSON: Rebecca Malone, Senior Planner TELEPHONE: (619) 446-5371

IF FILED BY APPLICANT:

1. ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING
2. HAS A NOTICE OF EXEMPTION BEEN FILED BY THE PUBLIC AGENCY APPROVING THE PROJECT?
(X) YES () NO

IT IS HEREBY CERTIFIED THAT THE CITY OF SAN DIEGO HAS DETERMINED THE ABOVE ACTIVITY TO BE EXEMPT FROM CEQA



January 8, 2019

Rebecca Malone
Senior Planner, Planning Department

DATE

CHECK ONE:

- (X) SIGNED BY LEAD AGENCY
() SIGNED BY APPLICANT

DATE RECEIVED FOR FILING WITH COUNTY CLERK OR OPR:



Memorandum

To:	Rebecca Malone, AICP, Senior Planner City of San Diego Planning Department
From:	Tristan Evert, Senior Planner, ICF Charles Richmond, Principal, ICF
Date:	December 18, 2018
Re:	Addressing Parking Reductions in Transit Priority Areas under SB 743

This memorandum has been prepared for the City of San Diego to provide high-level, practitioner-based guidance on addressing a proposed reduction in parking requirements for projects located on infill sites within transit priority areas. The memo includes a description of the legislative background of Senate Bill (SB) 743 as well as the changes related to evaluating transportation and parking impacts under the California Environmental Quality Act (CEQA) that were initiated with the passage of SB 743. This memo is not a substitute for legal advice and City staff should consult the City attorney's office for a legal opinion on SB 743 and parking reductions if there are any questions or concerns about properly implementing SB 743 and obtaining CEQA clearance.

Background

Governor Jerry Brown signed SB 743 on September 27, 2013, which mandated a change in the way that public agencies evaluate transportation impacts of projects under the California Environmental Quality Act (CEQA), focusing on vehicle miles travelled (VMT) rather than level of service (LOS) and other delay-based metrics. SB 743 states that new methodologies under CEQA are needed for evaluating transportation impacts that are better able 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. SB 743 indicates that measurements of transportation impacts may include VMT, VMT per capita, automobile trip generation rates, or automobile trips generated. Accordingly, SB 743 required OPR to amend the State CEQA Guidelines to reflect these changes. On November 27, 2017, OPR transmitted the final proposed amendments to the CEQA Guidelines to the California Natural Resources Agency, including the proposed updates for analyzing transportation impacts pursuant to SB 743. On January 26, 2018, the California Natural Resources Agency published a Notice of Proposed Rulemaking to update the CEQA Guidelines. The California Natural Resources Agency conducted public hearings on the proposal on March 14 and March 15, 2018. Revisions to the

originally proposed changes to the CEQA Guidelines (“15-day language”) were available for public comment starting on July 2, 2018. The public comment period for the 15-day language ended on July 20, 2018. In addition, OPR released the revised *Technical Advisory on Evaluating Transportation Impacts in CEQA (Technical Advisory)* in April 2018, which recommends VMT per capita, VMT per employee, and net VMT as the new metrics for transportation analysis. Once the California Natural Resources Agency finalizes and adopts the proposed amendments, VMT will become the metric for determining the significance of transportation impacts under CEQA. However, the updates to the CEQA Guidelines does not preclude lead agencies from using the guidance in SB 743 now and transitioning from LOS to VMT prior to the adoption of the proposed amendments. Rather, there are several jurisdictions that have made or are in the process of making this transition, including:

- City of Pasadena
 - Available: <https://ww5.cityofpasadena.net/transportation/complete-streets/development-review/transportation-impact-review/>
- City/County of San Francisco
 - Available: <http://sf-planning.org/align-modernize-environmental-review>
- City of Oakland
 - Available:
<http://www2.oaklandnet.com/government/o/PBN/OurOrganization/PlanningZoning/OAK060501>
- City of San Jose
 - Available: <http://www.sanjoseca.gov/vmt>
- City of Los Angeles (in progress)
- City of Sacramento (in progress)

Changes to Impact Analyses Under CEQA

SB 743, which was codified in Public Resources Code Section 21099, required changes to the CEQA Guidelines as it relates to analyzing transportation impacts. With the passage of SB 743, the focus of transportation impact analysis in CEQA documents has shifted from automobile delay, which is measured by LOS and other similar metrics, to VMT. Accordingly, automobile delay will no longer be considered a significant impact under CEQA. While lead agencies are still required to analyze potential transportation-related impacts on air quality, noise, safety, or any other secondary impact associated with transportation (PRC §21099(b)(1)), SB 743 includes several notable changes to CEQA applicable to transit oriented developments and certain infill projects. In particular, Public Resources Code Section 21099(d)(1) states as follows:

“Aesthetic and parking impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area¹ shall not be considered significant impacts on the environment.”

As noted above, OPR released the revised *Technical Advisory*, which provides technical recommendations for assessing VMT, thresholds of significance, and mitigation measures. Also included in the *Technical Advisory* are suggested screening thresholds for land use projects, which can be used to quickly determine whether a project would result in less than significant transportation impacts. For certain projects (i.e., residential, retail, office, and mixed-use projects) within a transit priority area, the *Technical Advisory* notes that a project could generate significant levels of VMT if it includes more parking for residents, customers, or employees than required by the jurisdiction (if the jurisdiction requires the project to supply parking). On the other hand, the *Technical Advisory* indicates that projects that include the removal or relocation of off-street or on-street parking spaces would not likely lead to a substantial or measurable increase in vehicle travel. Similarly, the *Technical Advisory* indicates that projects that include the adoption or modification of on-street parking or loading restrictions (including meters, time limits, accessible spaces, and preferential/reserved parking permit programs) also would not likely lead to a substantial or measurable increase in VMT. These suggested screening thresholds reinforce the idea that reducing the availability of parking within transit priority areas correlates to a reduction in VMT, as intended by SB 743.

City of San Diego Proposed Transit Priority Area Multifamily Residential Parking Regulations

In response to the changes instituted by SB 743, as well as concerns regarding the adverse correlation of parking requirements on housing affordability and the City’s Climate Action Plan strategies, the City has developed new parking requirements for multifamily residential units in TPAs (TPA parking requirements). To determine the TPA parking requirements appropriate for the City of San Diego, a review of peer cities was conducted to understand the factors that influence vehicle ownership and parking demand.

The peer review took into consideration three factors:

- The size and location of the city;
- Whether vehicle owner rates are lower than San Diego’s and if ownership rates are trending downward; and
- Whether cities have implemented similar multifamily residential parking reduction requirements within TPAs.

¹ As defined in Public Resources Code Section 21099, a transit priority area is an area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a Transportation Improvement Program adopted pursuant to Section 450.216 or 450.322 of Title 23 of the Code of Federal Regulations.

Based on these factors, two cities, Seattle and Portland, were determined to be appropriate examples and were used to develop a Parking Demand Propensity Model that could be applied to San Diego. In addition, parking occupancy data was collected at sites within and outside of TPAs in the City of San Diego to determine whether the current parking demand could support reduced TPA parking requirements.

Based on the findings from these efforts, the City is proposing to reduce the minimum parking requirements for multifamily residential units on infill sites within TPAs that would have previously been required to provide parking as specified by Section 142-05C of the City's Municipal Code to zero minimum parking requirements. Applicants are first required to evaluate their proposed development based on four categories, including average number of bedrooms, jobs within one mile, the site's EnviroScreen score, and jobs within a 30-minute transit ride, which is verified by City staff. A score is provided in each category based on a project's location and features and then scores in all four categories are summed. The summed development project score is then used to determine the transportation amenity score. The transportation amenity score identifies the minimum number of amenities that a development is required to provide in order to satisfy the proposed regulations. In addition, multifamily residential developments that are at least 20 percent affordable or fall within the Centre City community are proposed to be exempt from the Transportation Amenity requirements.

Because the City's reduced parking requirements are directed at development that meets the requirements described in SB 743, the reduced parking requirements would support a reduction in VMT. As such, reduced parking requirements for multifamily residential projects that are located on an infill site and within a TPA would not result in a significant impact on the environment under CEQA.

Conclusion

In accordance with SB 743, as codified in Public Resources Code Section 21099, a reduction in the proposed parking supply that would be associated with (1) residential, mixed-use residential, or employment center projects (2) located on an infill site (3) within a transit priority area would generally not be considered a significant environmental impact under CEQA. On the contrary, features or measures designed to reduce the number of parking spaces within transit priority areas may be correlated with a decrease in VMT, which may be a viable mitigation strategy to potentially reduce a significant impact associated with an increase in VMT, if present.

In response to SB 743, as well as concerns regarding the adverse correlation of parking requirements on housing affordability, the City's Climate Action Plan strategies, and other localized issues detailed above, the City of San Diego has developed new parking requirements for multifamily residential units located on infill sites within TPAs. For these qualifying development projects, the new requirements reduce the required number of parking spaces compared to the current parking requirements specified in Section 142-05C of the City's Municipal Code.

Because the City's reduced parking requirements are directed at development that meets the requirements described in SB 743, the reduced parking requirements would support a reduction in

VMT. As such, consistent with SB 743, reduced parking requirements for multifamily residential projects that are located on an infill site and within a TPA would not result in a significant impact on the environment under CEQA.