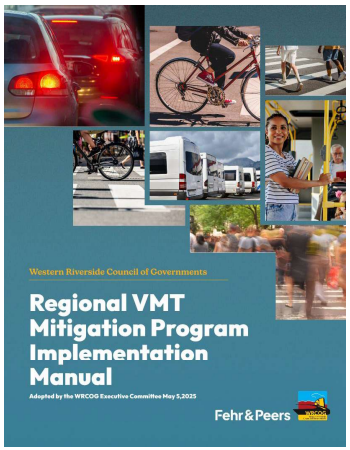
Regional VMT Mitigation Program



History Of This Effort

- 2021 Executive Committee authorized WRCOG Staff to being work on a VMT Mitigation Program
- Since 2022, we have been working collaboratively with RCTC, RTA, and RCA to develop a Regional VMT Mitigation Program
- 15 Meetings with WRCOG Agencies during the process
  - 2 Executive Committee Meetings
  - 2 Technical Advisory Committee Meetings
  - 6 Public Works Committee
  - 5 Planning Directors Committee
  - 2 VMT specific workshops for member agencies
- Developed a Final Program Manual that enables implementation of a Regional VMT Mitigation Program

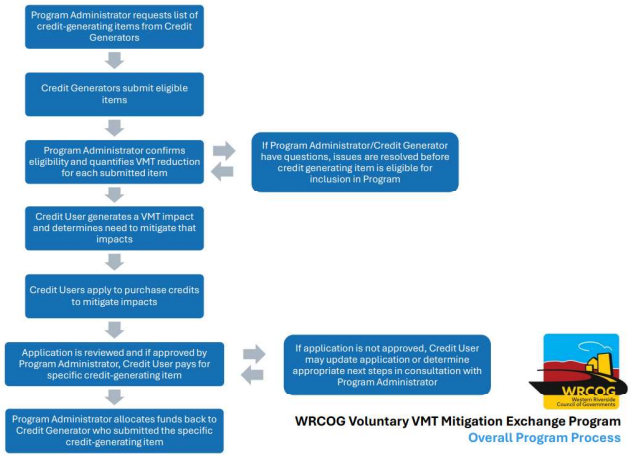
Why Are We Doing This?

- SB 743 requires transportation and development projects to analyze and mitigate VMT impacts
  - Any project which requires the preparation of a CEQA document (EIR, Negative Declaration, etc.) must address this issue
- Difficult for an individual project to mitigate VMT as transportation is a regional issue
- A regional VMT program will ensure that these projects can progress
- State of California has concluded that any capacity enhancing transportation improvement automatically generates a VMT impact that needs to be mitigated
  - New roads/roadway widening
  - New/upgraded interchanges
- If TUMF Projects can not mitigate their VMT impacts, they won't be able to progress

Key Elements of the VMT Mitigation Program

- Voluntary program, not mandatory like impact fee programs
  - Program is an Exchange, not a bank or a fee
- WRCOG is the Program Administrator
- Agencies would identify potential VMT reduction items (credit generating items)
- Agencies or private developers who have CEQA VMT impacts will purchase these items from the Program
- WRCOG collects an administrative fee (4%) on the transaction to support the Program
- Remainder of the funding collected goes back to the agency implementing the credit-generating item
- Formal Program Manual and agreements

Regional Program: Mitigation Exchange



WRCOG Voluntary VMT Mitigation Exchange Program

Overall Program Process

Regional Program: Mitigation Exchange

▪ **Credit Generator:** A public agency that implements a project or program that produces a VMT reduction credit. Credit generators will enter into a Participation Agreement with the Program Administrator. This agreement enables public agencies to submit credit-generating items to the Program that are eligible to receive funding through the Program.

▪ **Credit-generating Item**: A specific project or program that has produced or may produce a credit.

▪ **Credit User**: Land development or transportation project administrator that needs VMT reduction credits for CEQA mitigation. Can be a project applicant or lead agency.

▪ **VMT Impact**: The generation of VMT above the applicable threshold of significance by a project, which may require a Credit User to seek a mitigating credit(s).

Regional Program: Mitigation Exchange

- Many projects screen from VMT assessment
  - Available VMT screening tools
  - De minimus criteria for small projects in progress
- Only projects that don't screen and identify significant impacts would require mitigation
- Projects with significant impacts do not have to use the exchange, they can pursue other mitigation options. **This program is optional.**
  - On-site or other VMT mitigation options can still be used

Regional Program: Mitigation Exchange

- Projects (lead agency or applicant) that pursue mitigation through the exchange will have options, and can choose which items they want to fund through the exchange
  - Mitigation options will depend on what is submitted to the exchange, and will vary over time, but will likely include a mix of active transportation (bike lanes, sidewalks), transit service, bus shelters, transit passes, funding for affordable housing, and other strategies
- **PROGRAM IS NOT A FEE OR A BANK**
  - Cost of credits will not be uniform and will depend on the cost of the credit-generating item chosen for purchase

How Does the WRCOG Program Relate to Other VMT Programs?

- WRCOG Program allows agencies to participate in multiple VMT mitigation programs
- Limitation is that a proposed VMT mitigation program/project cannot be included in another program and the WRCOG program simultaneously
- What Is Not Allowed:
  - City of Temecula is implementing a 1-mile Class II bicycle lane on a major roadway
  - City of Temecula enrolls this project in the WRCOG program
  - City of Temecula separately sells credits based on this same project (overlap)
- What is Allowed:
  - City of Temecula is implementing a 1-mile Class II bicycle lane on a major roadway
  - City enrolls this project in the WRCOG program
  - City has other bicycle lane projects that it sells credits separately (no overlap)

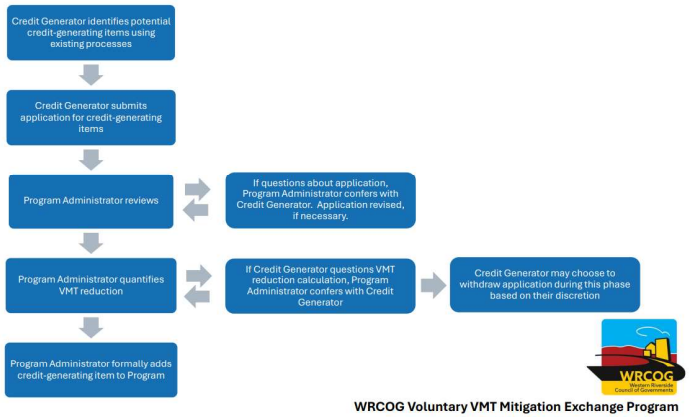
How Would the WRCOG Program Interact with Any State Efforts?

- Parties needing VMT credits can choose to participate in either the WRCOG effort, the proposed Statewide effort, local programs, or develop their own strategies
- WRCOG worked with CalCOG and others to ensure that recent legislation does not preclude regional programs from operating even if a Statewide program is available
- Each party that needs VMT credits will have the flexibility to find the solution that works best for them
- The WRCOG Program is deliberately designed to offer options to those needing credits and provide those credits in a cost-effective manner

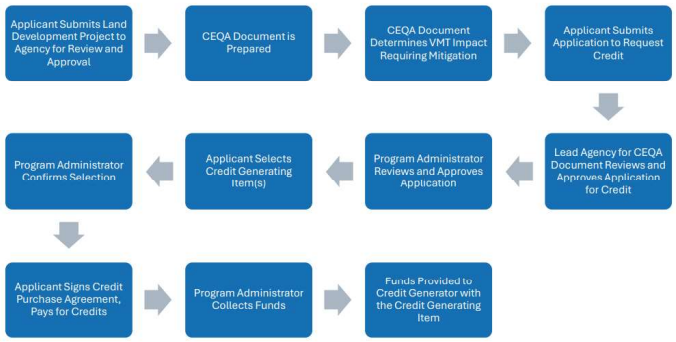
Why Have WRCOG Administer the Program?

- WRCOG Partner agencies (RTA, RCTC, and RCA) have asked us to
- WRCOG has an extensive TUMF fee collection online systems that could easily be adapted to implement the VMT Mitigation Program
- WRCOG has direct contacts with agencies implementing transportation projects (TUMF)
- WRCOG has contacts with private developers who will need VMT credits through TUMF
- Requires knowledge of land use, transportation, affordable housing, transit, and program administration, which WRCOG has

Submitting Credit-Generating Items



Purchasing Credits from the Exchange



WRCOG Voluntary VMT Mitigation Exchange Program
Process for Private Sector Requests for Credits

Purchasing Credits from the Exchange

WRCOG Voluntary VMT Mitigation Exchange Program
Process for Public Sector Request for Credits

Q&A

Questions? **We are here to help**
Visit https://wrcog.us/356/VMT-Mitigation-Program for more information