

C/CAG AGENDA REPORT

Date: February 13, 2025

To: City/County Association of Governments of San Mateo County Board of Directors

From: Sean Charpentier, Executive Director

Subject: Open a public hearing to consider approval of amendments to the Congestion Management Plan Land Use Impact Analysis Program (C/CAG TDM Policy), focusing on exemptions for 100% affordable housing projects and local TDM plan thresholds for exemption from C/CAG TDM Policy requirements, and continue the public hearing to March 13, 2025.

(For further information, contact Susy Kalkin at kkalkin@smcgov.org)

RECOMMENDATION

That the C/CAG Board of Directors open a public hearing to consider approval of amendments to the Congestion Management Plan Land Use Impact Analysis Program (C/CAG TDM Policy), focusing on exemptions for 100% affordable housing projects and local TDM plan thresholds for exemption from C/CAG TDM Policy requirements, take comments, and continue the public hearing to March 13, 2025.

FISCAL IMPACT

There is no fiscal impact related to this item.

BACKGROUND

In late 2021, the C/CAG Board adopted a comprehensive update to the Land Use Impact Analysis Program Policy, Appendix I of the CMP, which is referred to as the C/CAG TDM Policy. The TDM Policy applies to all C/CAG member jurisdictions (unless expressly exempted by C/CAG). In general, the policy applies to any project that is estimated to generate 100 ADT or more and requires implementation of trip reduction measures targeted to achieve 25-35% trip reduction based on project size and location. Below is a table indicating general sizes of projects that would meet the threshold for compliance with the TDM Policy.

ADT Thresholds

	Small Projects	Large Projects
Non-Residential: Office, Industrial, R&D and Institutional	100 – 499 ADT; 10,000 – 49,999 sq. ft.	500+ ADT; 50,000+ sq. ft.
Non-Residential: Medical & Lodging	100 – 499 ADT; 10,000 – 49,999 sq. ft.	500+ ADT; 50,000+ sq. ft.
Non-Residential: Retail and restaurant	100 – 499 ADT; 30-99 employees	500+ ADT; 100+ employees
Residential: Multi-Family	100 – 499 ADT; 20 - 49 units	500+ ADT; 50+ units

The Policy specifically exempts only single-family home developments from this TDM Policy.

Project sponsors (commercial and residential) can utilize a variety of options to achieve the trip reductions. Baseline features may include enhanced bike/ped access, secure bicycle parking and shower/locker facilities, active participation in Commute.org, transit subsidies, ride-matching programs, etc. If necessary, additional measures may include reduced, paid or unbundled parking, on-site amenities (ATM, gym, retail, etc.) , on-site bike, scooter or car share, active transportation subsidies, etc.

The Policy also includes an exemption process for local jurisdictions that adopt their own TDM programs. The process requires that a local jurisdiction demonstrate how their adopted city-wide TDM regulations will ensure projected single-occupant vehicle (SOV) reduction percentages meet or exceed 25% for TOD and small residential projects, and 35% for all other project land use types in order to obtain an exemption.

DISCUSSION

Proposed Amendments

During the early stages of implementing the updated C/CAG TDM Policy with local jurisdictions, two common concerns have surfaced. First, given the importance and focus on removing barriers to construction of affordable housing, several jurisdictions have expressed interest exploring the possibility of exempting 100% affordable housing projects. In addition, the planning process for C/CAG's VMT/GHG Mitigation Program identified affordable housing development as an effective mitigation for VMT/GHG impacts because of the typically higher density and proximity to jobs. C/CAG requested that our consultant (Fehr & Peers) summarize the findings in a memo (**Attachment 1**). Second, there have been concerns raised that the exemption process outlined in the C/CAG TDM Policy is overly prescriptive and does not allow cities the flexibility to gain the benefits of the exemption without essentially mirroring the C/CAG TDM Policy.

- **Affordable Housing Projects** – The attached memo (**Attachment 1**) reviews relevant evidence and concludes that affordable housing projects achieve the trip reduction goals

presented in C/CAG’s TDM Policy and therefore could be exempt from C/CAG’s TDM Policy requirements, including the following:

- CAPCOA’s 2021 Handbook includes *Strategy T-4: Integrate Affordable and Below Market Rate Housing*, notes that affordable housing projects generate up to 28.6 percent fewer vehicle trips compared to market rate multifamily residential projects.
- Affordable housing in San Mateo County also benefits from reduced trip lengths due to the job-rich location.
- A 2024 study by CARB notes: “two meta-studies combining the findings of dozens of individual studies indicate that jobs accessibility via automobile has a far larger impact on VMT reduction than land use mix, population density, or transit accessibility.”
- San Mateo County’s 21 Elements supports this finding, noting that affordable housing is essential in San Mateo County because the high cost of living and job-rich nature in San Mateo County forces many workers to commute from outside the County. Affordable housing therefore has the effect of reducing both the number of vehicle trips and trip lengths.

Accordingly, the following amendment is provided for consideration (additions shown in red/double underline):

- o Amend Project Review Threshold (ADT) footnotes as follows to exempt 100% affordable deed restricted housing projects from TDM Policy requirements:

	Small Projects	Large Projects
Non-Residential: Office, Industrial, and Institutional	100 – 499 ADT (10,000 – 49,999 sq. ft.)	500+ ADT (50,000+ sq. ft.)
Non-Residential: Medical & Lodging	100 – 499 ADT (10,000 – 49,999 sq. ft.)	500+ ADT (50,000+ sq. ft.)
Non-Residential: Retail	100 – 499 ADT (30-99 employees)	500+ ADT (100+ employees)
Residential: Multi-Family	100 – 499 ADT (20 - 49 units)	500+ ADT (50+ units)

ADT Thresholds, Correlated with Approximate Project Size Characteristic^{1 2}

¹ The quantified square footage, employees, and units in this table demonstrate plausible project size relative to the estimated project ADT. The representative project size values are not exact. They are based on documented linear relationships between project size and respective site travel demand. More detail is available in research references cited in Appendix C & D of the companion *Policy Approach* document.

² The TDM Policy only applies to multi-family residential developments only. Single-family home and 100% affordable deed restricted housing developments are exempted from this TDM Policy.

- **Exemption Process** – The exemption process is intended to allow local jurisdictions that have adopted TDM Ordinances that meet or exceed the C/CAG TDM Policy requirements to apply for an exemption from the C/CAG requirements to avoid duplication of efforts. As presently

drafted, the process requires strict adherence to the trip reduction requirements for all projects covered by the C/CAG Policy, at the assigned trip reduction thresholds, or greater. As a result, C/CAG's review is limited in its ability to address any nuances, such as situations where a local jurisdiction's plan may likely produce equal or better results. For example, there have been situations where a local jurisdiction's plan includes significantly more stringent requirements for larger commercial projects, including stronger accountability measures for monitoring, reporting and enforcement (such as penalties for noncompliance and/or missing trip reduction goals) but less stringent measures/requirements for residential or small commercial developments. While C/CAG staff continues to support the C/CAG TDM policy as a foundational TDM program for jurisdictions in the county, we also recognize that locally adopted plans have the ability to improve on this foundation, most significantly through their ability to hold projects accountable for both implementing the measures, tracking progress and holding project sponsors responsible for achieving the trip reduction targets. To provide staff with additional flexibility to address such situations, the following amendment is provided for consideration:

- Amend the "Determining C/CAG TDM Policy Exemption" section as follows to provide the C/CAG Executive Director additional discretion in determining whether a locally adopted TDM Plan can be exempted from the C/CAG policy by adding the following language:

"The local jurisdiction shall submit such a request in writing to C/CAG. The request must clearly document how their jurisdiction's adopted city-wide TDM regulations ensure projected SOV trip reduction percentages meet or exceed 25% for TOD and small residential projects, and 35% for all other project land use types. C/CAG will review the local jurisdiction's request for exemption and, if approved, will issue a confirmation of exemption. **At the discretion of the C/CAG Executive Director, C/CAG may consider minor deviations from the criteria listed above where it can be objectively demonstrated that a locally adopted TDM plan is substantially consistent with these criteria and is likely to generate superior city-wide results to the C/CAG TDM Policy through implementation of trip reduction targets, monitoring, reporting, enforcement mechanisms and/or other documented measures that are materially more robust than those in the C/CAG policy. Such requests shall be supported by clearly written, professionally prepared documentation submitted to C/CAG by the jurisdiction's public works director or city engineer.**

This process for requesting an exemption would address a jurisdiction's overall TDM program or ordinance and would not apply on a project-by-project basis.

(Note: If C/CAG determines that a local jurisdiction is exempt, the jurisdiction must still provide written notification to C/CAG whenever it receives an application for a new development project expected to generate more than 100 ADT. In addition, the exempted jurisdiction shall share all monitoring results with C/CAG and Commute.org on a biennial basis.)"

Committee Comments

The CMP Technical Advisory Committee considered the proposed amendments at its November 20, 2024 and January 16, 2025 meetings. While overall supportive of the concepts, committee members requested minor language changes that have been incorporated into the current proposal. In addition, they requested that the county's community development and planning directors have an opportunity to weigh in on the proposed affordable housing exemption. In response, C/CAG staff provided a detailed outline of the proposal to the directors and planners and received only positive feedback.

The Congestion Management and Environmental Quality (CMEQ) Committee discussed the amendments at its January meeting. While supportive of the amendment to provide the C/CAG Executive Director additional discretion in determining whether a local adopted TDM plan can be exempted from the C/CAG TDM Policy, the committee did not support the proposal to exempt 100% affordable deed restricted housing projects from compliance. The primary concern was that there are already a significant number of state mandated waivers attached to housing projects. Additionally, they were concerned that no criteria were identified relative to proximity to transit to justify the exemption.

As the CMEQ Committee noted, State law currently requires a wide range of concessions for 100% affordable housing projects, including permit streamlining, reduced or no parking requirements, density bonuses, height increases and exceptions to other development standards such as setbacks, lot coverage and floor area ratios, that can be shown to reduce costs to provide affordable housing. The general sentiment was that given the existing extensive State preemptions, no additional concessions, such as the proposed C/CAG TDM exemption are warranted.

EQUITY CONSIDERATIONS

The C/CAG TDM Program applies to nearly all types of new development and is intended to help reduce traffic congestion; improve air quality, mobility, and connectivity; and support a more efficient transportation system. The program includes a wide variety of measures, including subsidized transit passes, car/vanpool matching, transit itinerary planning and assistance, guaranteed ride home (GRH) programs, etc., all of which are accessible to all individuals regardless of income.

Process – Next Steps

In accordance with C/CAG policy, adoption (or amendment) of a state-mandated countywide plan such as the CMP requires introduction at an initial meeting and adoption at a subsequent meeting. Additionally, per State law the CMP is required to be adopted at a noticed public hearing. Therefore, this hearing, which was publicly noticed in the San Mateo Daily Journal on February 1, 2025, provides an initial opportunity for comment and discussion, with a recommendation that the public hearing be continued to the March 13, 2025 Board meeting, where a final recommendation will be presented for consideration.

ATTACHMENTS:

1. Affordable Housing TDM Exemption White Paper
2. Draft amendment language

The following attachment is available on the C/CAG website (See “Additional Agenda Materials” for the relevant CMEQ meeting) at: <https://ccag.ca.gov/committees/congestion-management-and-environmental-quality-committee/>)

3. 2023 CMP – Appendix I