City of Santa Barbara
California

PLANNING COMMISSION
STAFF REPORT

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TO: Planning Commission

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I. INTRODUCTION

The Planning Commission and the public have recently raised questions and concerns about the City's traffic analysis procedure and parking policy. Additionally, a number of people have expressed concern that intersection and street congestion levels are higher than represented in the level of service measurements conducted by the City and traffic consultants. Each of these areas is important to the land development process and the proceedings of the Planning Commission. Because each issue is relatively different and involves discrete complexities, staff is planning three separate workshops that will cover each topic. The first workshop is Traffic Analysis Procedure and Practice. The following is a complete discussion of the concerns, the current practice, and solutions that have been considered.

II. TRAFFIC ANALYSIS CONCERNS

Recently, questions have been raised about the City's traffic analysis procedure and practice by the Planning Commission and the public. The Commission and the public alike have asked questions about the reasoning and rationale for calculating the existing environmental setting or baseline traffic at a given site proposed for land development. Some argue that the current practice of calculating the trip generation of existing buildings on a proposed site overstates reality and does not represent a reasonable, worst case which, they assert, is required by the California Environmental Quality Act (CEQA). Others have suggested that driveway counts on an existing site would give a more accurate baseline of existing conditions.

Questions and concerns have also been raised about the use of the Institute of Transportation Engineers' (ITE) Trip Generation Manual data base, which is incorporated into the City's traffic analysis process through the City's Master Environmental Assessment (MEA). There is a concern that trip generation rates in the ITE manual are not representative of the vehicle trips generated by land uses in Santa Barbara, particularly specific development sites. Suggestions have been made to research and create trip generation rates that are specific to Santa Barbara. Although the current ITE practices are common to other municipal agencies, people have argued

that Santa Barbara is not common and should have an analysis practice that lives up to the special nature of the town.

These concerns and questions have eroded public and decision maker trust in the review process. Many believe that the analysis overstates the traffic generated by existing land uses, and understates, the effects of traffic generated by new development, and that the local streets will ultimately have more congestion than is identified in the impact analysis. This effect seems to be confirmed by the fact that, over time, traffic continues to get worse and not better (absent any roadway system capacity improvements).

III. CURRENT TRAFFIC ANALYSIS PRACTICE

Before discussing the concerns and potential changes, it is important to understand the current traffic analysis practice as established in the City's MEA. The following description includes traffic distribution and roadway impact analysis, as well as the trip generation procedure. Keep in mind that, while this practice does involve empirical data, traffic analysis also requires professional experience and judgment. The practice is not solely scientific because the possibilities for variation are exponential. Therefore, scientific or empirical data is combined with local experience for the best possible analysis of each given land development proposal.

Defining Existing and Proposed Land Use

The first step in the traffic analysis is to understand what type of land use currently exists on a site proposed for development. Land uses such as gas stations, free standing fast food restaurants, residences, and hotels are generally easier to define because their operational characteristics are not likely to change substantially over time. But broad land use categories, such as commercial centers and office spaces, are more challenging to define because the businesses within the centers often change over time with potentially numerous land use trip generation types or variations. Commonly, properties that are ripe for redevelopment are near the end of their useful life. The land use existing on the property at the time the redevelopment project is proposed is often not the highest and best use of the property or even an average representation of the traffic originally generated by the land use. Transportation and Community Development staff work together on these more nebulous land uses to define them for the purposes of establishing a baseline and estimating trip generation.

In some cases, the building has been closed altogether (e.g., Californian Hotel, Carrillo Hotel) or demolished (e.g., gas station under remediation for soil contamination). In these cases, aside from site management, zero trips are currently being generated. Still, as long as the site continues to be under remediation or the applicant submits an application within a year of a building closure, City policy has been to define the land use for the purposes of establishing baseline traffic. The goal is to define the land use that most closely fits with trip generation and distribution characteristics of the land use occupying a building within the past year.

Defining the potential impacts of a proposed land use presents similar challenges. Although the developer may have identified the land use initially proposed for a building (typically an intended tenant), this land use may frequently change over the life of the building. For example, a "commercial space" can be converted between retail, office, restaurant, athletic club, and other specialty uses that have very different trip generation and distribution characteristics. These changes of use typically require only a building permit for the necessary tenant improvements. Therefore, when Staff reviews a project proposal, their goal is to evaluate the land use type that is most likely to occur over the life of the project, not just the first tenants of the new building.

Trip Generation

Establishing the Baseline Traffic at the Proposed Site

Establishing the baseline traffic of a site proposed for development is the step in the process that is currently garnering the most controversy. Once staff has defined an existing building's land use, in most cases, staff uses the ITE Trip Generation Manual to calculate the trip generation (see description of ITE below). Commonly, the square footage of the building is used with the ITE trip rate to arrive at the site's existing trip baseline for average daily traffic, AM peak hour traffic, and PM peak hour traffic. In some cases, like a local corner market, staff has used recent and historical data from Santa Barbara to calculate trip characteristics.

This step can be controversial because sometimes the baseline traffic calculated for the existing development site does not seem to represent the number of trips then being observed at the site.

ITE Trip Generation Manual

The ITE Trip Generation Manual is the most commonly used data base for calculating land use trip characteristics in the United States. The data base is a summary of information from thousands of land uses across the nation that have been studied for trip generation. The Trip Generation Manual compares like types of land uses to calculate average trip generation rates. The manual has rates for daily traffic, as well as other times during the day, such as the AM peak traffic hour, the PM peak traffic hour, and the peak hour of the generator (the highest trip generating hour during the day).

The land uses studied for use in the Trip Generation Manual are generally located in urban and suburban areas where driveway trips could easily be counted. This means that the land uses were generally not in areas with high pedestrian access or transit access. From this standpoint, the rates contained in the manual are generally more conservative (higher) than those in Santa Barbara, which has a lower per capita auto use than the average city in the nation. This is supported by census data that consistently shows Santa Barbara having a lower percentage of auto related work/home trips than other places in the County or many other cities in California.

It is also important to understand that the trip generation characteristics of a given land use vary from day to day and season to season and from economy to economy, both locally and nationally.

A store can have a sale and generate many trips on one day, but have fewer trips in the weeks preceding a sale. A hotel will have more customers in the summer than in the winter. There are even bigger trip generating differences between similar types of land uses. For example, one office might have walk-in business, whereas another doesn't. One restaurant will be wildly popular and another might just get by. These ebbs and flows occur for nearly every land use. Local interest and marketability of the building can change over time. A new manager, chef or business operator can increase the trip generation to the site just by improving service and/or doing more advertising. Consequently, the development of an **average** trip generation rate is important for establishing an environmental baseline and for estimating what will be typically and most likely generated by a new development over time.

Trip Generation Rates for New Development

Once the baseline traffic is established, the trip generation for the new development is estimated. Once again, the ITE Manual is commonly used to estimate the traffic that will be generated over time by the new building(s). When staff has calculated the number, it is important to remember that the estimate represents an average number of trips, that is, the number that is most likely to occur over the life cycle of the building. Staff does not base the traffic analysis on initial opening peaks, just as traffic analysis is not based on the highest peaks during the year (e.g., holiday shopping between Thanksgiving and Christmas). Although these peak trip generation times may represent a worst-case scenario, Staff is looking for the reasonable, worst-case scenario on average and over an extended period of time, as is called for by CEQA. Staff, as well as countless other municipalities across the United States and Canada, use the average trip generation estimates to be the reasonable, worst-case description of trip generation characteristics over the life of a building.

Net Trip Generation

The final step is estimating the net change from the baseline traffic to the newly proposed trip generation estimate. The trip generation of the proposed development is subtracted from the baseline for average daily, AM peak hour, and PM peak hour traffic generation. In making this calculation, it is critical, both as a matter of fairness and logic, that the same empirical rationale be applied to both sides of the equation.

Trip Distribution

Once the net trip generation is determined for the AM and PM peak hours, it is distributed over the local street network. The trip distribution is a determination of the percentage of trips that will travel in any particular direction (north, south, etc.) to/from the project site. The trip distribution is estimated based on the type of land use. Each type of land use has varying degrees of predictability. For example, office land uses attract work force trips during the morning and evening peak hours of travel. Based on the census data, Transportation Planning Staff has a pretty firm understanding of where people are coming from home to work regionally. This

percentage distribution of work trips is used to distribute the estimated trips of a new office building.

Retail trip distribution is far more unpredictable. A liquor store tends to draw trips from the adjacent area, while a department store may draw trips from the region. Generally, understanding the customer base of a retail land use will guide the trip generation. However, it is important to keep in mind that retail land uses are also those that are most susceptible to change over the life of a building. A change in retail store affects the clientele and, therefore, the trip distribution as well. Consequently, professional local experience has a strong role in predicting trip distribution.

Trip Assignment

Once the trip distribution is established, the trips are assigned to the local street network. The trip generation is combined with the distribution to show how the new trips might travel on the road. Trip assignment is largely dependent on the roadway network accessing the project site and the limitations of the streets (e.g., turn restrictions, one way streets). Because so many project trip types involve freeway travel, freeway access is also an important factor. The goal of the trip assignment exercise is to determine if any traffic will travel through an intersection that is currently significantly impacted,[1] or if sufficient traffic will go through an intersection to cause that intersection to become impacted.

Level of Significance for Traffic Impacts

Traffic impact definitions are where Santa Barbara's approach is distinctly different from other cities across the nation. The definition of a traffic impact level of significance in Santa Barbara sets us apart from most all other municipalities. The City of Santa Barbara, in the MEA, has established Level of Service C at a Volume-to-Capacity ratio of 0.77 (V/C 0.77) as the level beyond which an intersection is determined to be "impacted." If the project adds traffic to an intersection that already exceed the threshold, the project will result in significant traffic impacts. Also, if the intersection is not presently impacted, but the project adds sufficient trips to the intersection to cause it to exceed V/C 0.77, a significant traffic impact will result. Few cities in the United States have such a strict standard.

This level of significance for traffic impacts is in stark contrast to most communities where Levels of Service D, E and F are the standard. Even when these levels are exceeded, most communities permit an incremental amount of growth above the level of service standard. It requires approximately 160 vehicles in the peak hour traveling on critical movements in an intersection (not all movements in an intersection are critical to level of service) to increase congestion by one level-of-service grade. In contrast, the City of Santa Barbara threshold of

[1] When trips are assigned, staff follows trips in any given direction until there are less than five trips after which the trips are no longer carried to the next intersection. When five trips can be estimated through the generation and distribution process, a statistical level of confidence is achieved that the trip will be present on a daily basis.

significance considers the addition of traffic through an impacted intersection to be a significant impact, whether the traffic affects the level of service (critical movement) or not.[2]

Currently, the following Highway 101 interchanges are considered to be impacted because they are more congested than Level of Service C with a volume-to-capacity ratio higher than 0.77:

- Las Positas
- Mission
- Carrillo
- Castillo
- Garden
- Cabrillo

Additionally, the following intersections are currently impacted because they are more congested than Level of Service C with a volume-to-capacity ratio higher than 0.77:

- State and Las Positas
- Modoc and Las Positas
- Cliff and Las Positas
- Mission and Castillo
- Mission and Bath
- State and Cabrillo (Sunny Summer Sundays)
- Carrillo and Bath
- Carrillo and Chapala
- Garden and Gutierrez
- Hot Springs/Coast Village/Old Coast Highway
- Coast Village/Olive Mill

Currently, a traffic impact is determined to be significant when traffic is estimated to be added to one of the above intersections. Additionally, a project could generate enough traffic to cause a new intersection to become impacted.

Non-residential projects

Under the Measure E implementation ordinance (Municipal Code section 28.87.300), a non-residential development cannot be approved if it significantly impacts an intersection and there is no feasible mitigation measure available to offset or reduce the impact by the time development

[2] Critical movements in an intersection are the highest sum of the north-south left and through movements and the highest sum of the east-west left and through movements after dividing the totals by the number of lanes provided in each movement. The sum of all critical movements is divided by an intersection's capacity in order to calculate the volume-to-capacity ratio, which is used to estimate level of service.

construction is complete.[3] Because of the nature of Santa Barbara having relatively narrow rights of way, mitigation of a traffic impact is seldom affordable, much less feasible. As a result, most of the non-residential developments that Transportation Planning determines will add traffic to the above intersections never come before the Planning Commission. In fact, it is estimated that about ten non-residential development proposals are identified early on and do not proceed with an application for every one proposal that does get to the Planning Commission for consideration. While the community may have a sense that Transportation Planning is pushing land development projects, our reputation amongst developers is one of early rejection of most proposals due to expected traffic impacts.

Residential Projects

Measure E does not regulate residential projects. Therefore, residential projects are not subject to the Measure E findings regarding significant impacts. A residential project may be approved even if it may result in a significant traffic impact as long as overriding considerations are made by the Planning Commission or City Council as a part of an Environmental Impact Report (EIR) process. Even when this has occurred in the past, the traffic impacts that were overridden were not substantial enough to be noticed by the public. In short, the City of Santa Barbara has a system built in to its land use policy and permitting process that has a near zero tolerance for traffic impacts to occur.

Legal Concerns

Because traffic analysis occurs within the context of CEQA environmental review, the City's process for traffic analysis must comply with CEQA statutes, guidelines and court decisions interpreting CEQA. CEQA requires the City's process for analyzing impacts to be rational and supported by substantial evidence. The traffic impact methodology described above is an accepted standard for CEQA practice and complies with recent judicial interpretations of a proper "baseline" methodology. In fact, the City's traffic analysis was challenged in the CEQA lawsuit regarding the mitigated negative declaration prepared for the Entrada timeshare development. Ultimately, the court rejected the portion of the challenge concerning the traffic analysis and determined that the City's traffic impact analysis methodology was supported by substantial evidence. See Attachment for a more thorough discussion of the CEQA issues regarding traffic impact analysis.

IV. WHY DOESN'T THE CITY CONDUCT DRIVEWAY COUNTS TO ESTABLISH BASELINE TRAFFIC?

The public frequently asks why the City doesn't conduct "driveway counts" in order to establish baseline traffic. Because the current system applies trips to an existing development that may not currently have any trips or less then estimated, there is often suspicion about the outcome of

[3] Non-residential projects within the "Community Priority" category of Measure E are permitted to have significant traffic impacts if the Council makes certain findings.

traffic analysis. The solution most commonly suggested is to perform driveway traffic counts to establish the environmental baseline.

Land Uses Ripe for Redevelopment Are Commonly Low Generators

The reality of the land development process is that buildings that are attracting trips at the standard level are seldom subject to redevelopment. Rather, redevelopment occurs when the site is not attracting sufficient trips. Most buildings that are proposed for redevelopment are not at their peak occupancy or use. If driveway counts were used to determine the baseline for these under-used projects, fewer and fewer trips would be allowed with each passing development due to the City's strict threshold for traffic impacts. Even more dramatic are the cases where a building was closed down or demolished for the purposes of seismic work or remediation. The closed or demolished use would receive no trip credit leaving little chance of building an appropriate development equal in trip generating capacity to the previous land use or the legally permitted baseline.

Redevelopment Would Most Likely Take the Form of Remodeled Existing Buildings

If driveway counts were used to establish the baseline, remodels would probably prevail over wholesale site redevelopment. Because the City's traffic impact threshold is so limiting, few developments can afford to increase traffic trips. Remodeling is a form of development that does not come before the Planning Commission; rather, it requires Architectural Board of Review or Historic Landmarks Commission approval for design review only. As long as remodels keep the original size, a development plan approval is not required under Measure E and a trip generation analysis is rarely performed because the remodel does not change the underlying land use in a way that would result in a net increase in traffic trips.[4]

The outcome of a remodel is a dressed up building constructed decades earlier. Often times these buildings do not conform to the City's Urban Design Standards. Additionally, the City does not get exactions for public improvements to site access or public street improvements. Other desired benefits, such as mixed use, creek restoration, and green building design are also not possible with a remodel. The final downside to remodels is that the existing building many times does not adequately accommodate the needs of the new development. One prominent example of a remodel not appropriate for its building is Trader Joe's. In both locations, the remodeled projects did not provide for off-street truck loading, adequate storage of shopping carts or, in the case of the De la Vina store, a parking design that meets the needs of a supermarket.

[4] Except within the Coastal Zone when a more intense land use is proposed and, as a result, a Coastal Development Permit must be obtained. Increase in intensity is generally defined as a land use that results in an increase in required parking spaces under Chapter 28.90 of the Zoning Ordinance.

Why Not Also Conduct Driveway Counts to Establish Baseline Traffic with a Remodel Project?

Some ask why trip generation analysis or driveway counts are not performed for a remodel. A remodel retains the original building while making façade changes. A building generally needs a remodel because it is not currently economically viable and thus is generating a lower number of trips to/from the site. If a traffic baseline was calculated through a driveway count and then compared to the proposed trip generation of the remodeled land use based on ITE estimates, most remodels would be generating net new trips to the roadway network and likely traffic impacts as well. In the cases in which a significant traffic impact is determined for a remodel, the developer would need to demolish a portion of the existing building to reduce the new trip generation estimate to a level of insignificance. One could imagine with consecutive remodels over a building's life, there eventually would be no more building left. Although this would never happen (the remodels would simply not occur and the building would only become more out of date and dilapidated), it shows why it is important for the baseline traffic determination to reflect the trip generating characteristics over the life cycle of a building, rather than the final days of economic crisis when trips are at an all time low.

Driveway Counts Could Be Easily Manipulated

Simply put, developers will play the rules that are laid before them. If driveway counts are required, creative developers could find a way to ensure that the land use is active in the days leading up to a driveway count. These methods could vary from paying people to visit a site to subsidizing a trip intense land use in the existing building to maximize the counted baseline. A developer could significantly profit from an intensified future development by manipulating a driveway count. Developers do not currently make such maneuvers because the existing traffic baseline determination is well laid out, predictable, and not subject to manipulation. Some cities and counties have changed to driveway counts as a result of public criticism, only to change back because of the numerous problems it creates.

V. WHY DOESN'T THE CITY CREATE ITS OWN TRIP GENERATION RATES INSTEAD OF USING ITE RATES?

The City of Santa Barbara has the option of creating its own trip generation rates. However, the process of establishing useful trip generation rates is an exceedingly difficult, expensive, and long-term process. Many existing land uses must be studied and counted repetitively over time to establish average trip generation rates that are unique to Santa Barbara. The San Diego Association of Governments is an example of an agency that has researched trip generation rates that are unique to San Diego County. As in San Diego, such an effort would consume significant resources. Because average trip rates change slightly with each new study conducted, accurate trip generation numbers would require hundreds of studies, making this effort unrealistic for a small city such as ours. If we did research our own trip generation rates, Staff believes that we would find that Santa Barbara rates would generally be lower than ITE rates. Because automobile use in Santa Barbara accounts for a smaller portion of the trips made in the city when

compared to other cities in the county or U.S. cities, most of our land use trip rates would also be lower than the nationwide data collected for ITE.[5]

Finally, changing the trip rates from ITE to local Santa Barbara rates will not result in developments with less traffic. Regardless of the traffic rates used, it is important to use the same rates and methodology to establish the baseline traffic as those used to estimate future traffic (apples to apples analysis). Using different trip generation rates and methodologies at various points of the same traffic analysis process does not make sense, would result in more confusion than currently exists, and could result in a successful legal challenge to the City's MEA methodology for required CEQA environmental review.

VI. OTHER ISSUES TO CONSIDER

Measure E and the Circulation Element

Measure E is a Charter amendment that was passed by voters in 1989. Measure E dramatically limited the amount of new non-residential square footage. The intent of Measure E was to slow commercial growth and to allow residential growth to increase to be on balance with the City's commercial base (also known as the job/housing balance). One element of this plan is to live within our resources in a way that future commercial projects would not create certain impacts. At the same time, continued economic growth was maintained by supporting the redevelopment and rehabilitation of existing commercial square footage, including minor additions, which can have traffic impacts, and small additions, which can only be approved when shown to generate no significant traffic impacts.

This balance of quality of life (in this case, traffic congestion) and economic vitality was also included as a fundamental tenet of the Circulation Element of the General Plan. The Circulation Element's first goal is to "provide a transportation system that supports the economic vitality of the City." The goal states that, in addition to maintaining the quality of life, the economic vitality of the City is a priority. Staff believes that changing the baseline methodology to driveway counts would be in conflict with Measure E and the Circulation Element because it would artificially stifle the business environment and economy by reducing the limited commercial stimulus permitted by Measure E.

If All This Is True, Why Are Traffic Congestion Levels Continuing To Increase?

One might surmise that, if the above analysis is true and if the City has a near zero tolerance for traffic impacts from non-residential development, why do traffic volumes and congestion continue to increase? The answer includes a combination of factors. Compared to other jurisdictions, the City is maintaining limited traffic growth on local streets. Traffic growth is

[5] This is supported by census data that consistently shows Santa Barbara having a lower percentage of auto related work/home trips than other places in the County or many other cities in California.

approximately 0.5 to 1% in traffic volumes per year on the main travel corridors.[6] Traffic growth on local residential streets is generally less.

Much of the on-street traffic growth has been produced by housing created in neighborhoods. Because they tend to be small, few housing projects generate enough traffic to produce a traffic impact. Furthermore, most housing projects tend to be located away from significantly impacted intersections. The cumulative effect of the City's housing production, however, does add up to measurable traffic increases over time.

The traffic on Highway 101 has a strong relationship to and influence over local streets. Prior to the six-lane freeway that was completed between Fairview and Castillo in 1989, congestion levels on Outer State Street were actually higher than they are today. Once the six-lane was completed, approximately 6,000 average vehicle trips per day left the Outer State Street corridor and began using the then congestion-free highway. Similar freeway effects have occurred over time. The Crosstown Freeway section, which eliminated the traffic signals, also removed significant traffic volumes from Downtown local streets and from the Waterfront area. As a significant portion of the workforce moved to Carpinteria or Ventura County, freeway congestion increased south of Milpas. Consequently, local streets have also incurred traffic increases. As traffic volumes and congestion continue to increase because of regional market forces, housing prices, increases in tourism, and out-of-town development, traffic on local streets will also increases as fewer motorists choose the freeway for City related trips.[7]

VII. CONCLUSION

The Planning Commission and the public have questioned the reasoning and rationale for calculating baseline traffic within the traffic analysis process. This concern is inherent in the process because sometimes the number of trips assigned or credited to an existing building is more than could be observed through a driveway count. Hopefully, this paper has revealed the necessities of looking at trip generation over the lifespan of a project, rather than a short snapshot of a project's current operation. We have also shown the potential negative impacts to the process and local economy that would ensue by changing the process from average trip generation rates to "snapshot" rates. Although Santa Barbara could develop its own trip generation rates, we've explained that this would require significant resource expenditure without a meaningful benefit to the process or process outcome in the long run.

Unfortunately, this issue may have eroded some community members' trust in the process. We are optimistic that this workshop on the issue of traffic analysis will regain that trust. It is incumbent upon staff to continually educate the Commission and public on these issues in order to maintain its understanding and confidence in the land development review process. As stated in the introduction, we are planning two additional workshops: one on parking policy and

[6] Based on an internet search, 2% to 9% highway traffic growth rate is common in other U.S. cities.
[7] A city related trip is a trip that has an origin and/or destination within Santa Barbara.

practice and the other on level of service and traffic volumes. We look forward to discussing these issues at future workshops with the Planning Commission.

Exhibits:

A. Legal Context of Traffic Analysis

LEGAL CONTEXT OF TRAFFIC ANALYSIS

When considering traffic analysis methodology, it is important to understand the context in which the City analyzes traffic impacts. Traffic impact analysis is conducted in the course of environmental review as required by the California Environmental Quality Act (CEQA). CEQA traffic impact analysis is also incorporated into the Development Plan review process that implements the policies of Measure E, the City's non-residential growth limitation found in Charter section 1508.

Establishment of the CEQA Environmental Setting (The "Baseline")

In accordance with the California Environmental Quality Act (CEQA), the preparation of a Negative Declaration (ND) or Environmental Impact Report (EIR) requires the identification of the environmental setting.[1] This environmental setting normally constitutes the baseline physical conditions by which the lead agency determines whether an impact is significant.

Environmental Analyst Determines Baseline

When a proposed project is subject to CEQA, the City's CEQA Guidelines specify that the City's environmental analyst prepares an initial study to determine whether the project may have a significant effect on the environment. The preparation of an initial study starts with the description of the environmental setting and the establishment of the CEQA baseline. Because the conclusions made about impact significance in the initial study determine whether a ND or an EIR will be required, a consistent approach to the establishment of the CEQA baseline is key to consistency and fairness in the CEQA process.

CEQA Guidelines require that each public agency adopt procedures for the administration of CEQA including the orderly evaluation of projects and preparation of environmental documents.[2] The City of Santa Barbara has local CEQA Guidelines and a Master Environmental Assessment (MEA), both adopted by City Council. The local guidelines and the MEA anticipate that environmental analysts will consult the MEA when evaluating the potential impacts of a proposed project.

The MEA specifies the manner in which the City establishes an environmental baseline and how the City calculates vehicle trip generation for the purpose of analyzing traffic impacts. The MEA traffic impact methodology incorporates the rate generation tables contained in the Trip Generation Handbook prepared by the Institute of Traffic Engineers (ITE). The MEA methodology compares the traffic impacts of the currently permitted land use versus the proposed project by calculating the trip generation using the ITE rate generation tables, rather than measuring the actual traffic generated by the current tenant mix and occupancy. The use of this baseline methodology for determining traffic impacts is an accepted standard for CEQA practice as well as recent judicial interpretations for a

[1] CEQA Guidelines §§ 15063(d), 15125.
[2] CEQA Guidelines § 15022.

proper "baseline" methodology.[3] The MEA explains that this method of traffic impact analysis was selected because it allows for a consistent, systematic, and empirical approach of evaluating cumulative traffic impacts that avoids variations in trip generation rates due to a particular tenant mix or occupancy that can be experienced by measured traffic counts.

Disagreements Regarding Baseline Methodology

Disagreements can often arise regarding the proper method of establishing or calculating the baseline or evaluating the significance of a proposed change to the environmental setting. The existence of disagreement over methodology, even one among experts, does not require the City to abandon its methods of establishing the environmental baseline or evaluating impacts.

> When the determination of a baseline condition requires choosing between conflicting expert opinions or differing methodologies, it is the function of the lead agency to make those choices based on all of the evidence. . . The [City] is free to accept or reject evidence or to choose a particular methodology to determine the baseline, as long as the [City's] decision is supported by substantial evidence.[4]
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> If there is substantial evidence to support the lead agency's environmental baseline determination, it must be upheld. The courts must indulge all reasonable inferences from the evidence that would support the agency's determinations and resolve all conflicts in the evidence in favor of the agency's decision (citations omitted).[5]

CEQA Guidelines define substantial evidence in the following manner:

> Argument, speculation, unsubstantiated opinion or narrative, or evidence that is clearly inaccurate or erroneous, or evidence that is not credible, shall not constitute substantial evidence. **Substantial evidence shall include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts.** Evidence of economic and social impacts that do not contribute to or are not caused by physical changes in the environment is not substantial evidence that the project may have a significant effect on the environment.[6]

Alternative Methodologies

CEQA does not specify a particular methodology for analyzing traffic impacts. The City is free to employ any rational methodology that is supported by substantial evidence. In

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[3] Fairview Neighbors v. County of Ventura (1999) 70 Cal.App.4th 238.
[4] Save Our Peninsula Committee v. Monterey County Board of Supervisors (2001) 87 Cal.App.4th 99, 120, 122.
[5] Fat v. County of Sacramento (2002) 97 Cal.App.4th 1270.
[6] CEQA Guideline § 15064(f)(5) & (6). [Emphasis added.]

order to adopt a new methodology for traffic impact analysis, the City would also have to amend the Master Environmental Assessment - the fundamental document that staff references to determine how to analyze the potential environmental impacts of a proposed project. CEQA environmental review is also frequently challenged in court. The City's existing traffic impact methodology has been challenged and found to be legally sufficient. Any new methodology would be subject to a new challenge.