

June 8, 2023

Signature Realty Capital Corp
c/o Mr. Keith Gardner
1901 Newport Boulevard, Ste 350
Costa Mesa, CA 92627

SUBJECT: DAUCHY STREET VEHICLE MILES TRAVELLED (VMT) ANALYSIS

Dear Mr. Keith Gardner:

The following Vehicle Miles Travelled (VMT) Analysis has been prepared for the proposed Dauchy Street (**Project**), which located on the southwest corner of Ferrari Drive and Dauchy Avenue in the City of Riverside.

PROJECT OVERVIEW

The Project as addressed in this analysis consists of up to 53 single family residential dwelling units (See Attachment A).

BACKGROUND

Changes to California Environmental Quality Act (CEQA) Guidelines were adopted in December 2018, which requires all lead agencies to adopt VMT as a replacement for automobile delay-based level of service (LOS) as the new measure for identifying transportation impacts for land use projects. This statewide mandate went into effect July 1, 2020. To aid in this transition, the Governor's Office of Planning and Research (OPR) released a Technical Advisory on Evaluating Transportation Impacts in CEQA (December of 2018) (**Technical Advisory**) (1).

The City of Riverside City Council adopted analytical procedures, screening tools, and impact thresholds for VMT, which are documented in the City of Riverside Traffic Impact Analysis Guidelines for Vehicle Miles Traveled and Level of Service Assessment (July 2020) (**City Guidelines**) (2). The VMT analysis presented in this report has been developed based on the adopted City Guidelines.

PROJECT SCREENING

The City Guidelines provide details on appropriate screening criteria that can be used to identify when a proposed land use project is anticipated to result in a less-than-significant impact without conducting a more detailed project level analysis. To aid in the project-level VMT screening process, the City of Riverside utilizes the Western Riverside Council of Governments (WRCOG) VMT Screening Tool (**Screening Tool**). The web-based Screening Tool allows a user to select an assessor's parcel number

(APN) to determine if a project's physical location meets one or more of the land use screening thresholds documented in the City Guidelines. Screening criteria is broken into three steps:

Step 1: Transit Priority Area (TPA) Screening

Step 2: Low VMT Area Screening

Step 3: Project Type Screening

A land use project need only to meet one of the above screening criteria to result in a less than significant impact.

STEP 1: TPA SCREENING

Consistent with guidance identified in the City Guidelines, projects located within a Transit Priority Area (TPA) (i.e., within ½ mile of an existing "major transit stop"¹ or an existing stop along a "high-quality transit corridor"²) may be presumed to have a less than significant impact absent substantial evidence to the contrary.

However, the presumption may not be appropriate if a project:

- Has a Floor Area Ratio (FAR) of less than 0.75;
- Includes more parking for use by residents, customers, or employees of the project than required by the jurisdiction (if the jurisdiction requires the project to supply parking);
- Is inconsistent with the applicable Sustainable Communities Strategy (as determined by the lead agency, with input from the Metropolitan Planning Organization); or
- Replaces affordable residential units with a smaller number of moderate- or high-income residential units.

Based on the Screening Tool, the Project site is shown not to be located within a TPA (see Attachment B).

TPA screening criteria is not met.

STEP 2: LOW VMT AREA SCREENING

City Guidelines state that "Residential and office projects located within a low VMT-generating area may be presumed to have a less than significant impact absent substantial evidence to the contrary. In addition, other employment-related and mixed-use land use projects may qualify for the use of screening if the project can reasonably be expected to generate VMT per resident or per worker that is

¹ Pub. Resources Code, § 21064.3 ("Major transit stop" means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.").

² Pub. Resources Code, § 21155 ("For purposes of this section, a high-quality transit corridor means a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours.").

similar to the existing land uses in the low VMT area- provided the VMT of the area falls below thresholds.”³ The City uses the WRCOG screening tool to determine low areas of VMT. The screening tool uses the sub-regional Riverside Transportation Analysis Model (RIVTAM) to measure VMT performance within individual traffic analysis zones (TAZ’s) within the region. The Project’s physical location based on parcel number is input into the Screening Tool to determine project generated VMT as compared to the City’s impact threshold. The parcel containing the proposed Project was selected and the screening tool was run for the VMT per service population (SP) measure of VMT based on the mixed-use nature of the Project. The Project resides within TAZ 3,547 and was found to generate 18.06 VMT per capita of whereas the City’s impact threshold of 15% below baseline City of Riverside VMT per employee is 11.25. The Project does not reside within a Low VMT Area (See Attachment B).

Low VMT Area screening criteria is not met.

STEP 3: PROJECT TYPE SCREENING

The City Guidelines identify that local serving retail less than 50,000 square feet or other local serving essential services (e.g., local parks, day care centers, public schools, medical/dental office buildings, etc.) are presumed to have a less than significant impact absent substantial evidence to the contrary. The Project is not intending to develop any local serving retail or essential services.

In addition, the City Guidelines indicate that projects generating fewer than 110 daily vehicle trips may be presumed to have a less than significant impact, subject to discretionary approval by the City. Trips generated by the Project’s proposed land uses have been estimated based on trip generation rates collected by the Institute of Transportation Engineers (ITE) Trip Generation Manual, 10th Edition, 2017 (3). The proposed Project is anticipated to generate vehicle trip-ends per day above the 110 daily vehicle trip threshold.

The Project Type screening threshold is not met.

Based on a more detailed review of the applicable VMT screening methods, it was determined that the Project is not eligible for screening and VMT analysis should be performed.

VMT ANALYSIS

VMT MODELING

City Guidelines identifies RIVCOM as the appropriate tool for conducting VMT analysis for land development projects in the City of Riverside. WRCOG is the developer/owner of RIVCOM and recently launched the new modeling tool for use by its member agencies in August 2021. At the time this analysis

³ City Guidelines; Page 24

was prepared, the RIVCOM tool was in its 4th update (also referred to as version 3.0). It has been determined that this analysis would be prepared based on version 3.0 of RIVCOM.

VMT METRIC AND SIGNIFICANCE THRESHOLD

The City Guidelines state for residential land use projects in the City of Riverside shall use the VMT metric of VMT per capita as the appropriate measure in a VMT analysis. The City Guidelines have identified following recommended threshold:

- For residential projects: the baseline or cumulative project-generated VMT per capita exceeds 15% below the current jurisdictional baseline VMT per capita

As the RIVCOM model is a new travel demand model, at the time of this report WRCOG has not yet published jurisdictional averages for its member agencies. To establish the City of Riverside's baseline VMT per capita "no project" model runs will be performed and calculated utilizing RIVCOM to provide a consistent comparison. All TAZs located within the City of Riverside were selected and the total home-based (HB) VMT was calculated from the RIVCOM base year (2018) and cumulative year (2045) traffic models. To obtain baseline (2022) conditions a straight-line interpolation calculation of the base year and cumulative year model results were performed. For ease of comparison, the total HB VMT for the City of Riverside was then divided by the City's employment. Citywide VMT per capita for base year, cumulative year, and baseline 2022 traffic conditions are shown in Table 1.

TABLE 1: CITY OF RIVERSIDE VMT PER CAPITA

	Base Year (2018)	Cumulative Year (2045)	Baseline (2022)
City of Riverside VMT	5,276,844	6,497,620	5,457,699
Population	324,025	404,739	335,983
HB VMT per Capita	16.29	16.05	16.25

Based on the RIVCOM results the **City of Riverside's jurisdictional baseline average is 16.25 VMT per capita.**

PROJECT LAND USE CONVERSION

In order to evaluate Project VMT, standard land use information must first be converted into a RIVCOM compatible input data. The RIVCOM model utilizes socio-economic data (SED) (e.g., population, households, employment, etc.) instead of land use information for the purposes of vehicle trip estimation. Project land use information such as building square footage must first be converted to SED for input into RIVCOM. Utilization of population factors were derived from the City of Riverside

Circulation Element Traffic Study and Traffic Study Appendix.⁴ Table 2 presents the estimated number of Project employees by land use type used to populate the RIVCOM model.

TABLE 2: EMPLOYMENT ESTIMATES

Land Use	Dwelling Units	Conversion Factor	Estimated Population
Residential	53 DU	3.18 Persons per Household	169 People

The RIVCOM model was then run inclusive of the Project's SED inputs.

PROJECT GENERATED VMT PER CAPITA CALCULATION

The City Guidelines identify that for residential land uses the measure of VMT should be VMT per capita. RIVCOM was utilized to calculate project generated VMT for the residential land uses and that value was then divided by the Project's population estimate to derive project generated VMT per capita. Project-generated VMT per capita was then calculated for both the base year model (2018) and cumulative year model (2045). Then straight-line linear interpolation was used to determine the Project's baseline (2022) VMT per capita. Table 3 presents HB VMT as calculated from RIVCOM for the Project's residential land uses, the number of Project population, and Project VMT per capita.

TABLE 3: PROJECT GENERATED VMT PER CAPITA

	Base Year (2018)	Cumulative Year (2045)	Baseline (2022)
Project VMT	2,989	2,908	2,977
Project Population	169	169	169
HB VMT per Capita	17.68	17.21	17.61

PROJECT COMPARISON TO SIGNIFICANCE THRESHOLD

Table 4 illustrates the comparison between Project generated VMT per capita in the Baseline and Cumulative Conditions to the baseline City of Riverside jurisdictional average, as previously noted, of 16.25 VMT per capita, a 15% below the jurisdictional average is 13.81 VMT per capita. As shown, the Project would exceed the City's threshold for either the Baseline or Cumulative Project conditions. The Project VMT impact is therefore considered potentially significant.

TABLE 4: PROJECT VMT PER CAPITA COMPARISON

	Baseline	Cumulative
City of Riverside	13.81	13.81
Project	17.61	17.21
Percent Change	+27.52%	+24.62%
Potentially Significant?	Yes	Yes

⁴ City Appendix, Page 185.

PROJECT'S CUMULATIVE EFFECT ON VMT

The Technical Advisory notes that "... metrics such as VMT per capita or VMT per employee, i.e., metrics framed in terms of efficiency (as recommended below for use on residential and office projects), cannot be summed because they employ a denominator. A project that falls below an efficiency-based threshold that is aligned with long-term goals and relevant plans has no cumulative impact distinct from the project impact." Accordingly, City Guidelines state "...cumulative no project shall reflect the adopted RTP/SCS; as such, if a project is consistent with the regional RTP/SCS, the cumulative impacts shall be considered less than significant subject to consideration of other substantial evidence."⁵ Since the Project proposed land use of residential is consistent with the City of Riverside's General Plan and the project level VMT per capita was found to be potentially significant. Resulting in the Project's cumulative VMT impact is also to be considered potentially significant.

VM T REDUCTION STRATEGIES

Transportation Demand Management (TDM) strategies in the form of commute trip reduction program measures have been reviewed for the purpose of reducing Project related VMT impacts (i.e., commute trips) determined to be potentially significant. The level of effectiveness of each trip reduction measure has been determined based on the Handbook for Analyzing Greenhouse Gas Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity (CAPCOA, 2021) (**2021 Handbook**). City Guidelines state that "for any VMT mitigation measure, the project applicant will be required to provide substantial evidence while identifying a project-specific value. If that information is not available, the project should apply the low point of provided ranges for VMT reduction."⁶ In addition to specific tenancy considerations, locational context is also a major factor relevant to the potential application and effectiveness of TDM measures. The three locational contexts identified by the 2021 Handbook are suburban, urban, and rural.⁷ The locational context of the Project is characteristically suburban.

The proposed Project would require a minimum reduction of 27.52% to achieve a less than significant impact. The 2021 Handbook lists the following VMT reduction measures. These measures can be implemented individually or grouped together to create feasible VMT reductions. Based on consultation with the Project applicant the following TDM measures will be evaluated further.

MEASURE 1: T-18. PROVIDE PEDESTRIAN NETWORK IMPROVEMENT

As noted in the 2021 Handbook, this measure will increase the sidewalk coverage to improve pedestrian access. Providing sidewalks and an enhanced pedestrian network encourages people to walk instead of drive. This mode shift results in a reduction in VMT and GHG emissions. The GHG reduction of this measure is based on the VMT reduction associated with expansion of sidewalk coverage expansion, which includes not only building of new sidewalks but also improving degraded or substandard sidewalk

⁵ City Guidelines; Page 28

⁶ City Guidelines; Page 32

⁷ 2021 Handbook; Page 43

(e.g., damaged from street tree roots).

TABLE 5: VMT CALCULATION VARIABLES

ID	Variable	Value	Unit	Source
Output				
A	Percent reduction in GHG emissions from household vehicle travel in plan/community	0-6.4	%	calculated
User Inputs				
B	Existing sidewalk length in study area	1.44	miles	user input
C	Sidewalk length in study area with measure	0	miles	user input
Constants, Assumptions, and Available Defaults				
D	Elasticity of household VMT with respect to the ratio of sidewalks-to-streets	-0.05	unitless	Frank et al. 2011

$$A = \left(\frac{C}{B} - 1 \right) \times D$$

$$2.2\% = \left(\frac{0}{1.44} - 1 \right) \times -0.05$$

The Project intends to develop external sidewalk connectivity along Ferrari Drive on the northern boundary of the Project, east along Dauchy Road, and south on Victor Hugo leading into the Project site. The total external sidewalks along Ferrari Drive, Dauchy Road, and Victor Hugo are calculated to be 2,697.94 feet. The Project's internal private sidewalks have a combined total of 4,899.18 feet. The Project will develop a total of 7,597.12 feet or 1.44 miles. As calculated the Project's inclusion of TDM measure 1 will reduce the Project's VMT impact by 2.2%.

With the inclusion of feasible mitigation measure as calculated reduces the Project's VMT impact to 17.22 VMT per capita in the baseline condition and 16.83 VMT per capita in the cumulative condition. Thus, resulting in the Project still exceeding the City's impact threshold by 24.69% in the baseline condition and 21.87% in the cumulative condition.

INTERIM VMT MITIGATION FEE

The City of Riverside is in the process of developing its VMT Mitigation Fee program. It is our understanding that fees (from an established list of projects) need to be collected to fund the Nexus Study to develop the VMT Mitigation Fee program. Once the VMT Nexus Study and fee program are developed, they will be presented to the City Council for final approval and implementation. This process could take approximately 12 months or more. *It is our understanding that the city has already collected the necessary fees for the VMT nexus study and development of the fee program is underway.*

The Project is currently seeking entitlement with the City. In an effort to ensure the 53 dwelling unit project meets CEQA requirements and *will not be required to develop an EIR*. The Project and the City

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has made an Interim VMT Mitigation Fee agreement, which has accepted by both parties. Details of this acceptance letter can be found in Attachment C. Under the terms and conditions of the City's acceptance letter, the Project will fully mitigate its VMT impact. Therefore, the Project's VMT impact is considered less than significant.

CONCLUSION

- The Project was evaluated consistent with the City Guidelines' available screening criteria. The Project did not meet any available screening.
- A VMT analysis was performed with the new Riverside County model (RIVCOM). Findings of the VMT analysis resulted in potential VMT impacts.
- The Project's design features were incorporated into the project generated VMT. However, the Project remains with potential VMT impacts.
- Based on an accepted agreement between the Project Applicant and City Staff, an Interim VMT Mitigation Fee has been established. With the inclusion of the Interim VMT Mitigation fee, the Project is found to have a less than significant impact on VMT.

If you have any questions, please contact me directly at aso@urbanxroads.com.

Respectfully submitted,

URBAN CROSSROADS, INC.



Alexander So
Senior Associate

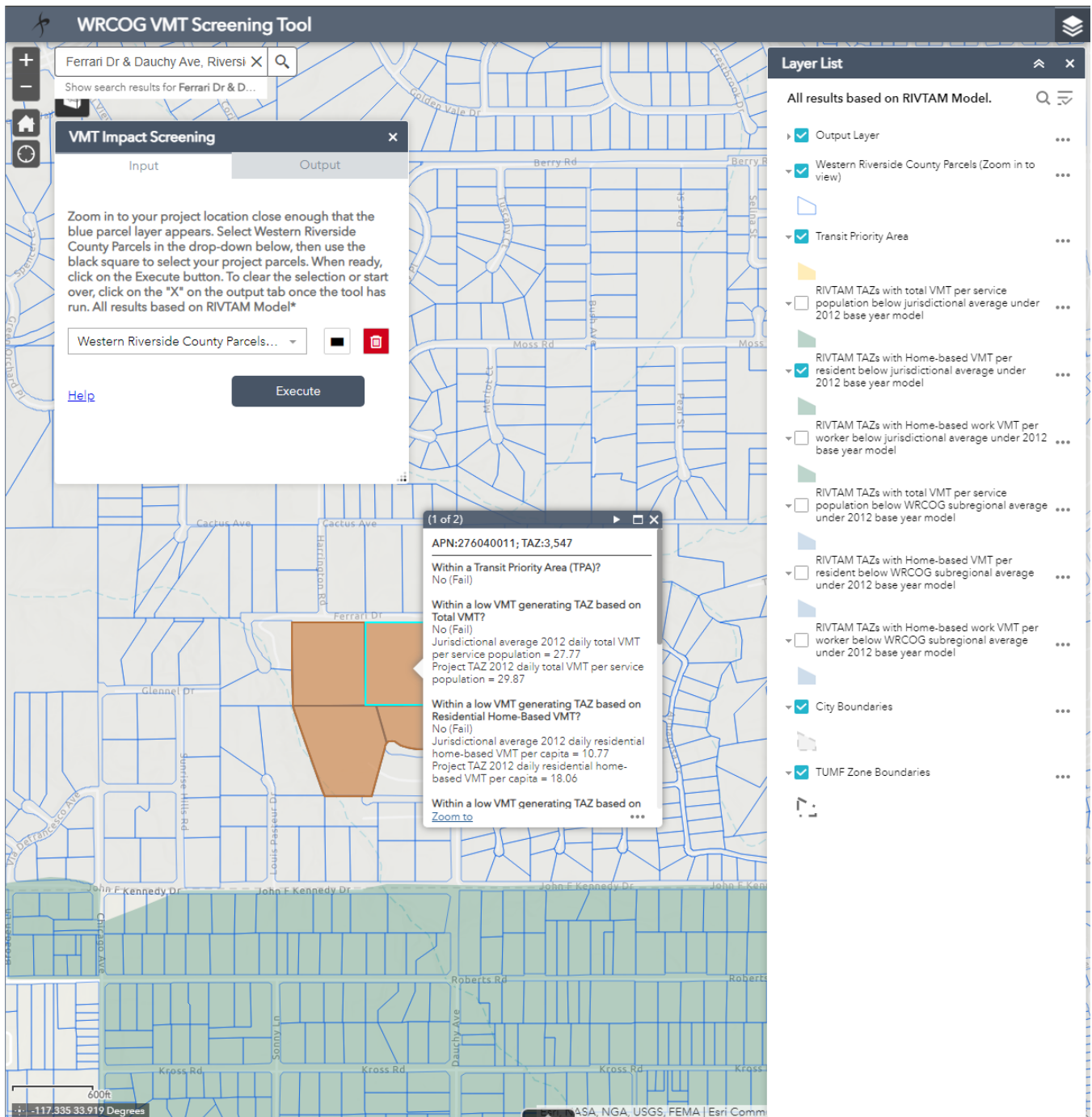
Mr. Keith Gardner
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REFERENCES

1. **Office of Planning and Research.** *Technical Advisory on Evaluating Transportation Impacts in CEQA.* State of California : s.n., December 2018.
2. **City of Riverside Public Works Department.** *Traffic Impact Analysis Guidelines for Vehicle Miles Traveled and Level of Service Assessment.* City of Riverside : s.n., July 2020.
3. **Institute of Transportation Engineers.** *Trip Generation Manual.* 11th Edition. 2021.

**ATTACHMENT A:
PRELIMINARY SITE PLAN**

ATTACHMENT B:
WRCOG SCREENING TOOL



ATTACHMENT C

APPLICANT OFFER LETTER & INTERIM VMT MITIGATION FEE ACCEPTANCE LETTER



Samuel C. Alhadeff
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Temecula, California 92590
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Direct: 951.252.6152

February 27, 2023

File No. 52637.4

VIA E-MAIL

Mike Futrell, City Manager
City of Riverside
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Riverside, CA 92522
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Jennifer A. Lilley, AICP
Community and Economic Development Director
City of Riverside
3900 Main Street
Riverside, CA 92522
E-Mail: JLilley@riversideca.gov

Re: Dauchy Street Project - TR 38074

Dear Mr. Futrell and Ms. Lilley:

Congratulations to each of you on coming aboard at the City of Riverside. I am sure you will enjoy working with the City as it is a great place to live, grow and prosper.

We represent the applicant for the above-referenced project, who needs your assistance to complete its tentative tract map process. For about three years now, this small developer has worked on trying to get his project through the City. At present, we have been through eight plan checks and cannot proceed any further because, quite frankly, the lack of a City VMT policy.

The City is working toward establishing a VMT policy but in the interim, projects have been held up. On November 30, 2022, I sent a letter that was hand-delivered to the City explaining our concern about this lack of policy, and proposing an interim alternate solution pending the City's adoption of a formal VMT policy (Mitigation Bank) (please see letter and proposal attached to this letter as Exhibit 1). That interim solution is in the form of a condition of approval, which we believe provides the necessary protections to the City, the project and homeowners. Please understand that our client has always been willing to provide funds to the City for its work on a formal VMT policy.

Let me give you just a brief overview of the project. The project consists of only 53 lots with an average lot size is 7,581 sq. ft. with three lots in the RC zone that average 27,958 sq. ft. We do not need a General Plan Amendment or zoning change or any other "amendments" to process this project. The project is located in the Alessandro Heights area at the corner of Dauchy and Ferrari. The City's housing element provides some additional information that is helpful to you. That housing element at Section 3.12 Transportation outlines some suggested processes and procedures. Unfortunately to date, funds apparently have not been raised to do the VMT policy

although in the documentation the City identifies approximately \$61,000,000 in transportation needs.

We are only aware of one city that has recently adopted a VMT policy, the City of Lancaster, but the County of Riverside is working on the same issue and has accepted interim solutions very similar to what we have proposed in this letter. We have also reviewed the City's July 2020 Draft Traffic Impact Analysis Guidelines, a copy of which is attached to this letter as Exhibit 2. There have been some projects that have been let through without having to go through this VMT process, and we don't understand how that occurred except there must have been some dates that they met and were allowed to proceed.

Our client has been through eight plan checks and has submitted all documentation that was required of it to proceed with the project, but the project is in limbo because the City lacks a final VMT policy. We don't know why the City has not accepted our interim solution (Exhibit 1), but we have another suggestion. We propose that the City move forward and process the project with the interim solution set forth in Exhibit 1, with the additional requirement that our client fund up to \$100,000 of the City's costs to research and create a formal VMT policy. That \$100,000 would be credited toward the VMT requirements ultimately imposed on the project by the City.

We also understand that the City may have completed a Nexus report apparently costing approximately \$300,000 or is in the process of being completed. The \$100,000 that we suggest may assist in the funding of that report.

Our client has suggested a couple of observations that are also interesting in that there are "VMT policies laid out" but it is the Mitigation policies that appear to be missing. In other words, we need a Mitigation Bank to which developers can contribute. That Mitigation Bank, we hope, will be created as a result of the report and our suggested assistance in the funding of that report but in the interim we need to work out a policy that can be a bridge to the formal Mitigation policy. This is the reason we have suggested a number of alternatives. It is critical for us now to move our project along.

I understand from our client that with the exception of "minor cleanup issues," Engineering and Planning may be close to signing off the project.

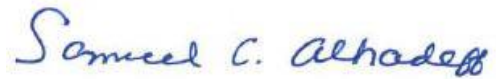
We have now made a second proposal. Requiring anything more burdensome for this 53-unit project would be financially impossible. The City staff has been very professional in working with us but as they have stated, there is no policy. In these difficult economic times, the housing industry needs help. The cities need more housing. We are certain that if we could meet and work together, we could come up with a solution that may be a compromise and a bridge toward the ultimate policy.

I just want to stress again in these uncertain economic times, it is crucial that applicants and agencies work together to find reasonable compromises. Please give this letter your consideration and let us know if we can meet or conference with you or staff member you select in early March to discuss how to resolve this question and build a bridge for a compromise.

Mike Futrell
Jennifer Lilley
February 27, 2023
Page 3

Thank you so much for your anticipated courtesy and cooperation.

Sincerely,



Samuel C. Alhadeff of
LEWIS BRISBOIS BISGAARD & SMITH LLP

SCA:ch
Attachments as noted

Exhibit “1”



Samuel C. Alhadeff
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Samuel.Alhadeff@lewisbrisbois.com
Direct: 951.252.6152

November 30, 2022

File No. 52673.4

VIA ELECTRONIC MAIL

Alyssa Wiedeman, Associate Planner
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Judy Eguez
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3900 Main Street - 3rd Floor
Riverside, CA 92522
E-Mail: JEguez@riversideca.gov

Re: Dauchy Street Project - City of Riverside TR 38074

Dear Ms. Wiedeman and Ms. Eguez:

We represent the applicant for this project, and understand that there has been some challenge in trying to work through a VMT Condition of Approval since there is no formal mitigation as yet set up by the City. We worked through these issues in other cities and with the County of Riverside, and I am proposing the condition of approval language that is included with this letter which I believe meets all the requirements that are necessary to protect the City of Riverside, the project and any homeowners. I appreciate your consideration and would like to get this done as quickly as possible. I understand that our client has worked diligently with the City and really is at a point now that we need to complete this.

Please feel free to call me if you have any questions.

Very truly yours,

A handwritten signature in blue ink that reads 'Samuel C. Alhadeff'.

Samuel C. Alhadeff of
LEWIS BRISBOIS BISGAARD & SMITH LLP

SCA:ch
Attachment

cc: Alan Cohen
Keith Gardner



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City of Riverside
TR 38074

PROPOSED CONDITION OF APPROVAL

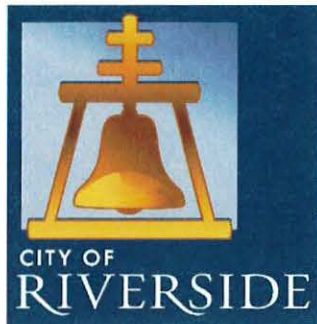
Alternate 1

The applicant shall pay the applicable fee pursuant to the City's VMT mitigation bank fee program, if available, for each dwelling unit prior to issuance of grading permit.

If a VMT mitigation bank fee program has not yet been adopted by the City when the grading permit is requested, the applicant shall in the interim pay an estimated fair share contribution to mitigate VMT impacts of \$2,500 per dwelling unit ("Interim VMT Mitigation Fee") prior to issuance of the grading permit. This amount may be used by the City for establishing a formal VMT mitigation bank fee program or such other uses as required for developing a citywide nexus study for that program. The City shall apply the applicant's payment of the Interim VMT Mitigation Fees as a pro-rata credit towards the fees required by any future VMT mitigation bank fee program adopted by the City.

In the event that after the applicant has paid the Interim VMT Mitigation Fees, the City subsequently adopts a VMT mitigation bank fee program prior to the recordation of the final map for the project, (i) the project shall be annexed into the VMT fee program, (ii) the applicable per unit fee from the VMT fee program shall supersede and be used instead of the Interim VMT Mitigation Fee, and the Interim VMT Mitigation Fees paid by the applicant shall be applied as a pro-rata credit towards the fees required by the VMT fee program, and (iii) the applicant hereby waives any objection to the fees required by the VMT fee program and agrees to pay its pro-rata fair share contribution based upon such program.

Exhibit “2”



DRAFT Traffic Impact Analysis Guidelines for Vehicle Miles Traveled and Level of Service Assessment

ALL SUBMITTALS AND INQUIRIES PERTAINING TO THIS DOCUMENT MAY BE DIRECTED
TO THE CITY OF RIVERSIDE TRAFFIC ENGINEERING DIVISION

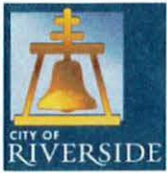
PWtraffic@riversideca.gov

951-826-5366

Kris Martinez

Public Works Director

July 2020



Public Works Department

City of Arts & Innovation

2. For office projects: the baseline or cumulative link-level boundary VMT per employee (City) to increase under the plus project condition compared to the no project condition.
3. For retail & other land use projects: the baseline or cumulative link-level boundary VMT (City) to increase under the plus project condition compared to the no project condition.

Please note that the cumulative no project shall reflect the adopted RTP/SCS; as such, if a project is consistent with the regional RTP/SCS, then the cumulative impacts shall be considered less than significant subject to consideration of other substantial evidence.

VMT Mitigation Measures

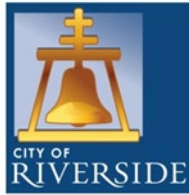
To mitigate VMT impacts, the following choices are available to the applicant:

1. Modify the project's built environment characteristics to reduce VMT generated by the project
2. Implement transportation Demand Management (TDM) measures to reduce VMT generated by the project.
3. Participate in a VMT fee program and/or VMT mitigation exchange/banking program (if they exist) to reduce VMT from the project or other land uses to achieve acceptable levels

Key TDM measures that are appropriate to the region have been identified as part of a WRCOG study and can be accessed at the following location,

<https://www.fehrandpeers.com/wp-content/uploads/2019/03/TDM-Strategies-Evaluation.pdf>

Measures appropriate for most of the WRCOG region are summarized in Attachment B of the TDM Strategies Evaluation Memorandum. Given the City of Riverside's position as the urban core of the County, it may be appropriate to use mitigation outside of the rural/suburban context mitigations identified by WRCOG. Evaluation of VMT reductions should be evaluated using state-of-the-practice methodologies recognizing that many of the TDM strategies are dependent on building tenant performance over time. As such, actual VMT reduction cannot be reliably predicted and monitoring may be necessary to gauge performance related to mitigation expectations.



**PUBLIC WORKS
DEPARTMENT**
Traffic Engineering

City of Arts & Innovation

April 27, 2023

LEWIS BRISBOIS BISGAARD & SMITH LLP
c/o Mr. Samuel C. Alhadeff
3 Better World Circle, Suite 100
Temecula, California 92590

**SUBJECT: Response to Dauchy Street Vehicle Miles Traveled Proposed Mitigation Option
Letter dated February 28, 2022**

Dear Mr. Samuel Alhadeff:

The City of Riverside has received the letter and attachments regarding the Dauchy Street Project (TR 38074) dated February 27, 2023.

The City has collaborated with the applicant and the applicant's hired traffic engineering consulting firm (Urban Crossroads, Inc.) over several meetings, discussions, and email correspondence regarding the proposed fifty-three (53) single-family detached residential (SFDR) dwelling unit development and associated Vehicle Miles Traveled (VMT) transportation impacts.

We appreciate the proposal within your February 27th letter that the "applicant shall in the interim pay an estimated fair share contribution to mitigate VMT impacts of \$2,500 per dwelling unit ('Interim VMT Mitigation Fee') prior to issuance of the grading permit."

The City has compared this proposed offer with other local jurisdictions' VMT mitigation impact fees and conducted a preliminary review of what fees may be in place upon establishment of the City's VMT Mitigation Bank, Fees & Exchanges Program.

The City has deemed the Interim VMT Mitigation Impact Fee payment of \$2,500 per dwelling unit likely to be accurate, and based on that estimated accuracy, and lack of current practical alternatives, the City can accept this proposal.

The offer of \$2,500 per dwelling unit fee for the proposed 53 SFDR dwelling units results in a total amount of \$132,500. The full amount of \$132,500 would be conditioned as due prior to the issuance of site grading permits.

The advance payment will be retained until the City establishes and adopts a VMT Mitigation Impact Fee for residential developments. If the interim advanced payment is higher than the adopted VMT Mitigation Impact Fee for residential developments, then the City will

reimburse the applicant for the difference in the payment. Conversely, the City will reserve the right to adjust the applicant's VMT Mitigation Impact Fee prior to issuance of the site's certificate of occupancy in response to any findings of an adopted VMT Mitigation Program.

The City's VMT Mitigation Bank, Fees & Exchanges Program is scheduled to begin in May 2023 and is anticipated to be completed in 2024.

The City looks forward to collaborating with the applicant to establish a condition of approval that addresses the VMT transportation impacts and advances the proposed Dauchy Street Project (TR 38074).

Sincerely,

A handwritten signature in black ink, appearing to read 'Nathan Mustafa', is written over a horizontal line.

Nathan Mustafa,
Deputy Public Works Director

Attachment: Letter to City of Riverside Re: Dauchy Street Project – TR 38074 (dated 2/27/23)

Distribution:

Mike Futrell, City Manager
Kris Martinez, Assistant City Manager
Rafael Guzman, Assistant City Manager
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