

Memorandum

To: Matthew Ilagan

City of Sacramento

From: Chris Gregerson, P.E., T.E., PTOE, PTP

Re: Elite Truck Repair

Vehicle Miles Traveled (VMT) Analysis

Date: October 11, 2022

In accordance with Task 2 of our Scope of Services, we are writing to summarize the Vehicle Miles Traveled (VMT) analysis completed for the proposed Elite Truck Repair facility (the "project" or "proposed project") in the City of Sacramento, CA. This memorandum summarizes the VMT analysis and resultant findings for the proposed Elite Truck Repair development project.

Project Description

Kimley-Horn understands that the project applicant is proposing to develop a currently vacant parcel into a new, 20,805 square-foot truck service facility located at 2041 Rene Avenue in Sacramento. The project location is shown in **Exhibit 1**. The project is expected to access the surrounding roadway network via Rene Avenue to the south of the project site which connects to Pinell Street to the west and Winters Street to the east as depicted in **Exhibit 2**.

Purpose of Analysis

Senate Bill 743 (2013) changed the focus of transportation impact analyses in CEQA from measuring impacts to drivers, to measuring the impact of driving. The change was made by replacing Level of Service (LOS) with VMT. This shift in transportation impact focus was intended to better align transportation impact analyses and mitigation outcomes with the State's goals to reduce greenhouse gas (GHG) emissions, encourage infill development, and improve public health through more active transportation. Level of service or other delay metrics may still be used to evaluate the impact of projects on drivers as part of land use entitlement review and impact fee programs.

In January 2019, the Natural Resources Agency finalized updates to the CEQA Guidelines including the incorporation of SB 743 modifications. The Guidelines' changes were approved by the Office of Administrative Law and are now in effect. The provisions apply statewide as of July 1, 2020.

To aid lead agencies with SB 743 implementation, the Governor's Office of Planning and Research (OPR) produced the *Technical Advisory on Evaluating Transportation Impacts in CEQA* (December 2018) that provides guidance regarding the variety of implementation questions they face with respect to shifting to a VMT metric. Key guidance from this document includes:

- VMT is the most appropriate metric to evaluate a project's transportation impact.
- OPR recommends tour- and trip-based travel models to estimate VMT, but ultimately defers to local agencies to determine the appropriate tools.
- OPR recommends measuring VMT for residential and office projects on a "per rate" basis.
- OPR states that by adding retail opportunities into the urban fabric and thereby improving retail destination proximity, local-serving retail development tends to shorten trips and reduce VMT.



Generally, retail development including stores smaller than 50,000 square feet might be considered local serving.

Lead agencies have the discretion to set or apply their own significance thresholds.

The thresholds to consider for projects located within the City of Sacramento boundaries consider the VMT performance of residential and non-residential components of a project separately. For retail components of a project, or other customer-focused uses, the county-wide VMT effect is analyzed. The VMT thresholds of significance used for this analysis are summarized below for each of these components:

Customer-based non-residential land uses (e.g., retail) – No net increase in VMT

Methodology and Assumptions

Based on the land use information provided, for the purposes of VMT analysis and the determination of transportation related significant impacts, the following land uses were analyzed:

Retail

This designation was determined based on both the project description and how the project is defined in terms of Standard Industrial Classification (SIC) codes¹ and the North American Industry Classification System (NAICS) codes².

To determine whether the proposed project should be classified as an industrial project (employee-based land use using a VMT per employee efficiency metric) or a retail project (customer-based land use using the change in total VMT as the impact metric), the project description was used to help categorize the project using the SIC and NAICS codes.

The project is described as, "being designed to transition to provide service to electric powered trucks." In addition, a portion of the project is dedicated to, "truck driver and mechanic locker rooms, visiting trucker lounge and laundry." The project description and project component help identify the proposed project as predominantly providing repair services to trucks with most trips generated by the project coming from the customers' trucks being serviced. In comparison, trip generation for industrial uses is typically characterized as being based on the employee commute and activity trips rather than customer trips.

The SIC and NAICS codes associated with this project description were determined to be 7538 (General Automotive Repair Shops) and 811111 (General Automotive Repair), respectively. Examples provided for SIC Code 7538 include "Garages, general automotive repair and service" and "Truck engine repair, except industrial," while examples provided for NAICS Code 811111 include "General automotive repair shops" and "Truck repair shops, general." SIC Code 7538 falls under the "Services" category while NAICS Code 811111 falls under the "Other Services (except Public Administration)" category. For both the SIC and NAICS Code lists, industrial uses fall under separate categories such as "Manufacturing" (both), "Transportation and Warehousing" (NAICS), and "Transportation & Public Utilities" (SIC). Therefore, it can be concluded that the project is a retail project for the purposes of a VMT analysis.

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¹ SIC Codes Lookup – Standard Industrial Classification. Accessed October 11, 2022. https://siccode.com/sic-code-lookup-directory

² NAICS Codes Lookup – North American Industry Classification. Accessed October 11, 2022. https://siccode.com/naics-code-lookup-directory



Analysis

The City of Sacramento has published its guidelines³ for performing VMT analyses for proposed projects. Specifically, the guidelines provide a section for screening proposed projects to, "quickly determine whether a project may be presumed to have a less-than-significant VMT impact without conducting a detailed project generated VMT analysis." The first screening criteria provided is for small projects defined as, "projects with up to 10 single unit homes, projects with up to 15 multiple unit homes, retail projects up to 50,000 cumulative square feet, light industrial projects up to 20,000 square feet, and office projects up to 10,000 square feet." As this project is well under the 50,000 square-foot threshold for retail projects, according to the City's guidelines the project "may be assumed to cause a less-than significant transportation impact."

Conclusions

Based on the results of this analysis, the following conclusions are made:

- The project description and project component help identify the proposed project as predominantly providing repair services to trucks with most trips generated by the project coming from the customers' trucks being serviced. In addition, the SIC and NAICS codes associated with this project description were determined to be 7538 (General Automotive Repair Shops) and 811111 (General Automotive Repair), respectively. Therefore, it can be concluded that the project is a retail project for the purposes of a VMT analysis.
- As this project is well under the 50,000 square-foot threshold for retail projects, according to the City's guidelines the project "may be assumed to cause a less-than significant transportation impact." Therefore, the proposed project is determined to not have a significant transportation impact for a retail development.

Attachments:

Exhibit 1 – Project Vicinity Map Exhibit 2 – Project Site Plan

Elite Truck Repair

³ Transportation Impact Analysis Guidelines. City of Sacramento. September 8, 2020.



