

**DEPARTMENT OF TRANSPORTATION**

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*Serious drought.  
Help save water!*

March 21, 2017

11-SD-15  
PM 36.64  
Newland Sierra Project  
SCH#2015021036

Mr. Andrew D. Yancey  
Latham & Watkins LLP  
12670 High Bluff Drive  
San Diego, CA 92130

Dear Mr. Yancey:

The California Department of Transportation (Caltrans) received your letter dated December 5, 2016, regarding recent Caltrans guidance pertaining to Vehicle Miles Traveled (VMT) analysis and a local land development project within our Caltrans District, known as the Newland Sierra project, currently going through environmental review with the County of San Diego. The regulatory framework is evolving for transportation analysis under the California Environmental Quality Act (CEQA). It is anticipated that regulatory language changes to CEQA will be adopted in late 2017 by the Natural Resources Agency and that statewide implementation will occur in late 2019.

In this “interim” period, Caltrans recently released the “Local Development – Intergovernmental Review Program Interim Guidance”, as referenced in your letter. The purpose of the Guidance was to assist Caltrans staff with shifting focus away from vehicle delay and level of service (LOS) and towards VMT, including emphasis on appropriate transportation demand measures (TDM) and how best to address multimodal operational issues for transportation analysis within CEQA. The guidance is a desk reference for Caltrans staff—a first step in evolving Caltrans LD-IGR program in anticipation of SB 743 implementation. Caltrans is committed to referencing a future Governor’s Office of Planning and Research (OPR) approved technical advisory when released along with the future approved changes to CEQA.

When working with our stakeholders and partners in the context of SB 743, it is important to Caltrans that the intent and message of the State’s role in land development is understood in the context of an interim guide, and should not be used or interpreted as a requirement in either the utilization of VMT, CEQA conformity, or the implementation of SB 743 by local land use authorities. Both in the interim, and when changes to CEQA are officially adopted by the Natural Resources Agency, the sole responsibility for setting thresholds, then analyzing and mitigating transportation impacts, will be with the local Lead Agency with discretionary approval of land development projects.

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Although Caltrans will continue to comment under CEQA as a Responsible or Commenting Agency the “Local Development – Intergovernmental Review Program Interim Guidance” is not a policy document mandating the inclusion of VMT analysis, or the development of thresholds for VMT and corresponding mitigation requirements, but rather serves as a staff desk reference to evolve into a future world of SB 743 implementation and the evolving changes to CEQA’s regulatory framework. In particular, the desk reference was necessary to appropriately review and comment on urban infill projects.

For these reasons, and specifically related to the Newland Sierra project referenced in your letter, to ensure consistency, clarity and understanding as to the intent of “Caltrans Local Development – Intergovernmental Review Program Interim Guidance”, our Caltrans District will not be requiring the County of San Diego to utilize VMT for the purposes of their CEQA determination and discretionary approval, but will continue to have an active role in recommending and providing guidance towards the implementation of SB 743 to local agencies and stakeholders in land development.

We appreciate your letter and opportunity to provide clarification and guidance in implementing SB 743 as the regulatory framework evolves for transportation analysis under CEQA. If you have any questions, please contact Keri Robinson of the Caltrans Development Review Branch at (619) 688-3193 or by e-mail at [keri.robinson@dot.ca.gov](mailto:keri.robinson@dot.ca.gov).

Sincerely,



JACOB ARMSTRONG, Chief  
Development Review Branch

c: Mark Slovick, County Planning and Development Services