

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, ADOPTING A VEHICLE MILES TRAVELED NEXUS STUDY, REDUCTION PROGRAM, AND CAPITAL IMPROVEMENT PLAN AS DESCRIBED IN THE VEHICLE MILES TRAVELED REDUCTION PROGRAM AND NEXUS STUDY DOCUMENT DATED SEPTEMBER 2025, PREPARED PURSUANT TO THE REQUIREMENTS OF CALIFORNIA PUBLIC RESOURCES CODE SECTION 21099, CEQA GUIDELINES SECTIONS 15064.3(B), 15064.7, AND 15126.4, AND THE MITIGATION FEE ACT

WHEREAS, on September 27, 2013, the Governor of the State of California approved Senate Bill 743, which included the addition of Section 21099 to the Public Resources Code, calling for the development and adoption of criteria for determining the significance of traffic impacts and consideration of vehicle miles traveled (VMT) as the metric; and

WHEREAS, on December 28, 2018, the California Office of Administrative Law issued a Notice of Approval of Regulatory Action, approving the California Natural Resources Agency's amendments and updates to the California Environmental Quality Act (CEQA) Guidelines (2018 CEQA Amendments); and

WHEREAS, the 2018 CEQA Amendments included the addition of CEQA Guidelines Section 15064.3 which establishes that VMT is the most appropriate measure of transportation impacts and sets forth criteria for analyzing transportation impacts; and

WHEREAS, CEQA Guidelines Section 15064.3(b) authorizes a lead agency to choose the most appropriate methodology to evaluate a project's VMT impacts and states that the provisions of Section 15064.3 shall apply statewide as of July 1, 2020; and

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:

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Resolution No. _____

WHEREAS, CEQA Guidelines Appendix G, Section XVII pertaining to transportation impacts requires the lead agency to determine if a project would have a significant impact with respect to VMT; and

WHEREAS, CEQA Guidelines Section 15064.7(a) defines a threshold of significance as “an identifiable quantitative, qualitative, or performance level of a particular environmental effect, non-compliance with which means the effect will normally be determined to be significant; and

WHEREAS, CEQA Guidelines Section 15067.7(b) states that “[t]hresholds of significance to be adopted for general use as part of the lead agency’s environmental review process must be adopted by ordinance, resolution, rule, or regulation, and developed through a public review process and supported by substantial evidence”; and

WHEREAS, in order to facilitate orderly development within the City of Fresno and implement a threshold of significance that is relevant to the City’s development patterns and established based upon data unique to the region, and in order to ensure consistency in significance determinations for projects within the City of Fresno, the City elected to adopt a citywide threshold of significance to measure VMT; and

WHEREAS, on June 25, 2020, the City Council adopted “CEQA Guidelines for Vehicle Miles Traveled Thresholds” (VMT Thresholds) which established VMT thresholds for the City of Fresno pursuant to CEQA Guidelines Sections 15064.3 and 15064.7; and

WHEREAS, CEQA Guidelines Section 15126.4 requires mitigation measures for significant impacts identified in the environmental analysis process; and

WHEREAS, a citywide program is the most effective mechanism for reducing VMT; and

WHEREAS, individual development projects with significant VMT impacts can mitigate their project-level impacts by participating in a citywide program; and

WHEREAS, in August 2021, the City hired LSA, Associates Inc., a local full-service planning consultant to develop the VMT Reduction Program and Nexus Study (VMT Program) for use in mitigating the environmental impacts of projects within the City and establishing proper nexus for establishing a VMT mitigation fee; and

WHEREAS, in June 2023, the City subsequently amended the contract with LSA Associates Inc., to include environmental analysis of the VMT Program pursuant to the California Environmental Quality Act; and

WHEREAS, the VMT Program consists of an Urban Design Calculator which recommends project design features that reduce VMT, a VMT Mitigation Fee which funds citywide transportation-related projects, services, and amenities that reduce VMT, a Nexus Study supporting the City's adoption of the VMT Mitigation Fee, and a Capital Improvement Plan; and

WHEREAS, the transportation-related projects to be funded by the VMT Mitigation Fee were previously identified in City of Fresno transportation plans including the Fresno Area Express Short-Range and Long-Range Transit Plans, the Active Transportation Plan and the Southern Blackstone Smart Mobility Strategy and received public input through those planning processes; and

WHEREAS, the VMT Mitigation Fee has been prepared in conformance with the Mitigation Fee Act set forth in California Government Code Title 7, Division 1, Chapter 5 (commencing with Section 66000), Chapter 6 (commencing with Section 66010), Chapter 7 (commencing with Section 66012), Chapter 7.5 (commencing with Section 66015),

Chapter 8 (commencing with Section 66016), and Chapter 9 (commencing with Section 66020); and

WHEREAS, the Mitigation Fee Act grants cities the authority to establish fees to be imposed as a condition of approval on development projects to defray all or a portion of the cost of public facilities related to the development project; and

WHEREAS, Section 66000(d) of the Mitigation Fee Act defines “public facilities” to include public improvements, public services, and community amenities; and

WHEREAS, on September 25, 2025, the Fresno City Council held a duly noticed public hearing to consider the VMT Program and received both oral testimony and written information presented at the hearing regarding the Program.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno, based upon the testimony and information presented at the hearing and upon review and consideration of the documentation provided, as follows:

Section 1. The above recitals are true and correct, are material to the adoption of this resolution, and are incorporated herein by reference.

Section 2. In addition to the findings set forth in the recitals, the City Council hereby finds and determines as follows:

A. The Council has reviewed the “Vehicle Miles Traveled Reduction Program and Nexus Study” (VMT Program) dated September 2025 prepared by LSA Associates, Inc. setting forth recommendations for VMT reducing projects and measures, a VMT Mitigation Fee, and necessary financial requirements.

B. The purpose of the VMT Program is to provide a means for development projects to mitigate VMT impacts and streamline compliance with SB

743 by providing a consistent methodology for calculating VMT reduction, facilitating VMT reducing project design through the use of the Urban Design Calculator, and generating revenue for citywide VMT reducing projects by levying a VMT Mitigation Fee for projects that have a VMT impact above the threshold of significance set forth in the City's adopted VMT Thresholds.

C. VMT reducing projects are to be implemented citywide, are collected in a mitigation bank, and are evaluated with detailed scoring criteria in order to facilitate the most effective mechanisms for reducing citywide VMT.

D. The purpose of the VMT Mitigation Fee is to contribute funds toward the implementation of the top 24 ranked VMT mitigation bank projects identified in Appendix C to the VMT Program and to allocate those costs to development projects that have a significant VMT impact within the city when analyzed using the VMT Thresholds.

E. The VMT Mitigation Fee revenues are to be used to contribute funds toward public facilities, public services, and community amenities including Transportation Demand Management (TDM) projects, transit projects, and pedestrian and bicycle projects that have the ability to provide a quantifiable reduction in VMT.

F. The VMT Mitigation Fee complies with the Mitigation Fee Act by demonstrating the reasonable relationship between the fee's use and the types of development that will be subject to the fee; the reasonable relationship between the need for the VMT reducing projects and the types of development that will be subject to the fee; the reasonable relationship between the amount of the fee and

the cost of the VMT reducing projects that are attributable to the developments that will be subject to the fee; and the reasonable relationship and proportionality between the calculated fee and the VMT impact caused by development projects that will be subject to the fee. One unit of VMT credit purchased in the mitigation bank by the fee corresponds to the cost of reducing one vehicle mile traveled.

G. Square footage is not the appropriate metric for calculating the VMT fee for development projects whether they are residential or non-residential because square footage does not accurately reflect a given project's VMT impacts, and as such an alternative calculation of the fee based upon VMT generated above the City's adopted VMT threshold is the appropriate metric for calculating the VMT Mitigation Fee.

H. The VMT Mitigation Fee is directly related to the VMT impact caused by the developments that are subject to the fee, and thus the alternative calculation bears a reasonable relationship between the fee charged and the burden posed by the development.

I. Because the VMT Mitigation Fee imposed on a development is determined by the actual quantified VMT impact of that development, smaller developments will not be charged a disproportionate fee.

J. Because the VMT Mitigation Fee is calculated to provide a portion of the Funding for VMT reducing projects, the charge does not exceed the cost of providing the public facilities.

K. The VMT Program, as a whole, complies with CEQA Guidelines Sections 15064.3(B), 15064.7, and 15126.4 by providing the means for

development projects to implement feasible and enforceable mitigation of VMT impacts consistent with the City's VMT Thresholds.

L. Pursuant to California Government Code Section 66016, at least 14 days before the public hearing, the City mailed notice of the public hearing and the City's consideration of the VMT Program to any party that filed a written request for mailed notice of meetings on new or increased fees or service charges that included a general explanation of the matter to be considered and a statement that the data indicating the amount of the cost, or estimated costs, required to mitigate VMT for which the VMT Mitigation Fee is imposed and the revenue sources anticipated to provide the service, is publicly available.

M. Pursuant to California Government Code Section 66016, at least 10 days before the public hearing, the City made available to the public data indicating the amount of costs, or estimated costs, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund revenues. The published information included the notice of the public meeting on September 25, 2025 at 9:15 a.m. in the Council Chambers of the City of Fresno, 2600 Fresno Street, Fresno, CA 93721, as part of a regularly scheduled City Council meeting, during which the City Council gave members of the public the opportunity to make oral or written presentations to the City Council on the proposed VMT Mitigation Fee and the analysis included in the VMT Program.

N. After considering the specific VMT Program components, cost estimates, and VMT Mitigation Fee contributions to each project, the City Council

approves such cost estimates, finds them reasonable as the basis for calculating and imposing the VMT Mitigation Fee, and finds that the VMT Reduction Program and Nexus Study satisfies the requirements of a nexus study in support of the VMT Mitigation Fee, as required by California Government Code Section 66016.5.

O. After considering the project list, proposed cost estimates, anticipated revenues, and anticipated expenditures set forth in the Capital Improvement Plan (CIP) attached as Appendix D to the VMT Program, the City Council finds that the CIP satisfies the requirements of a CIP pursuant to California Government Code Section 66002, and is consistent with the Fresno General Plan.

P. The Council finds that the public facilities, public services, and community amenities contemplated by the Program individually and collectively are necessary to contribute to the reduction of VMT citywide, in furtherance of the purpose for which the fee is collected.

Q. After considering the Urban Design Calculator as well as the VMT Mitigation Project List and Scoring included as Appendix C to the VMT Program, the City Council finds that the project scoring criteria, including quantifiable VMT reduction, connectivity, access and equity, safety, funding, feasibility, and additionality has resulted in a list of projects that constitute feasible mitigation, that use of the Urban Design Calculator and/or payment of the VMT Mitigation Fee pursuant to the VMT Program constitute enforceable mitigation, and that payment of the VMT Mitigation Fee as determined by the VMT Program constitutes mitigation that is roughly proportional to the impact mitigated pursuant to CEQA Guidelines Section 15126.4.

R. On September 25, 2025 at 9:15 a.m., the City held a duly noticed public hearing in the Council Chambers of the City of Fresno, 2600 Fresno Street, Fresno, CA 93721, to consider oral and written presentations regarding the proposed VMT Program, inclusive of the VMT Mitigation Fee as set forth in this resolution.

Following consideration of all comments at the public meeting, the City Council determined to establish the structure and fees and charges detailed herein for the purpose of reducing VMT impacts in the City of Fresno and that establishment of the VMT Mitigation Fee is in the best interests of the City of Fresno.

Section 3. The Nexus Study reflected in the LSA Associates, Inc. VMT Reduction Program and Nexus Study is hereby adopted as the nexus study in support of the VMT Mitigation Fee pursuant to the Mitigation Fee Act.

Section 4. The Capital Improvement Plan reflected in Appendix D of the VMT Reduction Program and Nexus Study is hereby adopted as the Capital Improvement Plan required by the Mitigation Fee Act

Section 5. The VMT Reduction Program and Nexus Study, inclusive of the Urban Design Calculator (as may be updated when necessary), the VMT Mitigation Fee, the Nexus Study and the Capital Improvement Program, attached hereto as Exhibit A, is hereby adopted in its entirety and the VMT Mitigation Fee is hereby adopted as the VMT Mitigation Fee for all development projects within the City. However, due to fairness and certainty principles and infeasibility due to the City and private party time, effort and resources and public review and comment that have been spent in such cases, the VMT Mitigation Fee will not apply to projects for which VMT analysis has been conducted and

incorporated into CEQA documents published for public review prior to the effective date of the VMT Mitigation Fee.

Section 6. The funds generated by the imposition of the VMT Mitigation Fee shall be deposited in a separate VMT Mitigation Fee account and will be used solely for the purposes for which the fees were collected and/or for reimbursing the City for funding VMT reducing projects in an amount that was anticipated to be paid by VMT Mitigation Fee revenues. The VMT Mitigation Fees shall be deposited, accounted for, and expended in accordance with the Mitigation Fee Act and all other applicable provisions of law.

Section 7. The City Manager or their designee is hereby authorized and directed to execute documents pertaining to this resolution and the VMT Program for and on behalf of the City of Fresno.

Section 8. Any judicial action or proceeding to attach, review, set aside, void, or annul this resolution shall be brought pursuant to California Government Code Section 66022.

Section 9. Pursuant to California Government Code Section 66017(a), this resolution shall become effective and in full force and effect at 12:01 a.m. on the sixty-first day after its final passage.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____ 2025.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2025
Mayor Approval/No Return: _____, 2025
Mayor Veto: _____, 2025
Council Override Vote: _____, 2025

TODD STERMER, MMC
City Clerk

By: _____ Date
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

By: _____
Talia Kolluri Date
Assistant City Attorney

Attachment: Exhibit A - VMT Reduction Program and Nexus Study