

Exhibit M

Public Comment Letters
Vehicle Miles Traveled Reduction Program

#	Date	Commenter	Content
1.	9/9/25	David Padilla, Branch Chief, Caltrans	Confirming coordination with Caltrans on program implementation affecting the state highway system
2.	10/3/25	John Kinsey, Wanger Jones Helsley PC, on behalf of Granville Homes	Expressing concerns about VMT Reduction Program applicability, requesting exceptions, including the preparation of project EIRs to override VMT
3.	10/7/25	Dennis Gaab, Vice President of Forward Planning and Land Development, Century Communities	Expressing support for the VMT Reduction Program
4.	10/7/25	Drew Phelps, Director of Forward Planning, Woodside Homes	Asking questions about frequency of program updates, implications of COG model update, timing of fee applicability

California Department of Transportation

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September 9, 2025

City of Fresno
Draft Environmental Impact Report/Nexus Study for
Vehicle Miles Traveled Reduction Program
GTS #: <https://ld-igr-gts.dot.ca.gov/district/6/report/36990>

SENT VIA EMAIL

Mx. Sophia Pagoulatos, Planning Manager
City of Fresno
2600 Fresno St. #3043
Fresno, CA 93721
sophia.pagoulatos@fresno.gov

Dear Mx. Pagoulatos:

Caltrans has completed the review of the Draft Environmental Impact Report/Nexus Study for Vehicle Miles Traveled (VMT) Reduction Program proposing to implement a VMT Reduction Program to reduce VMT and associated greenhouse gas emissions, while streamlining the environmental compliance process for development projects that generate vehicle trips.

The project site is located in the City of Fresno including surrounding sphere of influence.

The mission of Caltrans is to provide a safe and reliable transportation network that serves all people and respects the environment. The Local Development Review (LDR) process reviews land use projects and plans through the lenses of our mission and state planning priorities of infill, conservation, and travel-efficient development. To ensure a safe and efficient transportation system, we encourage early consultation and coordination with local jurisdictions and project proponents on all development projects that utilize the multimodal transportation network.

Caltrans provides the following comments consistent with the State's smart mobility goals that support a vibrant economy and sustainable communities:

1. Caltrans Role & SHS Coordination

Acknowledge & clarify Caltrans approvals. Please affirm that Caltrans is a responsible agency for any Program-funded project modifying, adding to, or working within SHS right-of-way, and commit to early coordination prior to scoping, design selection, and permitting. This includes timely Encroachment Permit engagement for work affecting ramps, ramp terminals, or SHS frontage.

2. Caltrans Role & SHS Coordination

- A. Operational analysis expectations. For Program-funded improvements on/near the SHS, evaluate ramp queue spillback, weaving/merge safety, and emergency access during permit review, consistent with Caltrans Traffic Impact Study expectations.
- B. Caltrans' Guide for the Preparation of Traffic Impact Studies historically provided guidance on preparing traffic impact studies for projects affecting the State Highway System, including evaluation of operating conditions and target Levels of Service (LOS). Previously, Caltrans aimed to maintain a target LOS between "C" and "D" on state highway facilities, with some flexibility at the LOS D/E threshold when improvements were infeasible. The Guide also recommended maintaining existing measures of effectiveness (MOE) where facilities operated below target LOS. (*Guide for the Preparation of Traffic Impact Studies- pages 4.16-8*)

Caltrans no longer considers LOS as the primary metric for traffic impact evaluations. Instead, applicants and agencies are directed to follow the Caltrans Local Development Review (LDR) – Safety Review Guidelines for current operational and safety assessment criteria during permit reviews and traffic impact studies.

For up-to-date methodology and expectations regarding ramp queue spillback, weaving/merge safety, emergency access, and other operational factors on or near the State Highway System, please refer to the Caltrans LDR-Safety Review Guidelines.

3. Traffic Management Plan (TMP)

Program-level TMP commitment: Require a Caltrans-approved TMP (including Lane Closure System entries, allowable work windows, and detour coordination) for any Program-funded project that affects the SHS. Make TMP approval a condition of Encroachment Permit issuance.

- 4. Comments from previous Caltrans comment letter dated July 21, 2025, still apply.

Caltrans appreciates the City's leadership in implementing a VMT-focused program. Please continue to include Caltrans on project document circulations and coordinate with District 6 regarding any projects that may affect the State Highway System. We look forward to collaborating on safe, reliable, and effective VMT-reducing improvements.

Mx. Sophia Pagoulatos– DEIR/Nexus Study for Vehicle Miles Traveled Reduction Program
September 9, 2025
Page 3

If you have any other questions, please call or email: Keyomi Jones, Associate Transportation Planner at (559) 981-7284 or keyomi.jones@dot.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dave Padilla', with a long horizontal flourish extending to the right.

Mr. Dave Padilla, Branch Chief,
Local Development Review

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October 3, 2025

VIA E-MAIL & UNITED STATES MAIL

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**Re: Comments of Granville Homes, Inc. on Vehicle
Miles Traveled Reduction Program and Nexus
Study**

Dear Ms. Clark and Ms. Pagoulatos:

I am writing on behalf of Granville Homes, Inc. ("Granville") to provide comments on the City of Fresno's (the "City") proposed Vehicle Miles Traveled Reduction Program (the "Program"). We appreciate your consideration of these comments.

Granville understands that the Program would require that projects utilize the City's Urban Design Calculator ("UDC") to reduce a project's potentially significant VMT impacts to less than significant. (Nexus Study at 3.) Then, if the "project results in a significant VMT impact even with the UDC," a project "would be required to further mitigate VMT impacts by making 'fair share' payments into [a] bank to cover the cost of identified VMT reducing projects in the proposed VMT Reduction Program." (*Id.*)

As an initial matter, the City should clarify that the VMT Reduction Program would not apply to projects with applications that have already been deemed complete, and that are

currently undergoing environmental review.¹ From a practical perspective, the forced retroactive application of the Program would cost applicants significant resources and delay, when they have already engaged consultants and experts to assess and mitigate VMT through other means. This would result in completely overhauling EIRs and traffic impact studies, as well as significantly delaying projects that would provide much needed housing to Fresnoans. As a result, applicants whose applications have already been deemed complete should be exempted from the program.

This is also consistent with the law. Specifically, the VMT Reduction Program is best characterized as a uniformly applied development policy or standard rather than a “development impact fee” under the Mitigation Fee Act. CEQA expressly authorizes lead agencies to adopt and apply “uniformly applied **development policies or standards**, such as... transportation demand management requirements, parking ratios, or trip reduction programs, which are applied on a citywide or area-wide basis to substantially lessen a project’s potential impacts” (CEQA Guidelines, § 15126.4(a)(2)(A) [emphasis added].) California courts have recognized that mitigation may lawfully take the form of standardized, programmatic measures that are applied across projects. (See, e.g., *Save Our Peninsula Comm. v. Monterey County Bd. of Supervisors* (2001) 87 Cal.App.4th 99, 140–141.)

This is particularly true for tentative maps. Because the City’s VMT Reduction Program operates as a CEQA-based policy standard designed to ensure consistency with state VMT reduction mandates—rather than a facility fee structured under Gov. Code § 66000—it falls within the category of “ordinances, policies, and standards” addressed in Fresno Municipal Code § 15-3306 and other similar statutes. Accordingly, once the applicant’s tentative map is deemed complete, Section 15-3306 vests a project against subsequent changes in ordinances, policies, and standards, including the newly adopted VMT Reduction Program.

The City should also consider reasonable exceptions to the VMT Reduction Program. Specifically, rather than imposing a one-size fits all approach on current and future applicants, the City should instead modify the Program to provide the flexibility to the City and developers who commit to preparing an Environmental Impact Report to reduce potentially significant impacts to VMT through alternative means.

A uniform approach to permitting decisions can stifle and frustrate innovative solutions to reduce VMT, simply because they are not recognized in the UDC. Strategies not present within the UDC include, for example, trip suppression (*i.e.*, through telecommuting and other means); trip reduction programs; project-specific transit solutions; dynamic curb and parking management; neighborhood-scale services (*i.e.*, 15-Minute City concepts); cross-jurisdictional coordination; and any number of existing and future technologies that may develop over the next several years. It would be a mistake to disincentivize alternative and innovative methods of reducing VMT.

¹ For example, the environmental review process is well underway for Granville’s Tentative Tract Maps Nos. 6507 and 6511, both of which have received “Technical Verification Certification” letters from City staff.

WANGER JONES HELSLEY PC

October 3, 2025

Page 3

Finally, the City Council should maintain the flexibility to override potentially significant impacts to VMT. Many categories of projects generate VMT, but it would make little sense to encumber each and every applicant and end-user with those fees. This includes, for example, high-density projects or projects of regional importance that could be rendered infeasible by the Program. Maintaining the flexibility to adopt a statement of overriding considerations would help maintain the City Council's discretionary decisionmaking authority and allow the City's elected representatives to make policy decisions about projects that are critically important to the City.

Thank you for your attention to these comments.

Respectfully submitted,



John P. Kinsey

cc: Andrew Janz, Esq. (via email)



October 17, 2025

Honorable Mike Karbassi, President
and Members of the Fresno City Council
Fresno City Hall
2600 Fresno Street, Second Floor
Fresno, CA 93721

Subject: Vehicle Miles Traveled Reduction Program
and Nexus Study and Vehicle Miles Travelled Mitigation Fee
and Related Environmental Impact Report SCH No. 2024091129

Dear President Karbassi and City Councilmembers:

California Senate Bill ("SB") 743 requires the assessment of project-related impacts using Vehicle Miles Travelled ("VMT") as a metric, rather than Level of Service, to encourage less driving, reduce greenhouse gas emissions, and promote transit, walking, and cycling. The requirement for VMT analysis to evaluate the transportation impacts of new projects began on July 1, 2020.

There is little question the City of Fresno and real estate development interests face far more challenges in conforming to the mandates of SB 743 than California's densely populated urban centers, most of which have well-developed public transportation systems to move large numbers of people efficiently, thus minimizing VMTs.

In the process of entitling a single-family residential subdivision today in the City of Fresno, Century Communities must prepare a project-specific Environmental Impact Report ("EIR") to address the project's environmental impacts including VMTs—a time consuming, costly process that must be pursued repeatedly for each individual project.

The burden of producing project-specific EIRs prompted Century Communities to join with other members of the local building industry in approaching City of Fresno officials about four years ago with a request that City officials consider preparing and adopting a VMT EIR that would result in a City-wide mitigation fee, which would eliminate the need for project-specific EIRs to address the VMT issue. After discussions among City officials and building industry representatives, City officials agreed to proceed with preparation of a VMT EIR.

The VMT EIR now before the City Council for its consideration and certification is the result of a years-long, good-faith effort by City officials to both honor the building industry's request for some uniform, City-wide measure of relief from SB 743's onerous mandates and provide the framework for the building industry to address SB 743 requirements at minimal cost, thus facilitating the development of much need housing in the City of Fresno.

Honorable Mike Karbassi, President
and Members of the Fresno City Council
October 7, 2025
Page 2

The solution at hand is, to be sure, not perfect. Not because of any shortcoming on the part of either the City or the building industry. But rather, because the SB 743 legislation itself is ill suited to municipalities such as Fresno that do not have dense population nodes and extensive public transportation networks such as LA Metro in Southern California and Bay Area Rapid Transit in Northern California.

The proposed VMT mitigation fee will surely increase the cost of housing. However, the cost of housing would likely increase even under the alternative project-specific EIR approach toward addressing the SB 743 requirements. Simply put, there is no way of escaping the SB 743 mandates, nor the costs associated with compliance.

Therefore, the VMT EIR before the City Council is, under existing circumstances, a practical solution to a vexing problem neither of the City's nor the building industry's making.

In light of these considerations, we urge the City Council to certify the VMT EIR in the form presented and recommended by City staff.

Sincerely,



Dennis M. Gaab
Vice President of Forward Planning and Land Development
Central Valley Division

c: Honorable Jerry Dyer, Mayor
Georgeanne White, City Manager
Jennifer K. Clark, AICP, Director, Planning and Development Department

From: [Phelps, Andrew](#)
To: [Jennifer Clark](#)
Cc: [Sophia Pagoulatos](#); [Israel Trejo](#)
Subject: VMT follow-up: a few questions
Date: Tuesday, October 7, 2025 3:56:12 PM
Attachments: [image001.png](#)

External Email: Use caution with links and attachments

Good afternoon Jennifer, Sophia, and Israel,

I hope you're all doing well. Thank you again for taking the time and effort to discuss the VMT reduction program and fee with the building industry representatives last week. I am in strong agreement that a program like the one proposed which, as you said, Jennifer, provides the greatest "bang for the buck," is the best path for addressing projects that require mitigation. I plan to provide formal support from Woodside and within BIA discussions but, in the meantime, have a couple of questions I'm hoping to understand a bit better:

1. How often are you proposing this fee be updated? Will it be annually with CCI (or similar metric) or will it only adjust when a new set of CIP projects are identified?
2. I was surprised to hear that the COG model update is now complete – I understand that this will adjust the formula for the fee, so this ties to my question above. Of course, the denominator will fall, which would, presumably, raise the fee for the remaining unmitigated VMTs. However, with less overall VMTs to reduce citywide, I would assume that the numerator would also fall, as there would be a reduced scope of projects. Maybe, after incorporating both revisions, the result to the fee is a wash, but I am curious how the City is thinking about this and similar scenarios moving forward. Can you share any thoughts on how this is being addressed?
3. Finally, a little more of a technical question, but when do you anticipate the fee would be applicable? As with other transportation fees, where the impact is not felt until the project is occupied, I would imagine this would be a similar scenario and the fee, if needed for mitigation, could be deferred to building permit. Is this how staff is currently considering it?

I don't anticipate that any answers to these questions will change my position of support, and I appreciate you considering them. Big thanks to you and your teams once again for undertaking the effort to create and implement this program.

Thanks!

Drew Phelps

Director of Forward Planning | Central Valley Division

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Cell: 559-920-9591

