

May 26, 2026

Heather Adamson, Executive Director
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Re: LandWatch comments on Final EIR for the 2050 MTP/SCS; update to Regional Travel Demand Model

Dear Ms. Adamson:

A critical goal of AMBAG's 2050 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) is to reduce Vehicle Miles Traveled (VMT), in part by requiring mitigation for excessive VMT. That mitigation includes provision of affordable housing. Thus, implementing the 2050 MTP/SCS requires a methodology to estimate VMT reductions from new affordable housing.

Similarly, the goal of AB 130 is to develop a program to fund VMT reduction as mitigation for development projects, in part by identifying the Location Efficient Areas in which affordable housing could be subsidized as mitigation, consistent with the SCS. Thus, implementing AB 130 also requires a comparable methodology to estimate VMT reductions from funding affordable housing.

Building affordable housing near low-wage jobs can substantially reduce VMT from long commutes. For example, new affordable housing on the Monterey Peninsula would reduce VMT because the Peninsula has a substantial jobs/housing imbalance and many of the jobs are low-wage hospitality and service jobs.

The 2050 MTP/SCS FEIR acknowledges that AMBAG's Travel Demand Model lacks the data needed to capture the VMT benefit of co-locating affordable housing near low-wage jobs. Specifically, the model does not have a data set for current and future affordable housing locations, and it does not classify employment centers by wage levels. Without this data and the refinement of AMBAG's Travel Demand Model neither the 2050 MTP/SCS nor AB 130 can be implemented.

AMBAG must upgrade its Travel Demand Model to capture this data because accurate modeling is required to implement AB 130 and the 2050 MTP/SCS.

1. Implementing both AB 130 and AMBAG's 2050 MTP/SCS requires a methodology to estimate VMT reductions from funding affordable housing. AMBAG should upgrade its Regional Travel Demand Model to identify the Location Efficient Areas for affordable housing, which include areas proximate to low-wage jobs.

The Governor's Office of Land Use and Climate Innovation (LCI) must develop regulations to implement AB 130's program for mitigating VMT impacts by funding affordable housing. (Pub. Resources Code, § 21080.44.) LCI's regulations must provide a "methodology for estimating the anticipated reduction in vehicle miles traveled associated with affordable housing," particularly affordable housing to be funded in Location Efficient Areas, which is the top priority for using the VMT mitigation funds. (Id., § 21080.44(c), (d).) Location Efficient Areas are supposed to be areas in which locating affordable housing will most substantially reduce VMT.

LCI's methodology for identifying Location Efficient Areas must account "for relevant factors influencing vehicle miles traveled reduction, including proximity to transit, **job access**, walkability, and the level of affordability, and the length of the affordability period, of the affordable housing or related infrastructure project." (Id., § 21080.44(d)(4).) LandWatch's DEIR comments establish that substantial VMT reductions could be achieved by locating affordable housing proximate to low-wage jobs, e.g., the Peninsula's low-wage hospitality and service jobs, in order eliminate long commutes from more affordable housing, e.g., housing located in the Salinas Valley.

In identifying Location Efficient Areas, LCI's regulations must "consider the location efficient area's consistency with an adopted sustainable communities strategy." (Id., § 21080.44(d)(2).) Thus, a Regional Travel Demand Model capable of identifying Location Efficient Areas consistent with the adopted Sustainable Community Strategy will be an essential tool to implement AB 130's VMT mitigation program. And because AMBAG's 2050 MTP/SCS identifies affordable housing provision as VMT mitigation, AMBAG's commitment to develop a Regional Travel Demand Model that will identify Location Efficient Areas should be part of that mitigation.

2. Responses to comments on the 2050 MTP/SCS DEIR establish that the Regional Travel Demand Model lacks the data needed to programmatically identify Location Efficient Areas.

LandWatch's comments on the MTP/SCS DEIR pointed out that typical project level EIR relying on the CalEEMod/CAPCOA approach for estimating VMT reductions only captures reduced trip *numbers* for affordable housing, not reduced trip *lengths*, for example the reduced trips lengths from providing affordable housing proximate to low-wage jobs. LandWatch asked a number of questions about whether AMBAG's Regional Travel Demand Model does better — specifically, whether it models the benefit of co-locating affordable housing proximate to low wage jobs, e.g., locating affordable housing in Monterey (where low-wage hospitality workers currently have long-commutes from Salinas) versus locating further affordable housing in Salinas itself.

AMBAG's FEIR evades the questions LandWatch asked. The comment responses repeatedly assert that AMBAG's model is more sophisticated than CalEEMod because it dynamically computes trip lengths at the household level using destination choice models, rather than applying fixed trip-rate assumptions. (Responses 2.12, 2.47–2.59, 2.82–2.90.) The responses argue that "housing is not a direct factor; households and their characteristics influence travel patterns," and that trip length and mode choice adjust based on origin-destination relationships across the network. The responses do not clearly acknowledge that AMBAG's model did not and cannot determine the VMT reduction associated with co-locating low wage jobs and affordable housing.

However, it is evident that AMBAG's model does lack the data and capability needed to determine VMT reductions attributable to co-locating affordable housing and low-wage jobs, a determination that is critical to identifying Location Efficient Areas.

First, AMBAG acknowledges that **the model does not directly use "affordable housing" or "market rate housing" as an input.** (Responses 2.83–2.86.) Factors such as "the location of individual affordable units or parcel-level housing types are outside the scope of the ABM [the Regional Travel Demand Model, which is an activity-based model], and any VMT reductions at that level would be evaluated during local project-level CEQA review, using site specific data and methodologies." (Response 2.83.) Thus, the model "does not directly account for differential VMT generation for affordable vs. market rate units." (Response 2.83.)

Second, even if the model were updated to use "affordable housing" as an input, **there is no data set for the location of potential affordable housing units available to the model.** "Specific assumed locations of future affordable housing projects are not available." (Response 2.41.) However, the housing elements of the local jurisdictions, which were the foundation of the place types used in the SCS, contain express assumptions about the specific sites in which future affordable housing is planned, because this information is required to comply with the RHNA and the Housing Element Law. Some of these sites will be location efficient due to proximity to low wage jobs and other amenities. Some will not. It is up to AMBAG's model to make this determination.

Third, **the model does not categorize employment centers as "low wage" or "high wage"** – it only classifies employment by industry sector. (Response 2.63.) Thus, even though household income level data are included in the model, that data cannot be matched with low wage employment locations.

In sum, the FEIR acknowledges the model does not and cannot assess the VMT reduction benefits of co-locating affordable housing and low-wage jobs because:

- the model does not use "affordable housing" as an input;
- AMBAG lacks location data for future affordable units;
- the model lacks wage information for employment centers.

An effective model must include and use these data to identify Location Efficient Areas.

3. Identification of Location Efficient Areas cannot await project level reviews; it must be done programmatically.

The FEIR relegates determining differential VMT effects for affordable vs. market-rate housing to project-level CEQA review, not to a programmatic review using the regional model. (Responses 2.83–2.86.) But without an activity-based model that includes the location of potential future affordable housing and low-wage jobs, AMBAG cannot identify Location Efficient Areas to assist in the programmatic implementation of AB 130.

And unless project-specific CEQA review can rely on AMBAG's model, it is unrealistic to assume that individual project level reviews could identify Location Efficient Areas for which VMT reductions can be determined and in which appropriate levels of mitigation funding could be determined, i.e., the funding levels that would meet CEQA's nexus and proportionality mandates.

Furthermore, LCI's draft AB 130 guidance makes it clear that **Location Efficient Areas must be determined programmatically in advance of project specific reviews:**

Additionally, because PRC Section 21080.44(c)(1) governs how contributions associated with this Mitigation Program are prioritized and distributed on a program-wide basis, "location-efficient" cannot describe the locational nexus between specific individual Impacting Projects and Mitigating Projects because those projects will not be identified until they independently elect to participate in the Mitigation Program. Therefore, the term "location-efficient" was developed in a manner such that it can applied program-wide.

(LCI, DRAFT AB 130 Statewide Vehicle Miles Traveled (VMT) Mitigation Program Guidance. April 2026, p. 21, available at <https://www.lci.ca.gov/wp-content/uploads/20260407-FinalDraftGuidance-ADA.pdf>.)

Despite this, the FEIR contends that there is no relationship between AB 130 implementation and the regional transportation modeling done for the 2050 MTP/SCS EIR. (Response 2.23.) But AMBAG's modeling capability in developing the SCS is directly relevant to AB 130 because AB 130 requires (1) that the determination of Location Efficient Areas consider consistency with the SCS and (2) that the Location Efficient Areas be determined programmatically. Thus, part of an adequate SCS should be a commitment to develop the regional modeling capability needed to implement AB 130.

CONCLUSION

As the Metropolitan Planning Organization responsible for the SCS and for modeling regional VMT impacts, AMBAG should cooperate with LCI in the programmatic implementation of AB 130 by updating its model and data sets as follows:

1. AMBAG should develop a data set for the available current and future affordable housing locations that could be Location Efficient Areas.
2. AMBAG should develop a data set that identifies the wage structure of employment locations or that at least identifies the numbers of low wage jobs at employment locations. Without these data, the model cannot match affordable housing to low wage jobs locations to determine Location Efficient Areas that qualify by reducing low-wage commutes.
3. AMBAG should update its model to use these new data sets to identify Location Efficient Areas.
4. AMBAG should follow and participate in LCI's development of guidance for AB 130 and consult with LCI as to the necessary modeling to identify Location Efficient Areas programmatically.

Thank you for the opportunity to comment. Please let us know if you would like to discuss these points further.

Regards,



Michael DeLapa
Executive Director

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