# **Driving Change**

## **Reducing Vehicle Miles Traveled** in California

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### SUMMARY

enate Bill (SB) 375, adopted in 2008, calls on regional transportation planning agencies and local governments to develop strategies for reducing greenhouse gas emissions from passenger vehicles by reducing per capita vehicle miles traveled (VMT). Three specific strategies, traditionally used to reduce traffic congestion and improve air quality, are to be employed to help reduce emissions:

Higher-density development, particularly in areas well-served by transit;

Investments in alternatives to solo driving, such as transit, biking, walking, and carpooling; and

**Pricing policies** that raise the cost of driving and parking.

Although SB 375 is expected to reduce emissions only modestly relative to vehicle efficiency standards and low-carbon fuels, it is also expected to improve public health and reduce energy and water use by encouraging denser development and more "livable" communities. The integration of these three approaches is consistent with an emerging research consensus that policies integrating all three strategies have a much greater chance of reducing VMT than any one approach on its own. This report reviews the opportunities and challenges of each of these strategies and assesses California's recent experience and future prospects for successfully integrating them.

On balance, California has started with the right approach by attempting to integrate its emission-reduction policies. However, recent experiences within the state and elsewhere have revealed numerous challenges—some quite formidable. On the plus side, more local governments are undertaking climate change activities, and many local planners see significant potential for reducing VMT, especially in localities that have experience in implementing these strategies and in more populous areas of the state. Also, planners are beginning to recognize the importance of using multiple approaches. And transit ridership in California is increasing, with recent transit investments appropriately directed toward higher-density areas.

But red flags abound, potentially limiting California's ability to reduce VMT. Employment density (the number of jobs per square mile) is low and declining, and employment density matters more than residential density for encouraging transit use as an alternative to driving. Furthermore, major transit investments since the early 1990s have not produced an overall reduction in VMT, and densities around new stations have not increased. The vast majority of commuters still drive to work, even if they live or work near a transit station. And planners are skeptical about pricing policies—a key component of integrated strategies—especially in localities with higher-income households, which tend to be less sensitive to changes in the cost of driving and parking. Finally, funding transit investments and operations remains a perennial challenge.

If California is to make the most of SB 375, several priorities require attention. Regions and localities should encourage greater commercial (that is, nonresidential) development around transit stations. Pricing policies need to accompany land use and transportation strategies, despite public resistance. State or federal leaders need to raise general road use fees (either the traditional gas tax or a new VMT-based fee), both to provide incentives to reduce driving and to help fill the widening gap in transportation funding. And, finally, regional strategies must recognize the wide variation in attitudes and conditions among localities and address the lack of coordination (even among transit systems within the same region) that exists today.

This report is based on reviews of the research literature, our survey of local governments and planning agencies, and our analysis of population, employment, and transportation data. The report draws heavily on two companion papers: "Views from the Street" (Bedsworth, Hanak, and Stryjewski 2011) and "Making the Most of Transit" (Kolko 2011). To find these and other related resources, please visit the report's publication page: http://www.ppic.org/main/publication.asp?i=948