Investment in Vanpools for VMT Reductions

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Prepared for a workshop & public presentation on VMT reduction exchanges as a CEQA mitigation strategy (Friday, June 15, San Jose). Event organized as part of the SB 743 Implementation Assistance Project – a collaboration among three California state agencies (OPR, CalSTA, Caltrans), five MPOs (SACOG, SCAG, MTC, SANDAG, SJCOG), CALCOG, and others – managed by the Urban Sustainability Accelerator at Portland State University.

1. Description of the VMT reduction programs, activities, or investments

The program involves the investment in or support of vanpools aimed at the reduction of single vehicle trips. Incentivizing vanpool creation has the potential of reducing 11 vehicles per vanpool created. Funds for investment can come from federal funds generated to transit agencies by the reporting of vanpool miles traveled and passengers carried.

2. Projected VMT reduction

CalVans (California Vanpool Authority) is a public transit agency reporting data for 450 vanpools that resulted in a reduction in VMT of 113 million miles. Doubling of this number would result in a corresponding increase in VMTs.

3. Evidentiary basis for the projected reduction, such as results of prior efforts or published research

Ridership data reported by CalVans in FY 16/17 resulted in the VMT reductions noted above. Data reported by CalVans is reported to the UZA (Urbanized Area) the vanpool trip begins or ends in. This reporting is important because trips ending or starting in a UZA result in additional federal funds being allocated to that UZA.

4. Payment or other exchange or inducement required to execute the VMT reduction project or program. If there is a difference between the cost of the project vs. the exchange price – e.g., because the project already has partial funding – this is worth knowing.

The reporting of 450 vanpools generated approximately $9 million in additional federal funds distributed to 12 public transit agencies, ranging from $1.9 million to Visalia City Coach in Visalia to $404 thousand to Madera Area Express in Madera. To date, $40 million has been generated as a result of CalVans annual reporting. The return per vanpool averages $20,000 per vanpool, which is not presently reinvested into generating more vanpools. A vanpool costs its riders $19,000 per year. Reducing this cost by half could increase vanpool participation by upwards of 50%. This investment would result in more reported miles and a corresponding increase in federal funds generated.

5. Identification of the entity or type of entity the presenter believes or speculates would be interested in buying or providing some other form of exchange for this VMT mitigation.

Public agencies such as COGs and MPOs have been given the obligation of reducing VMTs in their jurisdictions. Working through or partnering with local transit agencies has the greatest potential increasing vanpool use and reducing VMTs through the reinvestments of funds generated from vanpool reporting. On the positive side every new vanpool would again generate an additional $20,000.