



# **Environmental Review for New Developments:**

## **Better Project Management and Reviewing Resources Can Improve the CEQA Process**

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A Report from the City Auditor  
Issued March 2022

<http://www.sanjoseca.gov/auditor>

# Background

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- New developments are reviewed to consider how the project affects the surrounding environment.
- The California Environmental Quality Act (CEQA) is the primary piece of legislation that governs environmental review in San José.
- Agencies must evaluate a variety of impacts, such as air quality, biological and cultural resources, traffic, and others.

## What is CEQA?

CEQA is a state law that requires agencies to provide information to the public about environmental impacts of new development and identify ways to potentially mitigate those impacts, where possible.

# Background

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Level of Review	Median Length of Time of Reviews	# of Projects
Environmental Impact Report (EIR)	21.6 months	13
Supplement to an EIR	17.6 months	8
Negative Declaration / Mitigated Negative Declaration	12.7 months	60

## Finding I: Improved Internal Processes Can Help Manage Environmental Reviews

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- The CEQA process is lengthy, requiring coordination among many different stakeholders.
- Standard project management procedures can help planners coordinate work among the parties and meet timelines.

### **RECOMMENDATIONS:**

To improve the management of the CEQA process, PBCE should:

- Expand the model for planners to handle both the entitlement and environmental review processes
- Develop standard project management procedures around information sharing, timelines, and other areas

## Finding I: Improved Internal Processes Can Help Manage Environmental Reviews

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- The timeliness of the environmental review process is not currently measured against goals or targets.
- Standardizing processes can lead to efficiencies.
- Reinstating CEQA training for other City departments can benefit the overall process.

### RECOMMENDATIONS:

- Set performance targets for CEQA reviews, and improve data entry to allow measurement of progress toward those targets
- Update and develop tools and templates to standardize routine processes
- Educate City staff in other departments about the CEQA process

## Finding 2: Better Management of Consultants Can Help Keep Projects on Track

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- Environmental consultants hired by applicants prepare the bulk of the CEQA analysis.
- In 2019, the City created an optional list of approved consultants.
- PBCE has drafted guidelines for environmental consultants about the City's CEQA process.

### **RECOMMENDATIONS:**

To improve the management of work done by consultants, PBCE should:

- Establish procedures for regular communication between the environmental review planners and consultants, and consider establishing a list of required consultants
- Finalize its draft CEQA guidelines for consultants

## Finding 3: Staffing and Workload Should Be Reviewed to Ensure the Program Is Sufficiently Resourced

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- The CEQA team consists of 11 staff, including one principal planner who oversees the team.
- The CEQA team has experienced turnover and has reported challenges with high workload; however, evaluating the resource needs is challenging.
- Planners on the CEQA team complete tasks that would be more appropriate for support staff.

### **RECOMMENDATIONS:**

To better assess and distribute workload, PBCE should:

- Update guidelines for how to track time, including for unbillable time, and review the related fee calculations as appropriate
- Re-assign duties as possible, which could include filling the team's support staff position

## **Finding 4: Options for City-Initiated Environmental Analysis Should Be Regularly Weighed as Part of Strategic Planning**

- The City has conducted environmental analysis that affects the type of review, or the level of review needed, for new developments.
- Undertaking this type of environmental analysis comes at a cost and requires resources and careful planning.
- Whether to conduct City-initiated environmental analysis, and what type, is a policy question.

### **RECOMMENDATIONS:**

To enable the City Council to make informed decisions about strategic planning, PBCE should:

- Regularly present to the City Council options for analyses that could streamline environmental reviews as part of the City's comprehensive planning efforts



## Conclusion

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Our audit report includes a total of 12 recommendations to improve the City's CEQA process.

We would like to thank the Department of Planning, Building and Code Enforcement and the Office of the City Attorney for their time, information, insight, and cooperation during the audit process.

The audit report is available at [www.sanjoseca.gov/auditor](http://www.sanjoseca.gov/auditor)