



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Christopher Burton

SUBJECT: ER26-045 - Environmental
Review Policy

DATE: May 7, 2026

COUNCIL DISTRICT: Citywide

RECOMMENDATION

- (a) Consider the Determination of Consistency to the Environmental Impact Report for the Envision San José 2040 General Plan, as Supplemented, and to the Environmental Impact Report for the Downtown Strategy 2040 in accordance with the California Environmental Quality Act.
- (b) Adopt a resolution approving a new City Council Policy, Environmental Review Policy, adopting the Environmental Review Handbook and Environmental Standard Permit Conditions to establish standardized environmental review procedures and requirements for development projects, and to satisfy audit recommendations by improving consistency, transparency, and efficiency in the City's environmental review process.
- (c) Approve an ordinance amending Section 21.04.140, Appeals – General, of Chapter 21.04 of Title 21 (Environmental Clearance) of the San José Municipal Code to remove the physical mailing requirements for staff reports for appealed projects from Chapter 21.04.

SUMMARY AND OUTCOME

The Environmental Review Policy (Attachment A) is a new City Council policy that institutionalizes the Environmental Review Handbook and Environmental Standard Permit Conditions (Handbook and Standard Permit Conditions). Together, these establish standardized environmental review procedures and requirements, with the goal of reducing permitting timelines.

If the City Council approves the Environmental Review Policy, the Handbook and Standard Permit Conditions will be formally adopted and will apply immediately to new entitlement projects.

The proposed ordinance update amending Title 21 (Environmental Clearance) of the San José Municipal Code (Attachment B) would remove the requirement that memorandums for environmental appeals be physically mailed to neighboring tenants, property owners, the appellant, and applicants while keeping all other noticing requirements. These changes would be effective 30 days after the second reading of the ordinance.

BACKGROUND

In March 2022, the City Auditor's Office published a report on the City's environmental review process. The audit assessed the time required to complete the City's California Environmental Quality Act (CEQA) review process and provided findings and recommendations to improve and streamline the process. One recommendation was for the Planning, Building, and Code Enforcement Department to finalize environmental review guidelines for consultants, including submittal criteria, examples of non-performance, an overview of the review process and project management, and guidance for preparing initial studies, negative declarations, and environmental impact reports in order to streamline how consultants are informed and better prepare them to conduct their analysis.

Building on the 2022 audit recommendations, Planning staff presented additional CEQA streamlining measures at the February 24, 2025, Community and Economic Development Committee meeting, including standard permit conditions and standardized mitigation measure language for common environmental impacts in developed areas of San José, particularly Downtown and General Plan growth areas.

In July 2025, the state adopted additional laws, Assembly Bill 130 and Senate Bill 131, that further streamlined the CEQA process for certain kinds of projects. Guidance for preparing environmental documents for projects in San José under these new laws is provided as part of the proposed policy documents.

The proposed policy is a culmination of that effort and would achieve standardized processes, thresholds of significance, and environmental conditions. Additional audit recommendations that will be completed in subsequent months will include creating standardized templates for preparation of environmental documents.

ANALYSIS

The proposed Environmental Review Policy, including the Handbook and Standard Permit Conditions, will implement existing Envision San José 2040 General Plan policies and City Council Policies related to environmental review. Analysis of the proposed Policy, including its relationship to the General Plan and City Council Policies,

is contained in the attached Planning Commission Staff Report prepared for the April 22, 2026, Planning Commission hearing (Attachment C).

EVALUATION AND FOLLOW-UP

The City Council is the final decision-making body for the Environmental Review Policy.

If the City Council accepts the Planning Commission's recommendation to adopt the Environmental Review Policy and to adopt the ordinance for the proposed Title 21 amendment, the Environmental Review Policy would immediately come into effect, and the ordinance would be effective 30 days after second reading. Projects under review may choose to use this policy for expediting the CEQA process where feasible. The City Council would authorize the Director of Planning, Building and Code Enforcement to make subsequent edits to the Environmental Review Handbook and Environmental Standard Permit Conditions for iterative improvement to address any unforeseen issues as the policy is implemented.

COORDINATION

The preparation of this memorandum was coordinated with the City Attorney's Office.

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the May 19, 2026 City Council meeting.

Staff posted the draft City Council Policy, Handbook, and Environmental Standard Permit Conditions on the City's website on March 26, 2026, and notification was sent by e-mail to environmental consultants and contacts on the Developer's and Construction Roundtable contact list. Staff also presented the proposal at the Developer's and Construction Roundtable on March 26, 2026, and at the Environmental Consultant's Roundtable on April 2, 2026. Staff followed City Council Policy 6-30: Public Outreach Policy, in that the notices for the public hearing were posted on the City's website and published in the San José Post-Record.

Staff has been available to meet with any parties asking questions or providing comments. Staff met with one environmental consultant and one applicant representative to discuss this policy. In addition, staff received written comments from another environmental consultant and a joint letter from the Santa Clara Valley Bird Alliance, the Sierra Club Loma Prieta Chapter, and Green Foothills, which is included as Attachment D. Other comments included logistical questions on the process and

requirements of the Policy documents, as well as questions related to environmental and biological protections.

Subsequent to the Planning Commission hearing on this item, as detailed below, additional clarifications have been made to the policy documents based on public input for further clarity, including:

- The addition of an Applicability section to the Environmental Review Policy to explain when the policy documents would be effective for new projects and for projects currently under review.
- Changes to the Handbook to clarify that potential impacts to biological resources will still need to be evaluated for any projects near riparian areas or other sensitive communities located within or outside of the Urban Growth Boundary near riparian areas or other sensitive communities, including for new artificial lighting sources and new mechanical sources of noise.
- Changes to the Standard Permit Conditions to clarify when operational noise will need to be studied.

The resulting amendments to the Handbook and Standard Permit Conditions are included in Attachments E and F.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

The Planning Commission considered the proposed City Council Policy on April 22, 2026. The public hearing included a staff presentation, one public comment from a representative of the Sierra Club Loma Prieta Chapter, one of three environmental groups that provided a joint comment letter on this item, and questions from the Planning Commission. Ultimately, the Planning Commission recommended approval of the Policy to City Council.

Commission questions were focused on the following:

- Commissioner Cantrell asked clarifying questions to ensure that the proposed Policy would not adversely impact riparian corridors or wildlife movement corridors within the City by modifying existing requirements.
- Vice Chair Bickford asked clarifying questions related to the amendment to Title 21 to ensure that the City's Public Outreach Policy would still apply and that postcard notices would still be mailed out to surrounding property owners and residents for proposed projects.
- Commissioner Cantrell asked a clarifying question to ensure that if no hard copy environmental appeal staff reports were mailed out, interested parties wanting hard copies of staff reports would still be able to obtain hard copies of those documents, if requested.

Commissioners then voted on Commissioner Casey's motion to approve the staff recommendation and recommend that City Council approve the project. The motion passed 9-0-2 (Nguyen absent and Young absent).

CEQA

Determination of Consistency with the Environmental Impact Report for the Envision San José 2040 General Plan, as Supplemented (Resolution No. 76041), and with the Environmental Impact Report for the Downtown Strategy 2040, (Resolution Nos. 78942, 78943, and 78944).

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
CHRISTOPHER BURTON
Planning Commission Secretary

For questions, please contact David Keyon, Principal Planner, Department of Planning, Building and Code Enforcement, at David.Keyon@sanjoseca.gov or (408) 535-7898.

ATTACHMENTS:

- Attachment A – Environmental Review Policy
- Attachment B – Proposed Ordinance to Amend Title 21 (Environmental Clearance)
- Attachment C – Planning Commission Staff Report (April 22, 2026)
- Attachment D – Environmental Groups Public Comment Letter
- Attachment E – Environmental Review Handbook
- Attachment F – Environmental Standard Permit Conditions