



Memorandum

TO: HONORABLE CITY COUNCIL

FROM: Mayor Mahan
Vice Mayor Foley
Councilmember Campos
Councilmember Tordillos
Councilmember Casey

SUBJECT: SEE BELOW

DATE: May 15, 2026

Approved

Date: 5/15/2026

Matt Mahan Pam Foley R Anthony Tordillos George Casey

SUBJECT: ER26-045 - Environmental Review Policy

RECOMMENDATION

1. Approve the staff recommendations.
2. Direct the City Manager and the City Attorney to work with the Department of Planning, Building and Code Enforcement to explore additional mitigations for the City's Standard Permit Conditions (SPCs), with a goal of standardizing project environmental impacts and further reducing the need for technical studies.
 - a. The analysis should identify whether streamlined environmental impact determinations and standardized mitigations are appropriate to include in updates to the Envision San José 2040 General Plan as part of the City's current General Plan Four-Year Review.
 - b. Consider specific uses or classes of categorical exemptions to target for standardized impacts and adequate mitigations.
 - c. Explore options for amending the General Plan and Title 20 of the Municipal Code to further support standardized permit conditions, specifically performance standards related to noise and vibrations, in order to further streamline and expedite the environmental review process.

BACKGROUND

Our recommendations in this memo are aligned with existing work plans, including the General Plan Four-Year Review scope of work; the proposed 2026-27 operational budget commitment to Environmental Review Process Improvements Staffing, which "will continue implementing recommendations from the 2022 City Auditor report on the City's environmental review process (Audit 22-02);"¹ and the Building More Housing and Growing our Economy Focus Areas.

¹ 2026-27 Proposed Operating Budget (p. 679)

<https://www.sanjoseca.gov/home/showpublisheddocument/131102/639138453312970000>

In response to the March 2022 City Auditor report on proposed improvements to the City's environmental review process, the Department of Planning, Building and Code Enforcement (PBCE) has taken significant steps to streamline, clarify, and expedite the process of identifying environmental impacts for projects and determining appropriate mitigation measures. The San José Environmental Review Handbook substantially improves transparency regarding the environmental review process, establishes anticipated timelines, and provides clarity on thresholds for significant impacts.

In addition, the draft Environmental Standard Permit Conditions (SPCs) set expectations for a spectrum of common, broadly applicable mitigation measures related to air quality, biological resources, archeological resources, historic resources, geology and soils, hazards and hazardous materials, noise, and vibration. Together, these documents provide a strong foundation for establishing environmental mitigation requirements, particularly in light of new statutory exemptions from the California Environmental Quality Act (CEQA) under AB 130 and SB 131 that necessitate a clear baseline for reducing project impacts.

Though this work responds to the issues identified in the Audit Report, we believe additional measures can be taken to reduce costs and project timelines for applicants looking to build or do business in San José. The Report notes that, regardless of whether a project is exempt from CEQA, technical studies are often required on a site- and project-specific basis in order to determine the scope of impacts relative to thresholds for significance. These studies include Environmental Site Assessments, transportation analysis, noise and vibration studies, and air quality reports. This work is paid for by the applicant and adds months to the timeline.

Recommendation #12 in the Audit Report recommends that PBCE “develop a process to regularly present to Council options for analyses that could streamline environmental reviews as part of the City's comprehensive planning efforts,”² accompanied with the associated resources and tentative timelines needed to carry out this work. The most commonly referenced opportunities are City-initiated programmatic Environmental Impact Reports (EIRs), which are often geographically specific environmental analyses that significantly expedite analysis needed for privately initiated development.

While useful, these programmatic EIRs are not applicable outside of the study area, take significant time and resources, and become stale over time. Planning staff should explore whether the newly established SPCs could provide a vehicle for streamlined environmental review in a way that could be applied more generally, specifically determining environmental impacts based on project typology or scope without the need for site-specific technical studies, and establishing uniform mitigations to reduce environmental impacts. This strategy should consider specific use types (e.g. housing development, childcare facilities) or projects that are expected to qualify for a statutory or categorical exemption under CEQA.

The work carried out by PBCE staff should be in consultation with the City Attorney’s Office to determine whether the methods of standardized environmental review described above are legally defensible, and if there are limitations for applying generalized study and mitigation for

² “Environmental Review for New Developments: Better Project Management and Reviewing Resources Can Improve the CEQA Process.”

<https://www.sanjoseca.gov/home/showpublisheddocument/83400/637834607762098708>

projects that are subject to National Environmental Policy Act (NEPA) review, or requirements by regional agencies including the Bay Area Air District that supersede the City's own review standards. We acknowledge that some technical studies will still be required regardless of how aggressively the City streamlines environmental review and standardizes permit conditions.

The staff response to the March 2022 Audit states that Planning's Environmental Review team will "develop a protocol to provide information on opportunities to streamline environmental reviews as part of the City's comprehensive planning efforts," and that the General Plan Four-Year Review process is a potential place where "new ideas for streamlining environmental reviews can be presented to Council and other Departments." Staff should explore whether streamlined environmental review, including generalized environmental impacts and adequate mitigation measures, should be included in the General Plan update. This could include re-examining and amending thresholds for construction noise, operational noise, and vibration.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.