

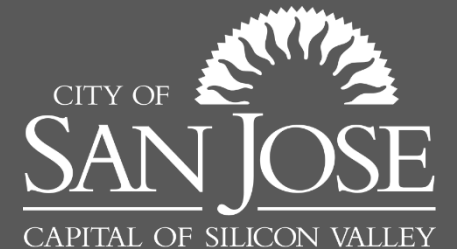
California Environmental Quality Act (CEQA) Streamlining

Community & Economic Development Committee
February 24, 2025
Item (d)4.

Presenters:

Chris Burton, Director, Department of Planning, Building and Code Enforcement

David Keyon, Principal Planner, Department of Planning, Building and Code Enforcement



*Planning, Building and
Code Enforcement*

Presentation on CEQA Streamlining

“Development Process & CEQA Requirements” – Response to August 2024 Rules Committee

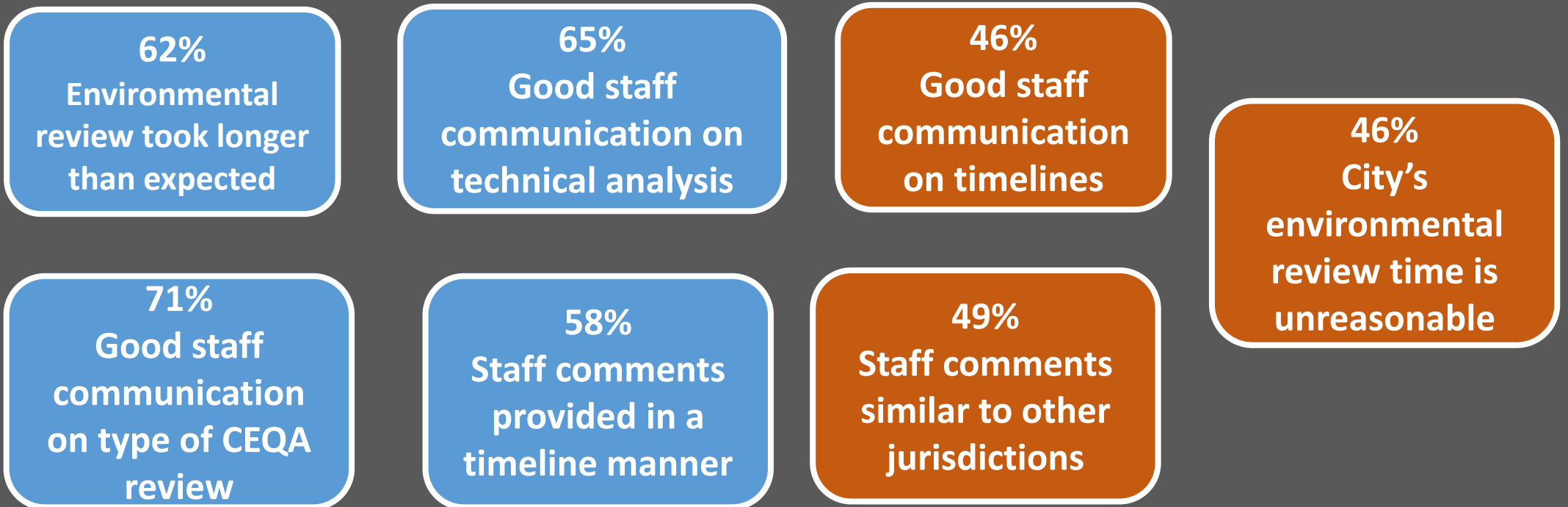
- Summary of findings from previously collected stakeholder input and comparison with peer cities
- Overview of CEQA Process:
 - Determining project exemption
 - Recommendations to allow more projects to be exempt from CEQA
 - Progress report of 2022 Audit recommendations

“CEQA Streamlining for Downtown Projects” – Response to Mayor’s March 2024 Budget Message)

- Strategies for further streamlining for Downtown projects
- Consider update of Downtown Strategy 2040 EIR

Summary of Stakeholder Input

Results of surveys conducted for the 2022 Audit



Comparison with Peer Cities

2022 Audit compared San Jose's CEQA process with 7 peer jurisdictions:

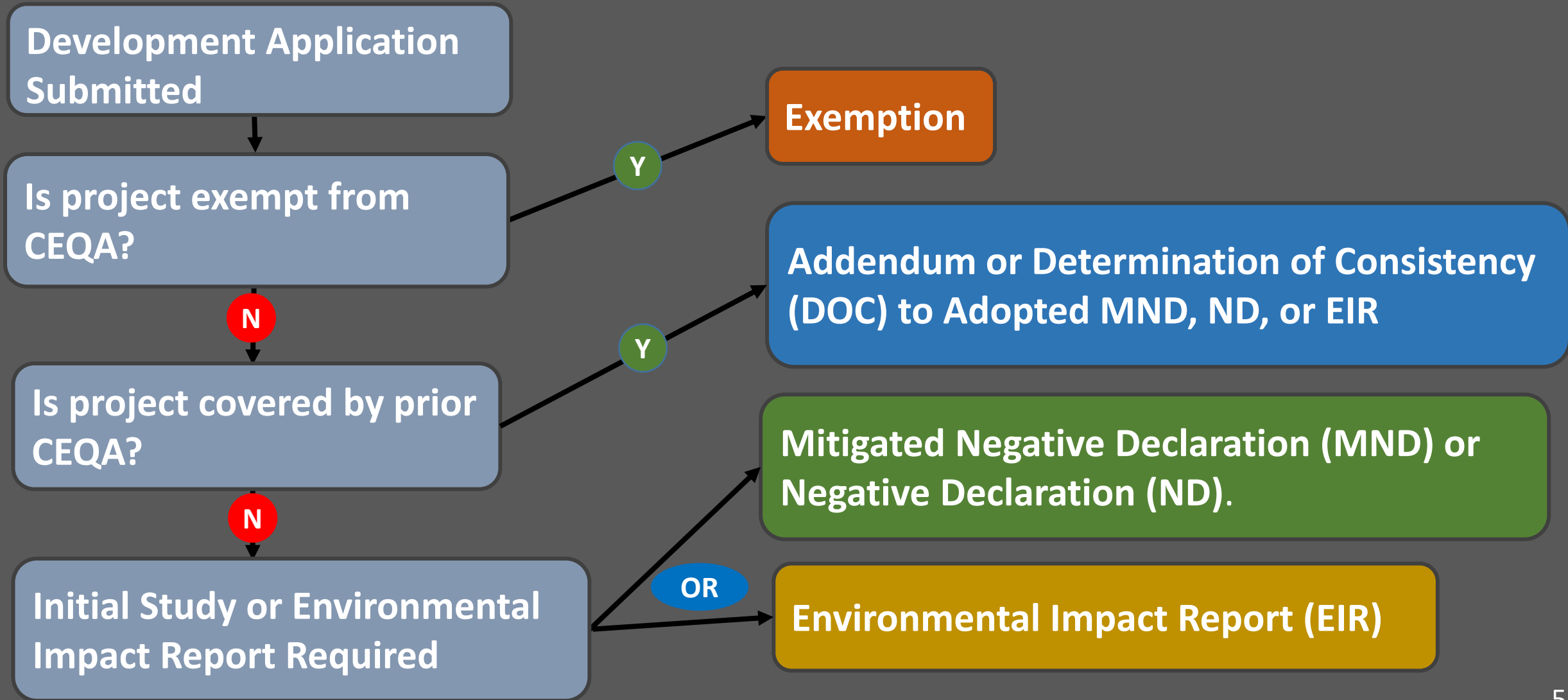
Oakland	Long Beach
San Francisco	Los Angeles (city)
San Diego	Milpitas
Santa Clara (city)	

Findings:

- City's review times similar to Los Angeles (25 months between 2013 and 2020).
- City of Long Beach: complete EIR in 1 year with focused project management.

The Auditor's review of peer jurisdictions contributed to the Auditor's Office's 12 recommendations in the 2022 Audit report.

Overview of City's CEQA Process

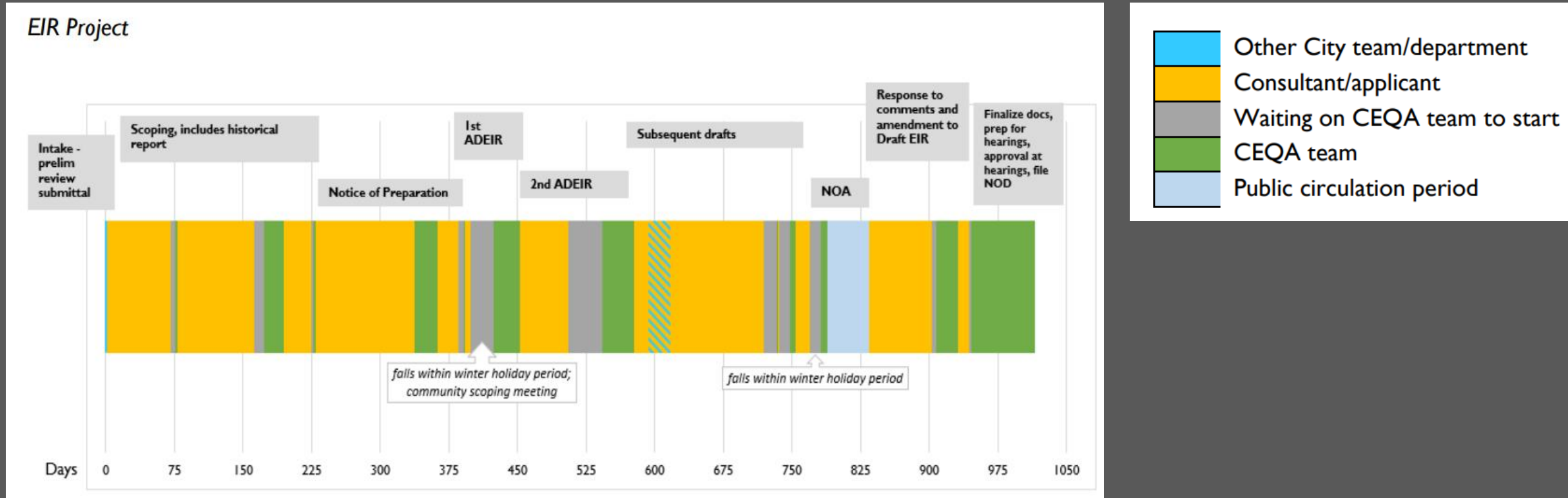


CEQA Documents and Analysis Required

Type of CEQA Clearance	Analysis Required	Average Total Review Time (months)
Exemption	May need studies to determine project is exempt	3 – 13.9
Addendum or Determination of Consistency	May need studies to determine project is covered by prior CEQA	3 – 12.7
Mitigated Negative Declaration/Negative Declaration	Studies required	22.3
Environmental Impact Report	Studies required, alternatives to project evaluated	29.6

Note: Total review time is from application to approval.
Environmental review is only a portion of total review time.

CEQA Review Times



Source: 2022 Audit Report - Environmental Review for New Developments: Better Project Management and Reviewing Resources Can Improve the CEQA Process

City environmental review role about 15% – 25% of total project review time

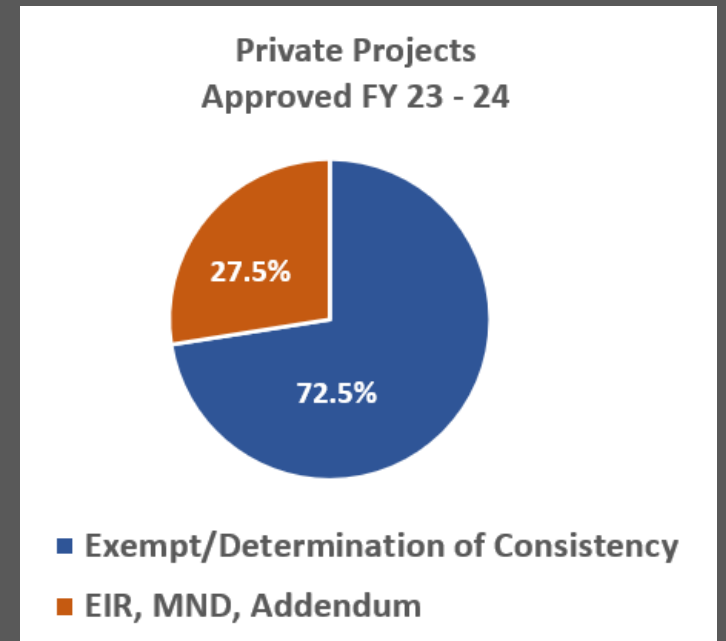
City's CEQA Review Process

Type of CEQA is based on factors such as:

- | | |
|----------------------|-------------------------------|
| • Type of project | • Project size |
| • Site conditions | • Prior CEQA |
| • Setting | • Listed hazardous waste site |
| • Historic resources | • Potential impacts |

In last fiscal year, **72.5%** private developments were exempt or consistent with prior CEQA.

Remaining 27.5% required higher level of CEQA (EIR, MND, etc.).



Reasons Projects Don't Qualify for an Exemption

Project must meet exemption criteria in the CEQA Guidelines.

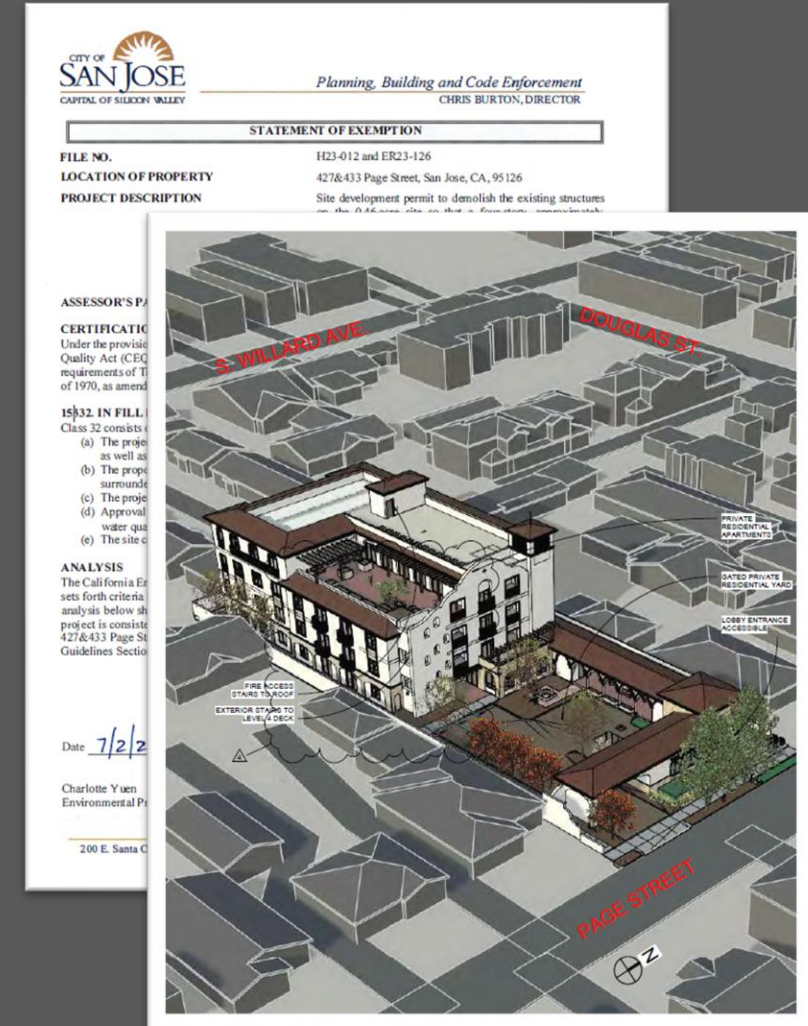
For Categorical Exemptions (majority of exemptions), project also must meet exceptions findings (CEQA Guidelines Section 15300.2)

Common Reasons Projects Don't Qualify for an Exemption

Site is sensitive habitat	Site is on State list of hazardous waste sites (Cortese List)
Project would impact a historic resource	Site has unusual characteristics (i.e. landslide area)
Project may result in cumulative impacts	Project requires a rezoning or General Plan Amendment

Strategies to Increase Exemptions

- Flexible development standards in the zoning code to reduce Planned Development zonings.
- Expanding areas of the City covered by a Program Level EIR and/or updating the General Plan 2040 EIR.
- Expanding the residential ministerial approval process.
 - May require updates to the City's Transportation Analysis Policy (Council Policy 5-1) for areas outside low vehicle miles traveled (VMT) areas.



Program Level EIRs

Evaluates development consistent with a policy or plan for specific geographic area, allowing utilization of streamlined project-level CEQA analysis. Includes:

- Standard mitigation measures
- Use Community Plan Exemption or Addendum if no new or more significant impacts

Challenges for preparing Program Level EIRs:

- Large cost (approx. \$300K to \$500K)
- Staff resourcing needs (300 – 600 hours)
- Long timeline (2 – 4 years)
- Funding gaps

Status of 2022 Audit Recommendations

The City Auditor's Office published a report with 12 recommendations to improve the City's environmental review process in March 2022.

Since 2022, 4 recommendations fully implemented and 5 partly implemented:

- Holding regular meetings with consultants to confirm scope and schedule.
- Prepared standard operating procedures for CEQA review.
- Developed performance metrics for environmental review.
- Started tracking data to measure performance metrics in PBCE's Customer Service Charter.
- Requiring applicants to use an environmental consultant from the City List of Approved Environmental Consultants.

Response to Mayor's 2024 March Budget Message: Downtown Strategy 2040 EIR Overview

Downtown development covered by Downtown Strategy 2040 EIR and 2021
Addendum for Diridon Station Area Plan Amendment

	Capacity	Entitled/Built
Office	22 Million sq. ft.	16.9 Million sq. ft.
Residential	21,400 Units	10,400 Units
Retail	1.4 Million sq. ft.	0.5 Million sq. ft.
Hotel Rooms	3,600 Rooms	1,000 Rooms

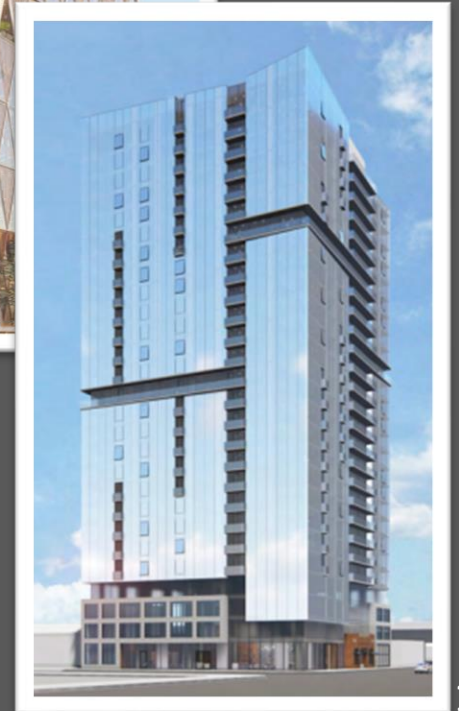


Streamlining Benefits of Downtown Strategy 2040 EIR

The following analysis is not required for Downtown projects:

- Transportation (vehicle-miles traveled)
- Greenhouse gas emissions
- Traffic related air quality
- Traffic noise

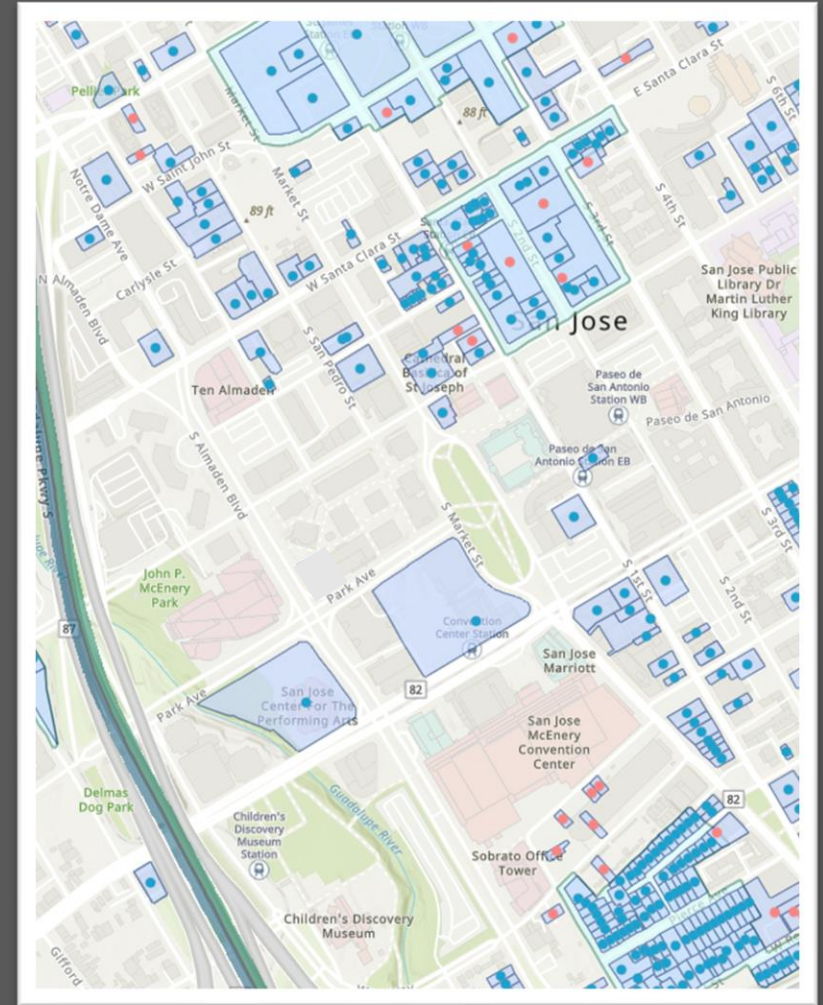
Projects with no new significant impacts or substantial contribution to existing impact in the Downtown Strategy 2040 EIR qualify for an Addendum (no public circulation).



Challenges for Downtown Projects

- Maximum density Downtown at least 2.5 times more than elsewhere in the City (i.e., 800 DU/acre) = larger buildings with greater impacts.
- Downtown projects often require intense construction next to existing structures, including residences.
- Downtown has the most historic resources (~25% of Downtown)

Almost all EIRs in Downtown are triggered by impacts to historic resources (15 out of 16 EIRs since 2018).



Downtown Historic Resources

Analysis Required for Downtown Projects

Downtown projects require project-specific analysis to evaluate:

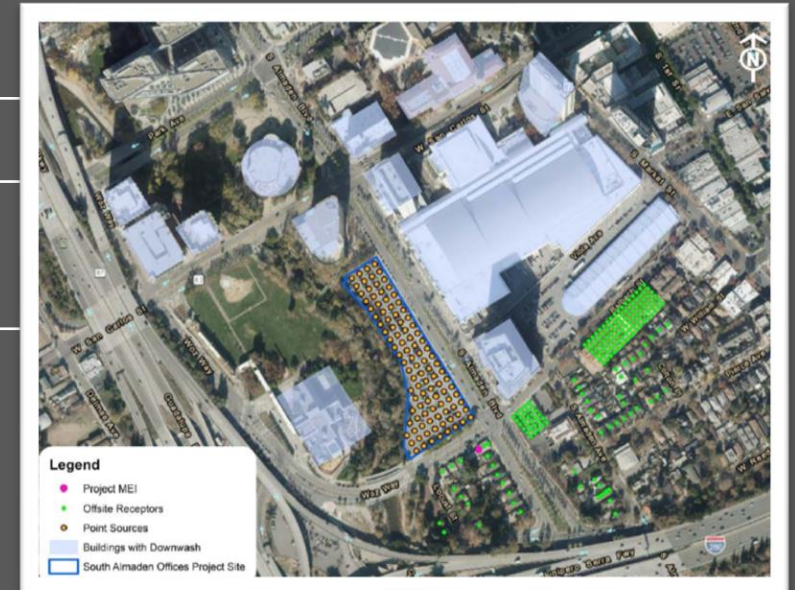
- Conformance with measures in the Downtown Strategy 2040 EIR
- Impacts based on project details such as length construction and proximity to residents/schools.

Most projects require the following analysis:

- | | |
|--|---|
| • Construction air quality | • Construction vibration |
| • Hazardous materials report (Env Site Assessment) | • Historic report (if existing structure over 45 years old) |
| • Construction and operational noise | • Archeological report |

Some projects also require the following:

- Shade and shadow study
- Biology report



Construction air quality monitoring for Almaden Office Project.

Downtown CEQA Streamlining Strategies

	Strategy 1: Enhanced Environmental Review Guidelines for Downtown	Strategy 2: Downtown Historic Survey and Guidelines
Scope	Builds on Environmental Guidelines with additional analysis for Downtown thresholds	Historic survey, update Downtown Design Guidelines and historic district guidelines
Streamlining Benefits	Consistent approach, standard templates, and standard condition/mitigation language to reduce consultant/staff review time	Historic survey will inform developers of project sites that contain historic resources, updated guidelines to more objective standards reduces ambiguity and rounds of review
Support for Ministerial Process	Supports ministerial ordinance for projects on sites without historic resources or sites next to historic resources/districts (about 40% of Downtown parcels)	Support ministerial ordinance for sites adjacent to historic resources/districts that meet new objective standards (about 75% of Downtown parcels)
Estimated Consultant Cost	\$240,000 to \$280,000	\$525,000 to \$640,000
Estimated City Staff Time	80 – 120 hours	300 – 500 hours
Estimated Timeline	9 – 14 months	24 – 30 months

CEQA Process Improvement Workplan

Process Improvement	Description	Proposed Timeline
Updated approved consultant list published	Applicants must use a consultant on this list for CEQA/NEPA work.	February 2025
Environmental Review Guidelines and Thresholds of Significance	Guidelines for CEQA and NEPA documents, including standard mitigation measures, conditions of approval and thresholds of significance.	June 2025
Standard templates for CEQA and NEPA documents	Standard templates for CEQA and NEPA documents with consistent formatting and standard sections.	June 2025
Five Wounds Urban Village Plan EIR	Program Level EIR for the Five Wounds Urban Village. Will allow future development projects to utilize CEQA streamlining.	FY 25 - 26
Combined Environmental and Entitlement Project Manager	To improve coordination and efficiency of reviews, expand the types of projects where the entitlement and environmental review are handled by the same Project Manager.	December 2025
Saratoga Urban Village Plan EIR	Program Level EIR for the Saratoga Urban Village. Will allow future development projects to utilize CEQA streamlining.	TBD (Likely FY 26 – 27)

California Environmental Quality Act (CEQA) Streamlining

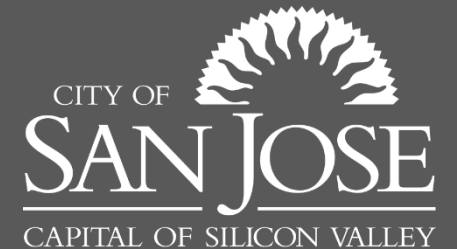


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