



# Reforming CEQA to Support Public Policy Goals

Presented by Mary Leslie

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## Who is Los Angeles Business Council (LABC)

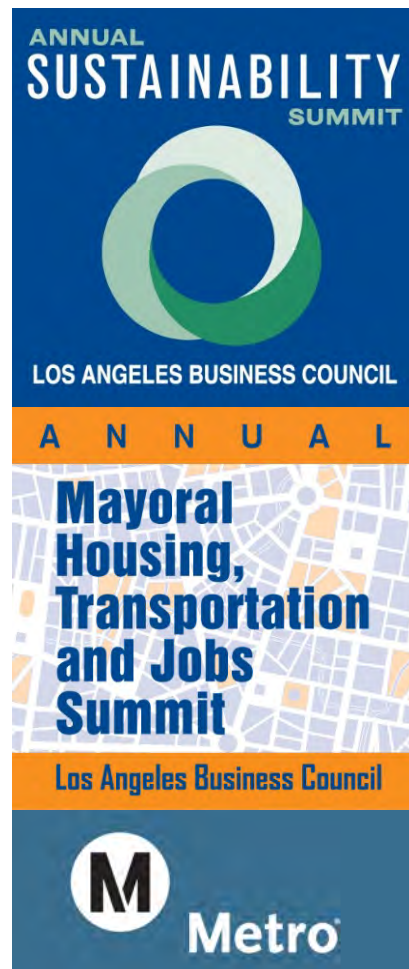
- A non-profit organization uniting the power of business with the power of government for education and advocacy to promote environmental and economic sustainability.
- We are a vital representative of business leaders from all industry sectors.
- We provide members with strong conduits to local, state and federal officials through targeted policy recommendations and key issue briefings.
- We host the influential Annual Mayoral Housing, Transportation and Jobs Summit, Sustainability Summit and Los Angeles Architectural Awards.
- We created the LABC Institute, founded in 2010 to support research and education.

## LABC: The Last Decade

### LEADERSHIP IN:

- Transportation
- Workforce and affordable housing
- Energy Efficiency, Green Building, Solar
- Trade (foreign direct investment, exporting expertise in housing, clean tech, design, etc.)

**CLEAN**LA**Solar**



## Some examples of LABC's policy leadership...

- Early support of LA County Sales Tax Measure R
  - Huge opportunity to invest in public transit, speed its construction and get people out of their cars.
  - Thank you Mayor Antonio Villaraigosa for your leadership
- Created opportunities for building workforce and affordable housing along transit lines.
  - Sponsored landmark policy papers and reports
- Led diverse CLEAN LA Solar Coalition to secure approval and implementation of the largest Feed-in-Tariff solar program and one of the most aggressive energy efficiency programs of any utility in the country.

## Why is LABC focusing on CEQA reform?

- We operate where the rubber meets the road.
- We invest huge amounts of time to achieving model public policies to meet priority urban needs in Los Angeles:
  - Workforce and Affordable Housing
  - Public Transportation
  - Sustainable Energy Solutions

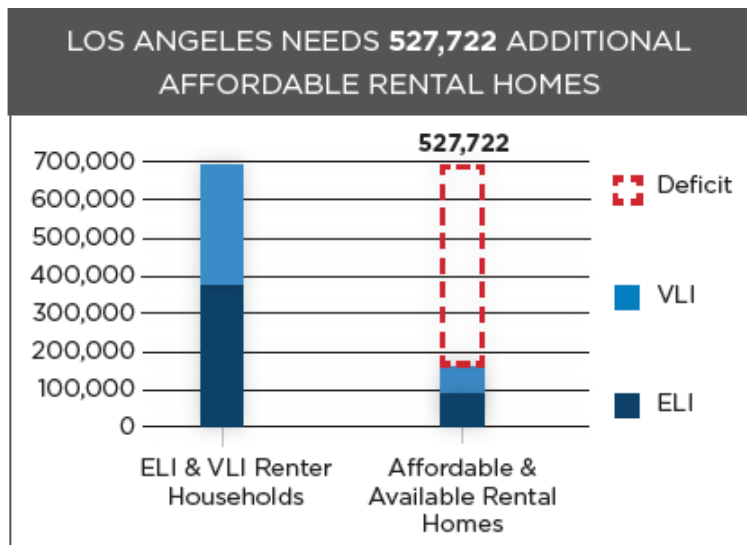


## Current Priorities

- Meeting LA's housing goal for producing 100,000 new units of housing by 2021
- Keeping high levels of housing production going is at the top of our list
- Invest in public transit expansion
- Support land use and transportation strategies to support the AB32 GHG reduction strategy
- Expand in-basin solar and energy efficiency programs

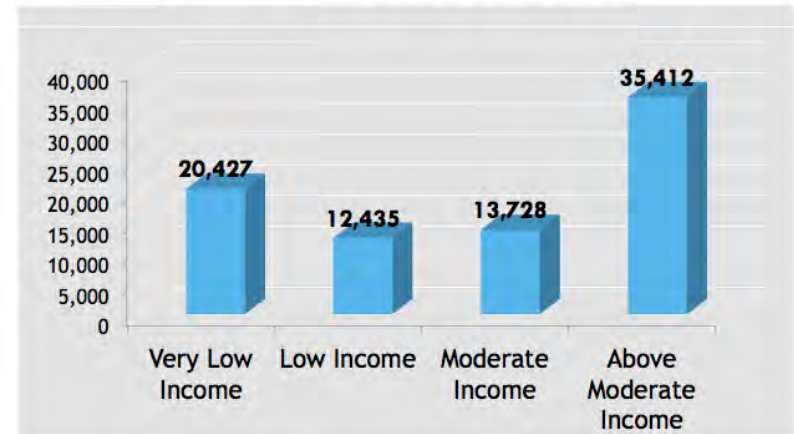


# LA's Affordable Housing Crisis



SOURCE: NLIHC Analysis of 2013 ACS PUMS.

## City of Los Angeles Regional Housing Needs Assessment (RHNA) 2013-2021



Left: California Housing Partnership. August 2015. <http://chpc.net/dnld/LAHousingNeed2015.pdf>

Right: City of Los Angeles Housing and Community Investment Department report to City Council Housing Committee April 9, 2014. "Affordable Housing Funding Crisis: City of Los Angeles."

# Sustaining a high level of housing production



Source: City of Los Angeles Department of Building and Safety. <http://ladbs.org/LADBSWeb/metrics-a.jsf>



## In the City of LA, housing production is projected to fall...

- Our current housing boom won't last forever, and there is a precipitous dip projected in 2017 and 2018 because major projects are being bogged down by the EIR process.
- When we asked the question and looked at the Planning Dept. pipeline, we discovered 600+ environmental cases.
- 49 of these cases require a full EIR; plus approx. 170 MND cases
- Even if the backlog is cleared, the EIR review process by City's own admission is 12-18 months. Not one developer agrees with that timeline...believing its at least two years or more.
- AND THAT'S JUST TO GET THROUGH THE APPROVAL PROCESS.
- LITIGATION TAKES ANOTHER TWO YEARS.

# The transit expansion must continue



Then we peeled  
back the onion on  
CEQA litigation...



## Holland & Knight Report (2015) “In the Name of the Environment”

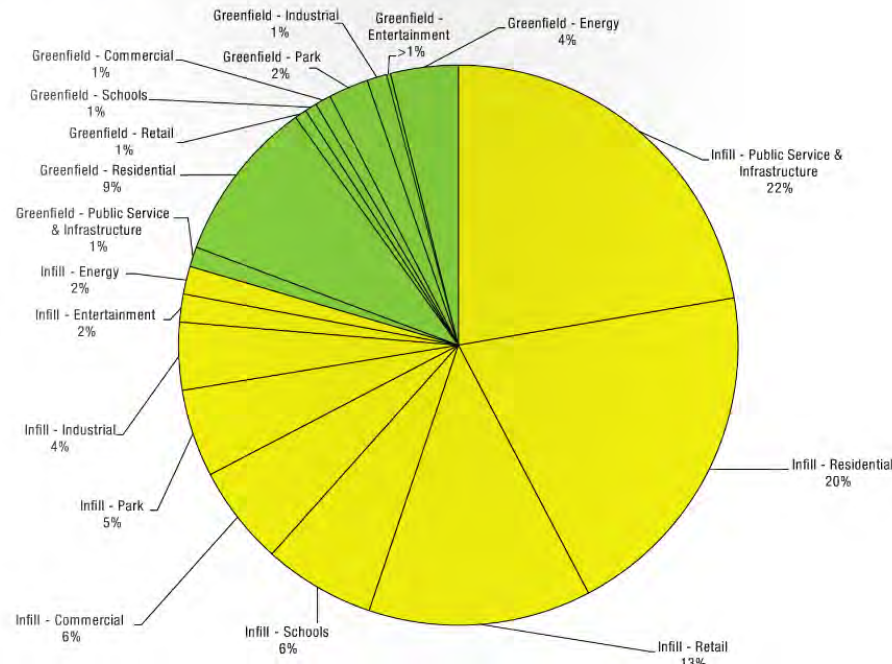
- “New Comprehensive Analysis of 600 CEQA lawsuits shows law is most often used against transit, renewable energy and housing projects.
- First-ever analysis of 3 years of CEQA lawsuits demonstrates law frequently abused to stop projects crucial to meeting California’s environmental, social equity, and economic policies.”

- CEQA Working Group News Release 8/2015



# According to Holland & Knight, the projects most often targeted by CEQA lawsuits are Infill projects

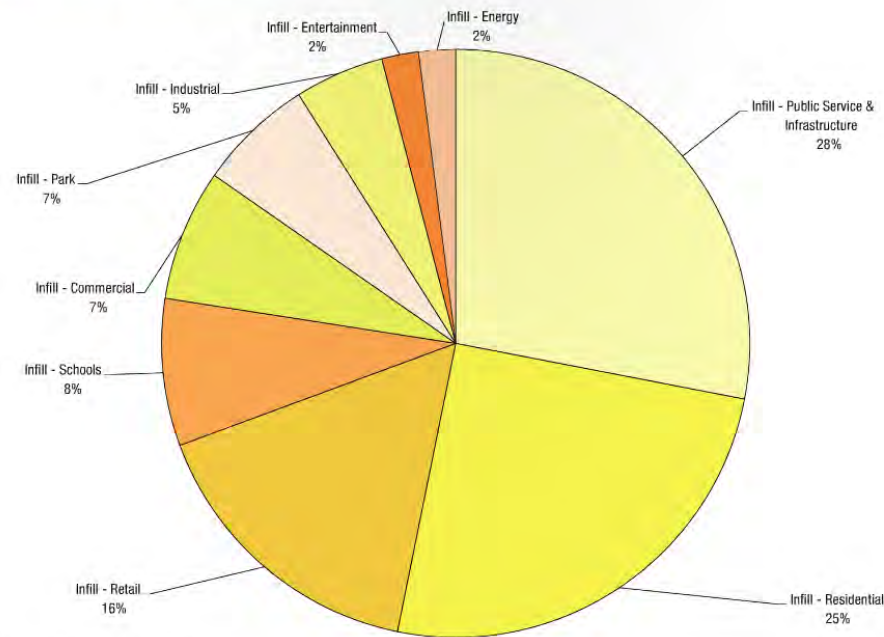
Figure 2  
CEQA Lawsuits Targeting Greenfield Versus Infill Projects  
(Select project types shown. See Tables 2B through 2D for all project types)



Source: Hernandez, J., Friedman, D. and DeHerrera S. 2015. In the Name of the Environment. Holland & Knight. P. 13

# Of those, the two biggest groups are Public Infrastructure (transit) and Residential Housing

Figure 3  
CEQA Lawsuits Targeting Infill Projects



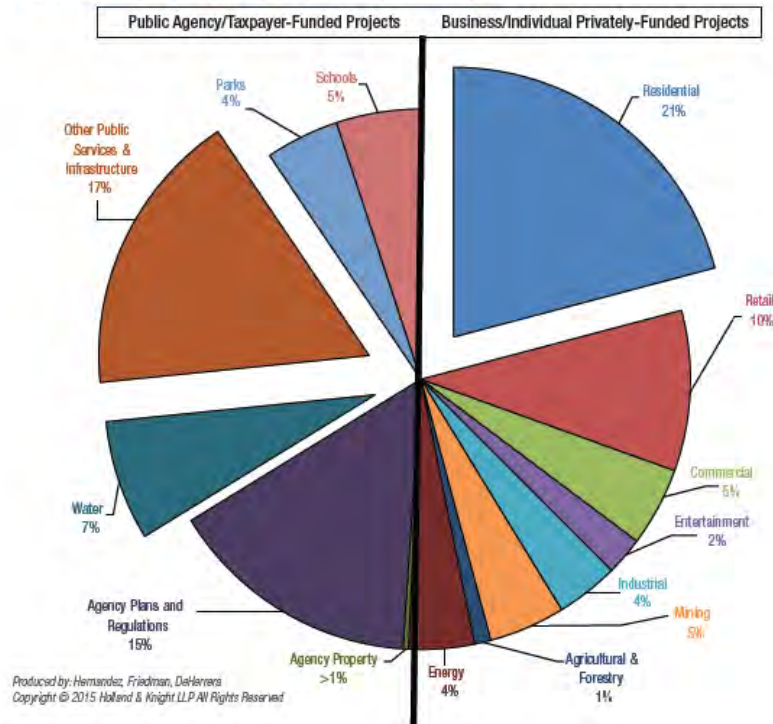
*Produced by: Hernandez, Friedman, Del Herrera  
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Source: Hernandez, J., Friedman, D. and DeHerrera S. 2015. In the Name of the Environment. Holland & Knight. P. 14



# And nearly half of the projects targeted by CEQA lawsuits are public, taxpayer-funded projects

Figure 1  
CEQA Lawsuits Targeting Taxpayer-Funded and Privately-Funded Projects



Source: Hernandez, J., Friedman, D. and DeHerrera S. 2015. In the Name of the Environment. Holland & Knight. P. 10



Holland & Knight's study presents a difficult paradox about CEQA:

The most commonly challenged projects are the types of projects that California's landmark environmental legislation, the California Global Warming Solutions Act (AB 32) and the Sustainable Communities and Climate Protection Act (SB 375) mandate must be built.



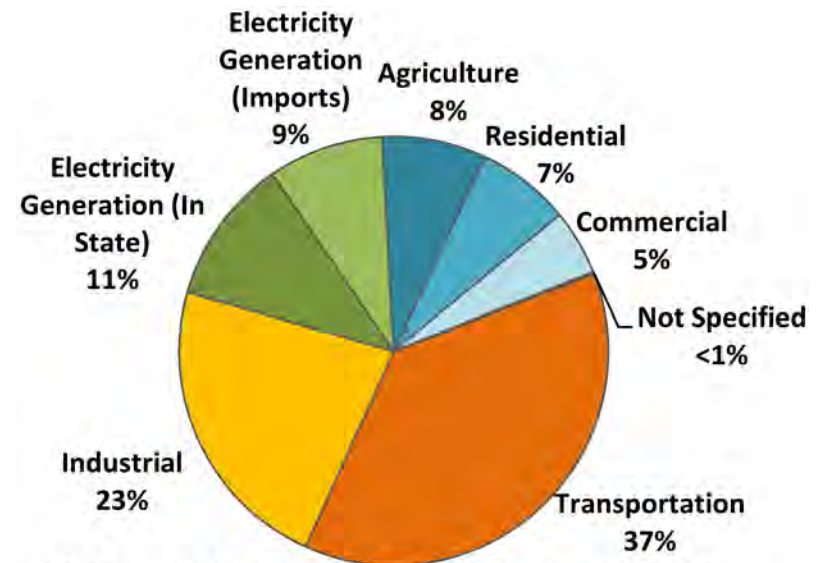
## This concerns us greatly.

- We want to expand to LA County public transit.
- We must build more housing to meet crisis-level needs.
- And we want this investment to move forward before another economic downturn.
- We're not alone in having huge concerns...

## Governor Jerry Brown shares our concern

- California's **Transportation Sector** accounts for **37% of our GHG Emissions** - the single greatest emitter
- 2015 CARB Scoping Plan for AB 32 GHG Reduction Strategy Relies on Transportation and Land Use Projects

2013 Statewide GHG Emissions by Sector



**2013 Total CA Emissions: 459.3 MMTCO<sub>2</sub>e**

Source: California Air Resources Board. May 6, 2015.  
Annual Greenhouse Gas Inventory.

## The Governor's Reform Focus:

- Efficiency improvements
- Substance improvements
- Technical improvements



# Updates to CEQA Guidelines for TODs

## SB 226 - Streamlining for Infill Projects

- Limits the impacts that are reviewed at the project level for eligible infill projects where those impacts have already been addressed at some higher planning level decision
- Update already in effect

## SB 743 - Changing Transportation Analysis Effects in CEQA

- Directs Office of Planning and Research (OPR) to develop revisions to the transportation impacts criteria for CEQA
- Preliminary draft sets forth new methodology replacing Level of Service standards with a Vehicle Miles Traveled metric
- This is still under development

## SB 743 - Transit Oriented Development

- Exemption from CEQA for certain qualifying TODs that are consistent with an adopted sustainable communities strategy
- Aesthetic and parking impacts are not considered significant impacts for qualifying infill TODs

**OUR FOCUS:**  
Support reform at the local  
level to expedite EIR process

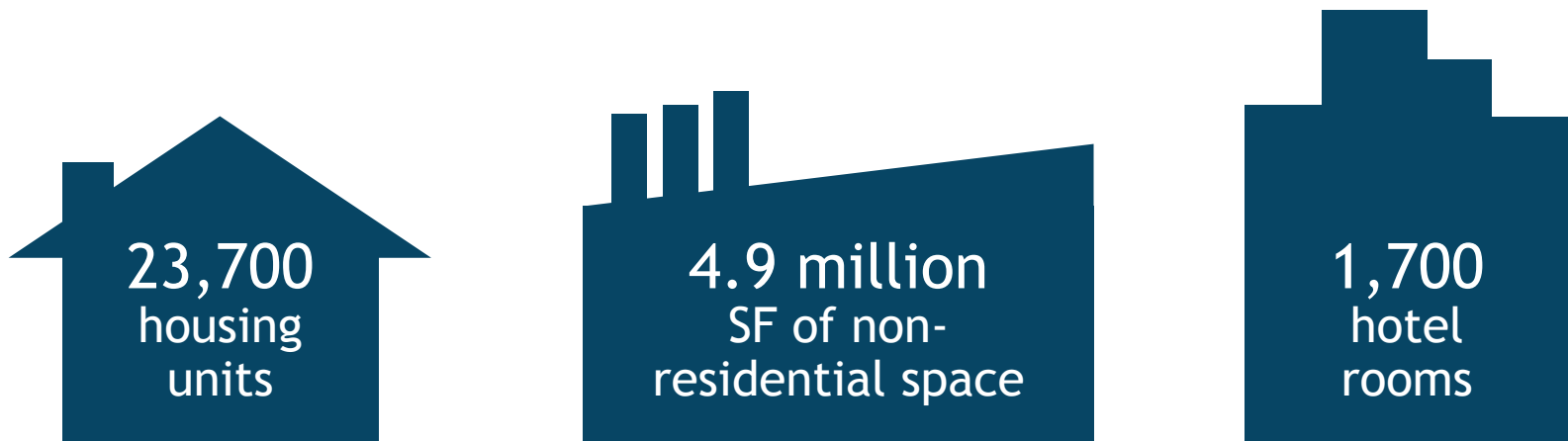
## HOUSE LA Initiative (Cedillo)

- Modifications to Site Plan Review Ordinance
- Permitting micro unit housing
- Deferred building fees
- Expanding the use of shared vehicles
- Facilitating accessory dwelling units
- Using city-owned land as sites for affordable housing
- Expand Planning's Expedited Case Processing Section - Expediting EIR Process



## A Closer Look

49 EIRs pending in City Planning's pipeline represent\*:



\*This does not include the City's 170 pending MNDs

## HOUSE LA: Expediting EIR Process

- Recommends expanding Department of City Planning's Expedited Case Processing Section (EPS) to provide expedited services to projects requiring a full EIR.
- EPS provides a faster alternative to processing entitlement applications. Cases are expedited for an additional fee paid by the applicants and can yield a 30% to 50% time savings over the traditional process.
- Already precedent in City Planning for using city-selected technical environmental consultants to assist with review and preparation of EIRs
- Reducing the 12-18 month (or longer) approval process for an EIR can help make significant gains toward our housing goals and reach those goals faster.
- Development community has indicated willingness to pay for this service
- LA City Planning's pipeline includes more than 600 pending environmental cases, including 49 projects requiring a full EIR, approx. 170 cases with a Mitigated Negative Declaration, and 12 Negative Declarations (as of October 2015)



## From LABC's Perspective...

- Exploitation of CEQA - delays in the approval process and litigation - must be addressed in order to meet vital policy objectives in urban areas: housing production, transit expansion and renewable energy growth.
- We're advocating for measures to speed up the process to comply with CEQA in order to meet critical public policy goals.
- In addition to discussing CEQA reform, we also need to work with city departments and local policymakers to identify solutions and best practices we can try in LA that may improve the compliance process.