

Date of Hearing: August 12, 2013

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Ed Chau, Chair

SB 359 (Corbett) – As Amended: April 1, 2013

SENATE VOTE: 36-0

SUBJECT: Environment: CEQA exemption: housing projects.

SUMMARY: Increases the maximum retail use from 15 percent of floor area to 25 percent of building square footage in the definition of "residential" for purposes of the existing California Environmental Quality Act (CEQA) exemption for infill housing projects meeting specified criteria.

EXISTING LAW

- 1) Exempts from CEQA a residential infill project of not more than 100 units on a site not more than four acres in size that is located in an urbanized area and within one-half mile of a major transit stop (Public Resources Code Section 21159.24).
- 2) Defines "residential" for purposes of the infill exemption to mean a use that consists of either residential units only or residential units and primarily neighborhood-serving goods, services, or retail uses that do not exceed 15 percent of the total floor area of the project (Public Resources Code Section 21159.24).

FISCAL EFFECT: According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

COMMENTS:

CEQA provides a process for evaluating the environmental effects of applicable projects undertaken or approved by public agencies. If a project is not exempt from CEQA, the lead agency must prepare an initial study to determine whether the project may have a significant effect on the environment. If the initial study shows that there would not be a significant effect on the environment, the lead agency must prepare a negative declaration. If the initial study shows that the project may have a significant effect on the environment, the lead agency must prepare an environmental impact report (EIR).

Generally, an EIR must accurately describe the proposed project, identify and analyze each significant environmental impact expected to result from the proposed project, identify mitigation measures to reduce those impacts to the extent feasible, and evaluate a range of reasonable alternatives to the proposed project. Prior to approving any project that has received environmental review, an agency must make certain findings. If mitigation measures are required or incorporated into a project, the agency must adopt a reporting or monitoring program to ensure compliance with those measures.

SB 1925 (Sher), Chapter 1039, Statutes of 2002, exempted from CEQA certain residential projects providing affordable urban or agricultural housing or located on an infill site within an

urbanized area and meeting specified unit and acreage criteria. The stated intent of the Legislature in enacting those provisions included “creating a streamlined procedure for agricultural employee housing, affordable housing, and urban infill housing projects that do not have an adverse effect on the environment.”

With respect to the exemption for infill housing, projects that include neighborhood-serving services and retail in addition to residential units qualify so long as the non-residential space does not exceed 15 percent of the total floor area of the project. SB 359 increases that percentage to 25 percent and replaces the term floor area with building square footage. The two terms are functionally identical.

According to the author:

"Over the last decade, smart growth planning principles have continued to encourage the integration of residents' day-to-day needs within close proximity of where they live. This type of design encourages lower vehicle miles traveled (VMT) due to local residents' ability to access stores and services by walking or biking instead of traveling by car. Lowering VMT improves air quality, reduces greenhouse gas (GHG) emissions, lessens the need for new roads, and extends the life of existing roads.

One method pursued by many local jurisdictions to implement VMT-reducing policies is by encouraging building design that incorporates ground-floor retail, such as coffee shops and corner stores, with residential housing on the floors above. For projects using this design, however, the current 15% (or 1/7) limit for neighborhood-serving uses confines the use of this exemption to only those projects that are at least seven stories tall. This is much taller than many jurisdictions allow, even though the project would otherwise meet all other infill and environmental review requirements. An increase to 25% (or 1/4) of the total building square footage would allow for a four-story project of this type to meet the exemption requirements."

This bill was also referred to the Natural Resources Committee, where it passed on June 24 with a vote of 9-0.

REGISTERED SUPPORT / OPPOSITION:

Support

American Planning Association, California Chapter
California State Association of Counties
Urban Counties Caucus

Opposition

None on file

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