

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: February 6, 2020

TO: Honorable Members of the Rules, Elections & Intergovernmental Relations Committee

FROM: Sharon M. Tso *ST* Council File No: 20-0002-S2
Chief Legislative Analyst Assignment No: 20-01-0042

SUBJECT: Resolution (Ryu - Wesson) to Support AB 1907 (Santiago)

CLA RECOMMENDATION: Adopt the Resolution (Ryu - Wesson) to include in the City's 2019-2020 State Legislative Program, SUPPORT for AB 1907 (Santiago) which would create a California Environmental Quality Act (CEQA) exemption for public agencies providing emergency shelters, supportive housing, or affordable housing until January 1, 2029.

SUMMARY

The Resolution (Ryu - Wesson), introduced January 14, 2020, advises that the homelessness crisis has continued to affect both the State of California and the City of Los Angeles, with the State homeless population increasing sixteen percent to 151,000 individuals last year. In 2016 voters overwhelmingly approved Proposition HHH and Measure JJJ in order to address both the problem of homelessness and lack of affordable housing. The City of Los Angeles has taken steps to address the issue by declaring a shelter emergency, which allows the City to construct new shelters with minimal health and safety standards and allows shelters to operate year-round. CEQA requires that projects undergo an environmental review study to determine the extent of a project's impact on the surrounding environment. This process can add over a year to a project timeline, can result in increased costs, and has often been used by a project's opponents to slow down or otherwise stop a project from moving forward.

The Resolution further advises that AB 1907 (Santiago) is currently pending in the California State Assembly and would create a CEQA exemption for public agencies providing emergency shelters, supportive housing, and/or affordable housing until January 1, 2029. Exemptions under AB 1907 would allow cities to address the insufficient affordable housing supply, help provide the homeless with the supportive services that they need, and to construct shelters for the most vulnerable populations living on the streets. Allowing for this exemption would allow public agencies to respond appropriately to the urgency of the housing and homelessness crisis, and deliver desperately needed shelter and services as needed.

The Resolution recommends that the City support AB 1907 which would create a California Environmental Quality Act (CEQA) exemption for public agencies providing emergency shelters, supportive housing, or affordable housing until January 1, 2029.

BACKGROUND

The California Environmental Quality Act (CEQA) is the State environmental law intended to disclose the potential effects that a project may have on its immediate surroundings. The law requires an initial study be undertaken to determine the environmental effects of a project on its surroundings. If the environmental effects are determined to be substantial, an Environmental Impact Report (EIR) must be produced to

disclose the scale of those environmental effects. CEQA has often been criticized as overly complicated and an impediment to development in California. Projects that declare no environmental impact or a mitigated negative declaration can often be delayed through requests for a full EIR. The CEQA approval process itself can take over a year and has often delayed controversial projects.

In September 2019, Governor Newsom signed AB 1197 (Santiago), which would create an exemption from the CEQA process for emergency homeless shelters in Los Angeles, into law. Although the law provides relief to shelter projects that have received State funding, affordable housing projects were not included. Furthermore, the law is limited to public agencies in Los Angeles and has a sunset date of January 1, 2025.

The City of Los Angeles is currently developing twenty nine “A Bridge Home” shelter projects, many of which are at differing stages in the development process. Sixteen shelter projects have either been completed or are currently under constructions. Two shelter projects have been the subject of lawsuits based on alleged violations of CEQA. The shelter planned for the Metro Bus Yard in Council District 11 was impeded by a lawsuit that alleged that the project would violate CEQA by producing noise and litter, thereby affecting public safety. An injunction to halt construction was sought as a part of the suit but was ultimately denied. Despite AB 1997’s focus on Los Angeles, the CEQA process or lawsuits related to CEQA have affected shelter projects in other cities as well.

AB 1907 was introduced on January 8, 2020 and would create a CEQA exemption for public agencies providing emergency shelters, supportive housing, or affordable housing until January 1, 2029. The bill expands on the provisions of AB 1197 by including supportive housing and affordable housing projects in California as eligible for a CEQA exemption. In order to be eligible for an exemption, an affordable housing project must be 100 percent affordable, subject to an affordability covenant for 55 years, and be funded fully, or in part, by HOME Investment Partnerships Program or the Community Development Block Grant. If passed, AB 1907 would be effective until January 1, 2029.


Support for AB 1907 is consistent with past City efforts to protect provide affordable housing, provide shelter and supportive housing for the homeless, and implement solutions to the homeless and housing crisis as urgently and expeditiously as possible.

DEPARTMENTS NOTIFIED

Housing and Community Investment Department

BILL STATUS

01/08/20	Introduced
01/30/20	Referred to Committee on Housing and Community Development and the Committee on Natural Resources.


Andy Galan
Analyst

Attachments: 1. Resolution (Ryu – Wesson)

RESOLUTION RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the homelessness crisis has continued to affect both the State of California and the City of Los Angeles, with the State homeless population increasing sixteen percent to 151,000 individuals last year; and

WHEREAS, in 2016, voters overwhelmingly approved Proposition HHH and Measure JJJ in order to address both the problem of homelessness and lack of affordable housing; and

WHEREAS, the City of Los Angeles has taken steps to address the issue by declaring a shelter emergency, which allows the City to construct new shelters with minimal health and safety standards and allows shelters to operate year-round; and

WHEREAS, the California Environmental Quality Act (CEQA) requires that projects undergo an environmental review study to determine the extent of a project's impact on the surrounding environment; and

WHEREAS, CEQA can add over a year to a project timeline and has often been used by a project's opponents to slow down or otherwise stop a project from moving forward; and

WHEREAS, in addition to longer project timelines, the State CEQA process can result in increased costs for projects; and

WHEREAS, AB 1907 (Santiago), currently pending in the California State Assembly, would create a CEQA exemption for public agencies providing emergency shelters, supportive housing, and/or affordable housing until January 1, 2029; and

WHEREAS, exemptions under AB 1907 would allow cities to address the insufficient affordable housing supply, help provide the homeless with the supportive services that they need, and to construct shelters for the most vulnerable populations living on the streets; and

WHEREAS, allowing for this exemption would allow public agencies to respond appropriately to the urgency of housing and homelessness crisis, and deliver desperately needed shelter and services as needed;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 State Legislative Program SUPPORT for AB 1907 (Santiago) which would create a CEQA exemption for public agencies providing emergency shelters, supportive housing, or affordable housing until January 1, 2029.

PRESENTED BY: _____
DAVID RYU
Councilmember, 4th District

SECONDED BY: _____

20-0002-52

JAN 14 2020