


**REPORT OF THE  
CHIEF LEGISLATIVE ANALYST**

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DATE: February 6, 2020

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

FROM: Sharon M. Tso   
Chief Legislative Analyst

Council File No: 19-0002-S185  
Assignment No: 20-01-0052

SUBJECT: Resolution (Ryu – Harris-Dawson – Buscaino) to sponsor and/or support legislation that would exempt affordable housing developments and supportive housing from environmental review

CLA RECOMMENDATION: Adopt Resolution (Ryu – Harris-Dawson – Buscaino) to include in the City’s 2019-2020 State Legislative Program, SPONSORSHIP and/or SUPPORT for legislation that would exempt from the California Environmental Quality Act (CEQA) all housing development with 50 percent or more units set aside for homeless housing, as well as affordable housing developments with 100 percent affordable or supportive housing units in the City of Los Angeles.

SUMMARY

Resolution (Ryu – Harris-Dawson – Buscaino), introduced November 15, 2019, advises that the homelessness and housing affordability crisis has impacted every community throughout California, with no area experiencing the crisis more deeply than Los Angeles. The 2019 Point-In-Time Count of homeless individuals in the City determined that Los Angeles has approximately one-quarter of the state total, and a recent study of Statewide housing needs concluded that over 500,000 units of affordable housing are needed in Los Angeles County. To address these problems, the Mayor and Council established the “A Bridge Home” program to develop shelter for homeless residents, with approximately 30 potential sites identified Citywide, and helped pass the \$1.2 billion Proposition HHH homeless housing bond to help develop up to 10,000 supportive and affordable housing units.

The Resolution further advises that the State Legislature and the governor have taken actions to assist localities including the City of Los Angeles, by amending Government Code 8698.4 and passing AB 1197 (Santiago) to streamline the development of homeless shelter and affordable housing by exempting these projects from the California Environmental Quality Act. Although CEQA is designed to require State and local agencies to identify any significant environmental impacts of developments and to avoid or mitigate those impacts, if feasible, the homeless, housing, and affordability crisis currently being experienced in California presses upon the State to further streamline the development of homeless and affordable housing. To build off of the State’s recent actions to provide time-limited exemptions from CEQA for certain shelter and supportive housing developments in Los Angeles, the State should further extend CEQA exemption for all homeless housing, as well as affordable housing developments in the City with 50 percent of more affordable housing or supportive housing units.

The Resolution recommends that the City sponsor and/or support legislation that would exempt from the CEQA all housing development with 50 percent or more units set aside for homeless housing, as well as affordable housing developments with 100 percent affordable or supportive housing units in the City of Los Angeles.

## BACKGROUND

In 2016, Los Angeles voters approved Proposition HHH to allow the issuance of \$1.2 billion dollars in General Obligation bonds for the purpose of funding supportive housing. Voters also approved Measure H to fund supportive services for homeless individuals. The State has additionally dedicated funding through programs such as the Homeless Emergency Aid Program, the Homeless Housing, Assistance, and Prevention Program, and the No Place Like Home Program.

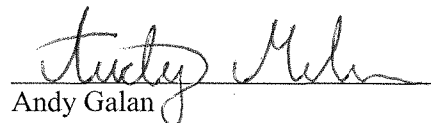
The California Environmental Quality Act (CEQA) is the State environmental law intended to disclose the potential effects that a project may have on its immediate surroundings. The law requires an initial study be undertaken to determine the environmental effects of a project on its surroundings. If 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 into law AB 1197 (Santiago) which would create an exemption from the CEQA process for emergency homeless shelters in Los Angeles. Although the law provided relief to shelter projects that had received State funding, affordable housing was not included. The law itself was also limited solely to public agencies in Los Angeles. On January 8, 2020, Assemblyman Santiago introduced AB 1907 which 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.

Sponsorship and/or support for legislation that would exempt form CEQA housing developments with 50 percent or more units set aside for homeless housing, as well as housing developments with 100 percent affordable or supportive housing units is consistent with past City efforts to protect increase production of housing, provide shelter for the homeless, and expedite projects to address the homeless and housing crisis.

## DEPARTMENTS NOTIFIED

Housing and Community Investment Department

  
Andy Galan  
Analyst

Attachments: 1. Resolution (Ryu – Harris-Dawson – Buscaino)

RESOLUTION

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 and housing affordability crisis has impacted every community throughout California, with no area experiencing this crisis more deeply than Los Angeles; and

WHEREAS, the 2019 Point-In-Time Count of homeless individuals identified over 36,000 homeless individuals in the City, approximately one-quarter of the State total, and a recent study of statewide housing needs concluded that over 500,000 units of affordable housing are needed in Los Angeles County; and

WHEREAS, to address these problems, the Mayor and Council established the A Bridge Home program to develop shelter for homeless residents, with approximately 30 potential sites identified Citywide, and helped pass the \$1.2 Billion Proposition HHH homeless housing bond to help develop up to 10,000 supportive and affordable housing units; and


WHEREAS, the State legislature and the Governor have taken actions to assist localities, including the City of Los Angeles, by amending Government Code 8698.4 and passing AB 1197 (Santiago) to streamline the development of homeless shelter and affordable housing by exempting these projects from the California Environmental Quality Act; and


WHEREAS, although CEQA is designed to require State and local agencies to identify any significant environmental impacts of developments and to avoid or mitigate those impacts, if feasible, the homeless, housing, and affordability crisis currently being experienced in California presses upon the State to further streamline the development of homeless and affordable housing; and

WHEREAS, to build off of the State's recent actions to provide time-limited exemption from CEQA for certain shelter and supportive housing developments in Los Angeles, the State should further extend CEQA exemption for all homeless housing, as well as affordable housing developments in the City with 50 percent or more affordable or supportive housing units;

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 2019-20 State Legislative Program to SEEK/SPONSOR or SUPPORT legislation that would exempt from the California Environmental Quality Act all housing developments with 50 percent or more units set aside for homeless housing, as well as housing developments with 100 percent affordable or supportive housing units in the City of Los Angeles.

19-0002-5185

PRESENTED BY:   
DAVID RYU  
Council member, 4<sup>th</sup> District

SECONDED BY: 

jr

NOV 15 2019