

Members of the business community are smelling blood when it comes to [effectively dismantling environmental review statutes](#) like the California Environmental Quality Act (CEQA). They now have a political opening with the high unemployment rate, some well-publicized [bad outcomes](#) of CEQA litigation, and examples of lawsuits by [rival businesses](#) abusing the process for competitive purposes and not for environmental ends. The New York Times [picked up the thread](#) recently about the battles in California, and Governor Brown has been [generally supportive](#).

I frequently hear developers who focus on infill projects in urban areas joining the chorus. But making CEQA Public Enemy #1 for infill development doesn't make sense. Certainly CEQA can be a problem for individual projects, creating uncertainty that hampers investment, lawsuits that drive up costs and diminish projects, and a cumbersome entitlement process built around avoiding lawsuits. But when it comes to the big factors stopping infill, at least in California, CEQA ranks below a host of [other barriers](#), such as local zoning codes that outlaw infill, lack of infrastructure investment, high construction costs, tax incentives that favor strip malls over housing, and poor neighborhood schools.

But don't take my word for it. The Governor's Office of Planning and Research released its [2012 annual survey results](#) of California's local governments. Of the 423 cities (88% of all cities) and 49 counties (84% of all counties) responding to the survey, less than 5% cited CEQA as the primary barrier to infill development. Instead, the big "winners" were infrastructure constraints, lot issues, lack of funding, community opposition, and the economy, among others. CEQA was way down on the list (see the chart below from p. 24 of the survey). This finding of the relative unimportance of CEQA to urban development patterns corresponds to my and Ed Stone's [survey of affordable housing developers](#) back in 2006, which also found CEQA to be a low priority factor in the state's provision of affordable housing.

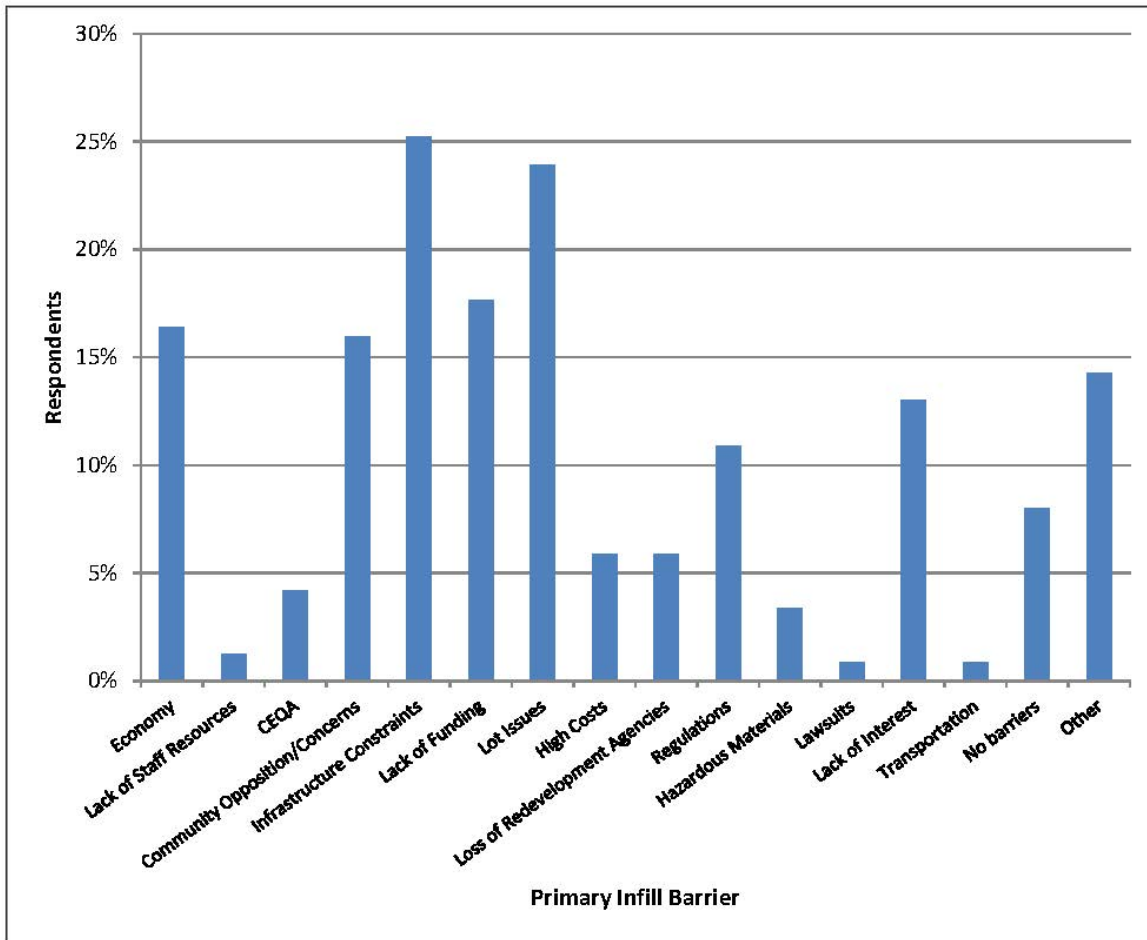


FIGURE 36. PRIMARY BARRIERS EXPERIENCED BY JURISDICTIONS IN IMPLEMENTING INFILL PROJECTS.

So why do infill developers make such a big deal about CEQA? My theory is that individual developers will be focused solely on their own projects, and if CEQA is a threat to their investment and risk-taking, they will understandably become CEQA haters. But perhaps this project-based focus distorts the view of the larger forces that stifle infill business opportunities throughout the state, such as in the suburb with the major rail line that won't zone for more downtown development or the rundown neighborhood near jobs and services that needs new infrastructure. Ending CEQA tomorrow won't magically lift these barriers and create new infill opportunities, and it won't convince local communities to support new downtown development. Ultimately, the hard work of building a better California won't take place in a backroom CEQA negotiation in Sacramento. It will happen community by community — ideally with the input of local developers. A statewide CEQA "fix" alone won't get us there.