



Beginning today, California's "Little Hoover Commission" will convene a series of three public hearings to consider how well-or poorly-the state's California Environmental Quality Act (CEQA) is currently working. A special focus of the Commission's deliberations will be whether and to what extent California's most important and overarching environmental law is impeding efforts by the Legislature and Governor Newsom to address the state's chronic and well-documented housing crisis.

The Little Hoover Commission's upcoming CEQA hearings-along with recent events that have prompted them-could quite possibly lead to the first systematic revisions to CEQA in decades. Whether that's a good or bad thing will be a topic of robust public debate in the coming months.

The Little Hoover Commission is an independent California oversight agency that was created in 1962. Its mission is to investigate state government operations and policy and, through reports and legislative proposals, make recommendations to the Governor and Legislature "to promote economy, efficiency and improved service in state operations." Assiduously nonpartisan and apolitical, the Little Hoover Commission has garnered widespread respect and praise over its 61-year history from across the political spectrum.

CEQA, in contrast, has been a controversial law almost from the time it was enacted by the Legislature and signed into law by then-Governor Ronald Reagan 53 years ago. California's "look before you leap" law requires that state and local governments prepare an environmental analysis in advance of any proposed project they undertake or approve that could trigger a substantial adverse change to California's physical environment.

The law was a mere four pages long when it was created in 1970. But CEQA has grown exponentially since then-180 pages and counting-and generated implementing regulations approaching 300 pages in length. CEQA imposes key responsibilities on all three branches of state government. It employs a small army of private and government planners and

attorneys. And it is a topic of ongoing, often-fierce debate between its environmental proponents and many private sector critics.

Over the past half-century, the California Legislature has resisted making any major, programmatic changes to CEQA. Instead—and until quite recently—state legislators have simply taken a piecemeal approach to CEQA “reform” by exempting certain favored projects on a case-by-case basis. (Two prominent, sports-related examples are the Legislature’s exemption of Los Angeles’ preparations for and hosting of the 1984 Summer Olympic games and, more recently, CEQA exemptions for a variety of new sports arenas and stadiums throughout California.)

Then along came California’s housing crisis.

Over the past two decades, California’s shortage of available housing—particularly low- and moderately-priced housing—has steadily worsened. It has helped trigger a concomitant homelessness crisis, and has resulted in the highest housing costs in the entire nation.

Over the past decade, California legislators have debated and enacted a succession of increasingly-stringent state housing reforms designed to promote needed new housing-focused especially on the needs of low and moderate-income residents. Frustrated by local governments’ perceived failure to take meaningful steps to address California’s housing crisis, the Legislature has passed—and Governors Jerry Brown and Gavin Newsom have signed—a series of new laws that restrict the power of cities and counties to disapprove such housing projects.

Enter CEQA.

For a number of years now, NIMBY groups have seized upon CEQA as their legal tool of choice to fend off proposed new housing projects in their communities. At times they do so with the covert or overt support of local government officials who are reluctant to alienate the constituents who’ve voted them into office.

And a number of these CEQA lawsuits have proven successful. The City of Berkeley has become Ground Zero in recent CEQA-vs.-new housing legal and political battles: last year, Berkeley residents relied on CEQA to successfully oppose U.C. Berkeley’s plan to build critically-needed new student housing on or adjacent to campus. They convinced a trial court to cap freshman admissions to U.C. Berkeley as a remedy for what the judge deemed to be U.C.’s deficient environmental analysis of the project under CEQA. (The Legislature promptly exempted the University of California’s admissions process from CEQA’s

mandates.) Earlier this month, an appellate court found the University's plan to build urgently-needed student housing on a portion of Berkeley's iconic "People's Park" site—which has devolved from the iconic center of the 1960's Free Speech Movement into a crime-plagued homeless encampment—to be deficient under CEQA. The justices halted the project from going forward pending a do-over of the project's environmental analysis. That prompted an angry blast from the normally buttoned-down Governor Newsom, who charged that CEQA was being misused by opponents of new student housing.

Several other well-publicized legal battles from around the state over new housing projects opposed on CEQA grounds have similarly generated substantial publicity and heated public controversy.

While there has been longstanding, generalized debate between CEQA's supporters and detractors, the perception in some quarters that CEQA is being weaponized to defeat much-needed California housing developments has both ratcheted up that debate and focused it directly on CEQA's application to California housing projects.

Which brings us back to the Little Hoover Commission and its upcoming hearings on potential "reforms" to CEQA. In recent months, a number of California's political leaders have urged the Legislature to fundamentally revise CEQA in face of the housing controversy, and suggested that the Commission examine the issue as part of that process.

In announcing its three scheduled hearings on CEQA (scheduled for March 16th, April 13th and April 27th), the Little Hoover Commission states [on its website](#) that it will "evaluate the nature and extent of CEQA's impact on housing, land use, and other issues. The Commission will also explore the present state of the CEQA process and consider whether changes to CEQA or the CEQA process may be merited..."

To be sure, recent developments strongly suggest that the relationship between CEQA and proposed new housing projects—especially those in already urbanized areas of California with existing infrastructure and mass transit resources—needs to be better reconciled. And this is not a policy debate that can be resolved simply through a series of "one-off," legislatively-devised CEQA exemptions. A more comprehensive review and set of potential reforms is needed.

However, the Legislature and Governor Newsom should not view this current "grinding of CEQA/housing gears" as an opportunity to radically revise—or even eviscerate—California's landmark environmental law. Numerous academic studies have documented the many ways in which CEQA has served to protect and preserve California's environment, while

promoting a healthier population and state economy over the past half-century.

State leaders would instead do well to await the conclusion of the Little Hoover Commission's upcoming hearings and the issuance of its report on potential CEQA reforms before taking legislative action. A legislative scalpel is needed here, not application of a sledgehammer to CEQA.