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MEMO

To: City of Cupertino
Legislative Review Committee

From: Townsend Public Affairs, Inc.

Date: June 19, 2020

Subject: Consider adopting a position on Senate Bill 995 (Atkins) – Jobs and Economic Development Through Environmental Leadership Act of 2011: housing projects

Summary

This bill would extend the Jobs and Economic Improvement Through Environmental Leadership Act of 2011 (the Act) for four years, until 2025. Additionally, the measure makes housing projects that meet certain requirements, including affordable housing requirements, eligible for certification under the Act.

In order to be eligible for expedited judicial review of CEQA challenges afforded under the Act, a housing project must:

- Be located on an infill site.
- Be consistent with the general use designation, density, building intensity, and applicable policies specified in either a sustainable communities strategies or an alternative planning strategy.
- Result in a minimum investment of \$15 million upon completion (reduced from the current \$100 million investment requirement).
- Contain at least 15% affordable housing.

To date, ten of the nineteen projects that applied as Environmental Leadership Development Projects (ELDP) have included a housing component. These projects range in size from 210 residential units (West Yucca project in Los Angeles) to 3,000 residential units (Oakland Athletics Stadium project). As yet, none of the ten projects have been completed.

Status

SB 995 was approved by the Senate Environmental Quality Committee on May 29th on a 5-0 vote. The measure is currently in the Senate Appropriations Committee and has been referred to the Suspense File. The measure is currently set to be considered on June 18th.

Support

According to the Senate Environmental Quality Committee, “SB 995 adds a new category of projects that could qualify for AB 900 certification - affordable housing projects. To qualify, the

project must, among other things, be located on an infill site, be consistent with a sustainable community strategy or alternative planning strategy, have at least 15% of the project be dedicated to affordable housing, and must result in a minimum investment of \$15 million in California. In comparison, ELDP residential projects currently are subject to LEED Gold, do not have a minimum affordable housing requirement, and are required to result in \$100 million investment in California. By lowering the investment requirement, removing the LEED component, and imposing a minimum affordable housing requirement, SB 995 provides an incentive for the development of affordable housing projects”

Supporters of SB 902 include: Bay Area Council, California Assn. of Realtors, City of San Diego, Los Angeles Business Council, and San Francisco Bay Area Planning and Urban Research Assn. (SPUR).

Opposition

There is no official registered opposition to SB 995.

Potential Impact

SB 995 is intended to streamline the judicial review process for CEQA-based legal challenges to projects that meet specified criteria. Current law, enacted by AB 900, provides for an expedited 270-day judicial review process for CEQA challenges against projects that have been selected as ELDPs. Current law requires ELDP projects to perform an Environmental Impact Report (EIR) on the proposed project, as well as undertake the mitigation efforts identified within the EIR.

This measure will result in expedited review of projects that qualify under this bill, thereby potentially resulting in the reduction of time and costs associated with CEQA challenges to these projects.

Recommended Action

Adopt a support position for SB 995 and authorize the Mayor to send letters to the state legislature.