CEQA Case Developments - Year in Review





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CEQA & Environmental Regulations Update

MCLE Credit Available Pending Approval

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In Person: Cal State East Bay Oakland Conference Center



CEQA Case Developments Year in Review

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Topics Covered

- Categorical Exemptions
- Environmental Impact Reports
- Subsequent CEQA Documents

Categorical Exemptions

Exemptions Discussed:

Class 32 Infill Exemption (§ 15332),

Historic Resources Projects (§ 15331)

Common Sense Exemption (§ 15061)

Projects Consistent with Community Plan/General Plan/Zoning (§ 15183).



Pacific Palisades Residents Assn., Inc. v. City of Los Angeles (2023) 88 Cal.App.5th 1338

- 4-story, 82-room eldercare facility proposed on a one-acre vacant, previously graded lot.
- Within densely developed residential subdivision and the inland portion of the coastal zone.
- Project consistent with commercial zoning, one story taller than tallest nearby buildings.
- Claims regarding scenic views, aesthetics, traffic, noise, threatened species, environmentally sensitive habitat, and fire and flood hazards.



Credit: LA Urbanize, https://la.urbanize.city/post/proposed-eldercare-facility-pacific-palisades-faces-appeal



Pacific Palisades Residents Assn., Inc. v. City of Los Angeles

- City of LA approved Coastal Development Permit and found exempt under Class 32 Infill Exemption. (CEQA Guidelines, § 15332.)
- Coastal Commission found "no substantial issue." (Pub. Res. Code, § 30625.)
- Trial court rejected all claims.
- Claims on appeal: (1) zoning compliance as to yards* (2) Project not eligible
 for Class 32 exemption, and (3) Project does not comply with Coastal Act
 requirements to protect ocean views/scenic coastal areas, and to be visually
 compatible.

^{*} Non-CEQA issues not addressed here, but noted for context.



Pacific Palisades Residents Assn., Inc. v. City of Los Angeles

- Neighbors claimed Project did not meet the first criterion under Class 32 due to inconsistencies with the Brentwood-Pacific Palisades Community Plan policies regarding architectural compatibility and views.
- Court applied deferential substantial evidence standard of review (i.e. could a reasonable person have reached the same conclusion).

Class 32 Requirements:

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- (c) The project site has no value as habitat for endangered, rare or threatened species.
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- (e) The site can be adequately served by all required utilities and public services.

(14 Cal. Code Regs, § 15332.)



Pacific Palisades Residents Assn., Inc. v. City of Los Angeles

Key Holdings/Rulings:

- Rejected neighbor's demand for "mandatory architectural uniformity."
- "Elected officials have latitude to weigh competing and subjective notions of beauty and blight" and the "judicial role" is to "defer to their judgment" when "substantial evidence supports it."
- "[P]lanning and zoning determinations are reviewed with greater deference" and it is "emphatically, *not* the role of the courts to micromanage" local agency decisions pertaining to whether a project is "in harmony with" policies stated in a general plan.



United Neighborhoods for Los Angeles v. City of Los Angeles (2023) 93 Cal.App.5th 1074

- 156-room hotel project, includes demolition of existing 40-unit rent-controlled apartment building subject to City's rent stabilization ordinance (RSO).
- City found Project exempt Class 32 Infill Exemption.
- Claim: project inconsistent with Housing Element policies and goals related to preservation of affordable housing (first criterion under Class 32).





United Neighborhoods for Los Angeles v. City of Los Angeles

Exhaustion:

- Rules: PRC 21177 (alleged grounds of non-compliance must be raised);
 "exact issue" must have been presented, but less specificity required in administrative proceedings; comments must "fairly apprise" public agency of the relevant issues.
- O Held: Any lack of specificity by UN in naming specific HE policies (UN only named HE goals) was not critical since UN's objections made clear it was concerned with the policies addressing preservation of affordable housing and "went well beyond 'generalized environmental comments."



United Neighborhoods for Los Angeles v. City of Los Angeles

• Standard of Review: Exemption determination reviewed for substantial evidence with deference to agency's "weighing of competing interests enshrined in the General Plan," but deference is not warranted as to which HE policies apply to the Project.

Holdings:

- HE policies pertaining to preservation of affordable housing <u>did apply</u> to the project as HE addresses both housing production *and* housing preservation.
- Written consistency findings not required, but "there must be some indication that the agency actually considered applicable policies."
- No indication that City weighed and balanced the HE policies pertaining to preservation of affordable housing.

COMPARE to Pacific Palisades: No deference where no evidence relevant to the specific policy.



United Neighborhoods for Los Angeles v. City of Los Angeles

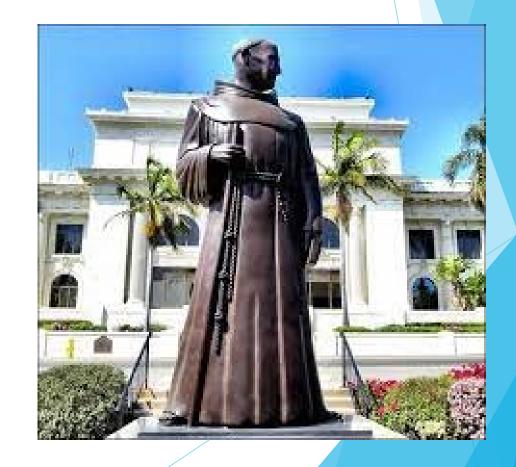
- Changes in Law SB 330 added new protections for "protected units" slated for demolition, which went into effect after the project was approved.
- Gov. Code 66300.6* An affected city or an affected county shall not approve:
 - a housing development project that will require the demolition of one or more residential dwelling units unless the project will create at least as many residential dwelling units as will be demolished.
 - a development project that will require the demolition of occupied or vacant protected units, or that is located on a site where protected units were demolished in the previous five years, unless specific requirements are satisfied, including that the project will replace all existing protected units and protected units demolished on/after January 1, 2020. (*Limited exceptions*: project is industrial use, project site's zoning does not allow residential uses, existing protected units were nonconforming.)

^{*} This language was originally codified in Government Code section 66300, but was moved into a new Sections 66300.5 and 66300.6 under **Assembly Bill 1218 (2023)**, which went into effect on January 1, 2024.



Coalition for Historical Integrity v. City of San Buenaventura (2023) 92 Cal.App.5th 430

- Statue of Junipero Serra, under 40 years old, once considered historic, more recent city report said not historic
- Statue was not on registers so not mandatory historical resource





Coalition for Historical Integrity v. City of San Buenaventura

- City determination that statue not historic supported by substantial evidence, including the recent study
- City properly relied on common sense exemption (Guideline 15061(b)(3) – where it can be seen with certainty that the action has no impacts)



Historic Architecture Alliance v. City of Laguna Beach (2023) 96 Cal.App.5th 186

 Project to renovate and expand historic singlefamily home, City applied Guideline 15331 exemption for historic resource projects that maintain or repair consistent with Secretary of Interior standards





Historic Architecture Alliance v. City of Laguna Beach (2023) 96 Cal.App.5th 186

- Court held substantial evidence supported City determination that project complied with Interior standards
- Court rejected claims that fair argument should apply
 that standard applies when evaluating whether impacts
 to historic resources are an exception that defeats the use
 of an otherwise applicable exception but whether an
 action fits within exemption in the first instance is a
 substantial evidence question

Bay Planning Coalition

Lucas v. City of Pomona (2023) 92 Cal.App.5th 508



Applied substantial evidence review to uphold exemption for Commercial Cannabis Overlay.

- Guideline § 15183 exempts projects "consistent with the development density established by existing zoning, community plan, or general plan policies."
- "Consistent" means "the density . . . is the *same or less* than . . . in the general plan, community plan or zoning action for which an EIR has been Certified." (Id., § 15183(i)(2).)
- Lack of specific "density" standard did not preclude use of exemption.
- Uses (e.g., cannabis) not expressly included in land use plans may still
 qualify for exemption if sufficiently similar to uses and intensities allowed
 under zoning.

Environmental Impact Reports



East Oakland Stadium Alliance v. City of Oakland (2023) 89 Cal.App.5th 1226

- EIR for Oakland waterfront ballpark and related mix of uses—Court upheld EIR in most respects:
 - Upheld "no net increase" GHG mitigation against deferral claim City committed to mitigation, and ways to achieve it described.
 - General comments on rail safety and call for permanent closure of crossing did not adequately apprise City of claim that temporary closure of crossing should be considered as mitigation.
 - Project description adequately described existing contamination no recirculation required due to new report and Remedial Action Plan that expanded on information already discussed in EIR.



East Oakland Stadium Alliance v. City of Oakland

 However, wind mitigation improperly deferred – project sponsor would work with consultant to develop feasible measures; no specific performance criteria for satisfying City wind standard.





Yerba Buena Neighborhood Consortium v. Regents of Univ. of Cal. (2023) 95 Cal.App.5th 779

Upheld EIR analyzing major remodel and increase in density at UCSF's Parnassus campus, with five key rulings:

- EIR not required to analyze an offsite alternative:
 - > EIR not required to include both alternatives to the project and its location; and
 - CEQA "alternatives" are to the project as a whole, not to only one component i.e., one building in a campus-wide redevelopment plan.
- EIR incorrectly concluded that public transit delay is not a CEQA impact, but error
 not prejudicial because EIR provided sufficient information on the potential impact.



Yerba Buena Neighborhood Consortium v. Regents

- Not required to preserve historically significant buildings even if they could be repaired and reused—an alternative may be rejected as infeasible if it "impractical or undesirable from a policy standpoint."
- EIR not required to analyze aesthetic impacts because project met the criteria of PRC § 21099(d)(1)—under the University's "functional zones," the project satisfied the criteria for "employment center projects" zoned for commercial use.
- EIR adequately identified mitigation measures for project's wind impacts, distinguishing East Oakland Stadium Alliance v. City of Oakland (2023) 89 Cal.App.5th 1226.



Claremont Canyon Conservancy v. Regents of Univ. of Cal. (2023) 92 Cal.App.5th 474

Rejected challenges to UC Berkeley's Wildland Vegetative Fuel Management Plan over 800 acres in the Oakland and Berkeley hills:

• Petitioners argued and trial court concluded that EIR's project description lacked important details about precise number of trees to be removed (*StoptheMillennium*) – project description requires "precise location and boundaries" (Guidelines § 15124) and must be "accurate, stable, and finite" (*Inyo v. Los Angeles*).





Claremont Canyon Conservancy v. Regents

- First District reversed, finding that "the EIR include[d] sufficient detail to enable the public to understand the environmental impacts associated with the Regents' plan. . . . "
- UC used fuel models to predict fire behavior and select four discrete management projects (e.g., fuel breaks); EIR also identified objective standards and criteria for vegetation and tree removal.
- It was unnecessary and infeasible to identify the exact number and location of trees to be removed due to changing conditions that demanded a flexible approach.



Tsakopoulos Investments, LLC v. County of Sacramento (2023) 95 Cal.App.5th 280

- Mather South Community Master Plan, 848 acres, 3,522 dwelling units, R&D park, two schools, 21 acres of retail, 44 acres of parkland, 157 acres of open space.
- County relied on 2017 Scoping Plan guidance regarding development of GHG thresholds, using the same percent reductions from 1990 levels as state climate reduction goals.

Claim: County's threshold used faulty methodology, namely, reliance on statewide data, conflicting with prior court decisions:

- Center for Biological Diversity v. Dept. of Fish & Wildlife (2015) 62
 Cal.4th 204
- Golden Door Properties, LLC v. County of San Diego (2018) 27
 Cal.App.5th 892





Tsakopoulos Investments, LLC v. County of Sacramento

Standard of Review: Factual determinations underlying agency decision on what methodologies to employ for analyzing environmental effects will warrant deference, whereas determinations of whether statutory criteria were satisfied is *de novo* review.

Holding: Upheld threshold because based on County-wide data and not state-wide data.

- Distinguished from <u>Center for Biological Diversity</u>: In developing the 2032 thresholds of significance, the County used the same framework (but not the same data) that the Air Board used in the 2008 Scoping Plan to calculate the County's 1990 greenhouse gas emission goals. The County tailored the data inputs to account for local conditions and different kinds of development.
- Distinguished from <u>Golden Door I</u>: Unlike San Diego County, which created a single threshold for all project types, County "developed different county-specific thresholds of significance for different sectors and then compared the estimated [GHG] emissions for the project's residential, commercial and industrial, and transportation sectors against those thresholds of significance."



Tsakopoulos Investments, LLC v. County of Sacramento

Unpublished portion:

- Qualitative analysis of construction related GHG emissions was adequate and County reliance on reduction of GHGs through compliance with Low Carbon Fuel Standard and implementation of other Air Quality mitigation measures was sufficient and complied with requirements of Guidelines Section 15064.4(a) for "good-faith effort based to the extent possible on scientific and factual data to describe, calculate or estimate the amount of [GHG] emissions resulting from the project."
- County did not fail to analyze human health impacts associated with criteria pollutants.
 - Discussion of Friant Ranch decision and Air District's Friant Ranch Interim Recommendation.
 - Record adequately disclosed why it was not feasible to correlate the Project's emissions with specific human health impacts based on then-available models and other tools.



Planning and Conservation League v. Dept. of Water Resources (2024) ____ Cal.App.___ (Jan. 5, 2024)

- DWR approved amendments to longstanding State Water Project contracts for use of water (originally executed in 1960s with 75-year terms through 2035/2042), extending them to 2085 and allowing additional facilities to get bond financing.
- EIR found no significant impacts because no physical change, just an extension of financing and bond provisions.
- DWR filed validation action, and environmental groups filed CEQA lawsuits.
- **Claims:** inadequate impact analysis, unstable project description, inadequate consideration of alternatives, and failure to recirculate.



DWR Photo of California Aqueduct



Planning and Conservation League v. DWR

- Baseline "we do not use a baseline that imagines a world in which the contracts are not in place" –
 established use of existing facility is part of the baseline (citing Citizens for East Shore Parks among
 other cases)
- Piecemealing and Project Description Court held that amendments serve an independent purpose
 from the Delta Conveyance Project. To the extent revenue bond amendments are necessary for the
 Delta Project, it is a "distant step" toward the project and DWR not required to consider projects that
 might be funded by bonds in future since the contract amendments "do not involve any commitment to
 any specific project." (Citing Guidelines, § 15378(b)(4).)
- Alternatives: EIR evaluated 7 alternatives + No Project Alternative
 - DWR not required to evaluate in detail alternatives that would reduce water conveyances or require new water conservation management provisions.
 - "[W]hen an agency has deliberately limited the scope and nature of the problem it wants to solve, the
 agency should not be required to consider alternatives that address a much bigger problem or that
 add difficult issues the agency has chosen not to tackle." (Citing Make UC A Good Neighbor)



Planning and Conservation League v. DWR

- No Project Alternative the required No Project Alternative assumed that contractors would exercise their rights under existing "evergreen" clauses in the contracts to extend those contracts without change petitioners claimed this was not sufficiently distinct from the proposed project, court rejected that claim said the EIR explained the difference. Opinion stresses that no project alternative is the status quo (which here included the evergreen contract provisions).
- Recirculation Court rejected claims the EIR should have been recirculated, the new information
 that was added expanded on what was in the EIR and did not show any new impacts

Non-CEQA Holdings:

- Delta Reform Act DWR was not required to find consistency with Delta Plan, that finding is required by the Act for new "covered actions" and does not apply to existing State Water Project.
- Public Trust Doctrine: Water rights under the contracts were longstanding, not a new diversion. Contract extensions and bond funding authority does not impact public trust resources, as they are not changing water diversions or water rights.



Save Our Capitol! v. Dept. of General Services (2023) 87 Cal.App.5th 655

Facts

- Project = reconstructing capitol annex building, visitor center, and underground parking garage.
- DGS disclosed in Final EIR that new annex would be mostly glass, the underground parking would be east rather than south of the historic capitol and clarified the number of trees for removal/replacement/ transplant.





Save Our Capitol! v. Dept. of General Services

Claims:

- EIR lacked a stable project description because the EIR did not disclose or analyze:
 - Whether a glass addition would be compatible
 - An alternative with the visitor center on the south side, made possible by the change in the location of the parking garage
 - Temporary construction exclusion areas
 - An increase in annex occupancy due to its additional 22,000 square feet



Save Our Capitol! v. Dept. of General Services

Holdings

- The project description in the final EIR was materially different than the description in the draft EIR and misled the public as to the project's impacts.
- Historical resource analysis deficient because it did not account for public comment on the annex's glass design.
- Aesthetic impact (scenic vistas and light and glare) analysis deficient.
- Alternatives analysis inadequate because it did not include an alternative that
 would feasibly attain most of the project's objectives while lessening the
 project's significant impacts on the West Lawn.
- Everything else passed muster.

Subsequent Environmental Review



IBC Business Owners for Sensible Development v. City of Irvine (2023) 88 Cal.App.5th 100

Facts

- In 2010, City prepared a Program EIR for a Vision Plan for the 2,800-acre Irvine Business Center (IBC). The Vision Plan allowed transfer development rights (TDR).
- In 2019, developer plan to redevelop a 4.95-acre parcel in IBC, increasing the permitted development on the site using TDR. Project would be a 275,000-square foot office complex.
- City considered Class 32 infill exemption but prepared an addendum to the EIR.





IBC Business Owners for Sensible Development v. City of Irvine

Traffic

- Addendum appropriately used LOS analysis, consistent with 2010 Program EIR
- No legal obligation to conduct VMT analysis
- "Addendum process had already been "undertaken" by the time [VMT analysis] became available





IBC Business Owners for Sensible Development v. City of Irvine

GHG

- Insufficient evidence showing GHG emissions were within scope of 2010 Program EIR
- Incorporation of mitigation measures alone
 ≠ substantial evidence
- Addendum did not examine whether IBC at buildout would maintain net zero
- Addendum did not discuss total emissions but draft documents in AR indicated unlikely to mitigate to less than significant level





Olen Properties Corp. v. City of Newport Beach (2023) 93 Cal.App.5th 270

Facts

- Challenge to City's approval of 312unit apartment complex based on addendum to 2006 General Plan Update EIR, finding that project did not trigger criteria for subsequent review (PRC § 21166).
- Addendum analysis addressed 2006 EIR's original LOS analysis, rather than update to VMT.





Olen Properties Corp. v. City of Newport Beach

Holding

 Court held the City was not required to use the VMT method (as opposed to LOS) to measure traffic impacts despite the adoption of CEQA Guidelines section 15064.3. Court found that subsequent guideline changes are not "new information" triggering Section 21166.



Natural Resources Defense Council v. City of Los Angeles (2024) __ Cal.App.5th ___

Facts

- 142-acre terminal approved in 2001; suit resulted in EIR for 3 phases of construction and a stipulated judgment led to additional mitigation measures for emissions; EIR eventually certified in 2008
- In 2019, LA Board of Harbor Commissioners certified an SEIR for the "continued operation of the China Shipping Container Terminal" and modified MMs
- Appellants (incl. SCAQMD, AG and CARB) alleged the SEIR failed to ensure MMs were enforceable, to adequately analyze emissions impacts, and improperly modified mitigation in 2008 EIR.
- TC found "profound" CEQA violations; ordered Port to set aside and revise the 2019 SEIR.
- TC did not impose further remedies (cessation of Port activities; implementation of certain MMs) as urged by Appellants.





Natural Resources Defense Council v. City of Los Angeles

Holding

- The appellate court remanded the case back to the trial court for further proceedings, including
 the consideration of its authority to fashion an appropriate remedy in light of the CEQA
 violations.
- TC did not comprehend its authority under PRC 21168.9 to remedy CEQA violations and was not limited solely to decertification of 2019 SEIR
- Trial Court's broad discretion to fashion equitable remedies for CEQA violations necessitated remand where TC fashioned a remedy under the mistaken belief that its discretion was limited
- So, TC can consider setting aside lease, setting aside Port's decision to allow continued operation of Terminal; and to require implementation of 2008 EIR MMs; and ban on further approvals for operation of Terminal until full CEQA compliance
- Court also found that some of the SEIR's rejection of mitigation measures was not supported by substantial evidence



Preservation Action Council of San Jose v. City of San Jose (2023) 91 Cal.App.5th 517

- 19 Story office towners on 8-acre site in City View Plaza. Project would demolish all on-site structures, including some City landmark candidates.
- Supplemental EIR prepared, S/U finding adopted, 11 project alternatives considered, and substantial mitigation imposed to address impact to historic resources.
- Petitioners challenged claiming mitigation inadequate, Alternative 6 feasible, and demanding additional financial support for broader preservation efforts as compensatory mitigation (including off-site resources).
- Trial Court denied Petition, thereafter historic bank building demolished.



Preservation Action Council of San Jose v. City of San Jose

• Standard of Review: Court applied *de novo* review, characterizing issue as being based on "insufficiency of City's discussion underlying rejection of compensatory mitigation" akin to an "omission of information" standard.

Compensatory Mitigation:

- Compensatory mitigation in context of historical resources cannot be automatically excluded from consideration. (Rejected City's nexus and rough proportionality claims under Nollan, Dolan, Ehrlich.)
- Here, Petitioners failed to show that the proposed compensatory mitigation could actually lessen the project's significant impacts.
- SEIR contained factual findings that no similar buildings of same architectural style, period, and purpose were within the downtown. These were factual findings and unchallenged by Petitioners.



Preservation Action Council of San Jose v. City of San Jose

- **Exhaustion**: Court found Petitioners adequately raised the issue.
- Responses to Comments: City's responses to comments in Final SEIR were legally sufficient even "though lacking in detail" they "conveyed the City's reasoning."
- First published decision involving compensatory mitigation for historic resources.
- Amicus Curiae stated compensatory mitigation in the form of historic preservation funds is used by lead agencies throughout the state to address these impacts (citing SF and LA County examples).



Marina Coast Water District v. County of Monterey (2023) 96 Cal.App.5th 46

Upheld County of Monterey approvals of desalination plant, including reliance on CPUC EIR.

- CPUC EIR addressed two components of water project: (1) desalination plant; and (2) slant wells for supply of brackish water.
- County approved plant based on CPUC EIR, adopting its own statement of overriding considerations and finding no supplemental review necessary (PRC § 21166).





Marina Coast Water District v. County of Monterey

Petitioner failed to make showing of new information requiring major revisions to the CPUC EIR:

- Claimed uncertainty of water supply based on City of Marina's denial of slant wells subject
 to de novo review by Coastal Commission, and thus insufficient to undermine substantial
 evidence.
- Conflicting expert evidence regarding groundwater flow and impacts not "new" information and Sustainable Groundwater Management Act did not create further uncertainty.
- Substantial evidence supported County's (and CPUC's) conclusion that expansion of other water supply projects (Pure Water Monterey) remained speculative and thus not a true alternative.
- Rejected argument that overriding consideration (benefits of water supply) were invalid
 because water supply might never materialize—benefits are those derived from the whole
 project, and not only portion within responsible agency's jurisdiction to approve.

Closing Thoughts

- Relevance/Use of MNDs? No published cases reviewing an MND.
- Success Rates: Remarkable win rate for lead agencies, not so in unpublished cases.
- Subsequent Review Cases reaffirm no need to re-review previously analyzed impacts or to apply current regulatory requirements that were not in effect at time of prior EIR.
- Themes:
 - Climate Change / GHG
 - o VMT
 - Historical Resources
 - Increased Use of Exemptions
- G.I. Industries v. City of Thousand Oaks (rev. den. and depub'd. 2/15/23) noticing and agendizing exemption determinations.

Thank you!

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