

In Case You Missed It: California Legislative Analyst Report Says California Environmental Quality Act (CEQA) is a Major Reason for High Housing Costs in California. 3/17/15

LAO Report Recommends “Major Changes” to CEQA to Address California’s High Housing Costs

SACRAMENTO—In a new report released today, [California High Housing Costs Causes & Consequences](#), the California Legislative Analyst Office (LAO) cites the California Environmental Quality Act (CEQA) as a major impediment to building enough housing in California. The LAO says CEQA is a factor in California’s lack of housing supply, which leads to higher housing costs that burden working families and low income residents, and serve as a drag on our economy.

The LAO goes on to recommend, among other policy reforms, “major changes” to CEQA in order “to address California’s high housing costs.”

Today’s LAO report is further evidence that California needs to modernize CEQA in order to preserve the law’s original intent of environmental protection, while stamping out unnecessary abuses that have little to do with the environment.

Key Excerpts from the Report:

- “...CEQA’s complicated procedural requirements give development opponents significant opportunities to continue challenging housing projects after local governments have approved them.” Pg. 15
- “Our review of CEQA documents submitted to the state by California’s ten largest cities between 2004-2013 indicates that local agencies took, on average, around two and a half years to approve housing projects that required an EIR. Pg. 18
- “The CEQA process also, in some cases, results in developers reducing the size and scope of a project in response to concerns discovered during the review process.” Pg. 18
- “If California continues on its current path, the state’s housing costs will remain high and likely will continue to grow faster than the nation’s. This, in turn, will place substantial burdens on Californians— requiring them to spend more on housing, take on more debt, commute further to work, and live in crowded conditions. Growing housing costs also will place a drag on the state’s economy.” Pg. 34
- “Given the magnitude of the problem, the Legislature would need to take a comprehensive approach that addresses the problem from multiple angles and reexamines major policies. Major changes to local government land use authority, local finance, CEQA, and other major policies would be necessary to address California’s high housing costs.” Pg. 35

About the CEQA Working Group: The CEQA Working Group is a broad coalition of local government, affordable housing, business, agriculture, education and other organizations advocating for moderate reforms to CEQA that will preserve its original intent – environmental protection and public disclosure – while eliminating some of the misuses of CEQA that hurt job creation, community renewal and our environment.

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