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**New Report Shows 50-Year-Old California Environmental Quality Act (CEQA)
Critical for Advancing Environmental Justice and Combatting Climate Change**

Analysis Further Shows CEQA Does Not Impede Housing Production

Berkeley, Calif. – The Housing Workshop, a housing policy firm, today released a new report, titled “CEQA: California’s Living Environmental Law: CEQA’s Role in Housing, Environmental Justice & Climate Change,” demonstrating that the 50-year-old law is a critical tool for advancing environmental justice and combating climate change. The report further shows that the California Environmental Quality Act is not a significant barrier to the state’s housing production, contrary to critic’s contentions. An analysis of recent data shows that the number of CEQA lawsuits has remained consistently very low over the last two decades, despite a rapid growth in the state’s population in the same period. The report was commissioned by the Rose Foundation for Communities and the Environment.

Sean Hecht, Co-Executive Director of the Emmett Institute on Climate Change and the Environment, UCLA School of Law said, “This Housing Workshop report details how CEQA plays a crucial function in protecting public health and the environment in California’s most vulnerable communities,” adding, “at the same time, this report shows that only a small fraction of projects in the state are subjected to CEQA litigation.”

The report includes several significant findings, including:

- **CEQA protects the environment, advances environmental justice, and addresses climate change.** The CEQA process, sometimes including litigation, has caused developers and public agencies to modify large, high-impact development projects to address environmental justice impacts such as air, water and noise pollution. CEQA has also played a major role in combatting climate change by requiring local agencies to analyze and reduce projects’ greenhouse gas emissions.
- **CEQA is *not* a significant factor in the state’s housing crisis.** California’s peak housing construction (since 1960) occurred in 1986, a full 16 years after CEQA was enacted. Through subsequent economic cycles, housing production has fluctuated, though it has never again reached that 1986 peak. There is no empirical evidence that CEQA dampens construction; research indicates that the state’s current shortfall is due to numerous other factors such as restrictive local zoning laws, fluctuating interest rates, growing income gaps, and rising land/materials/labor costs.
- **CEQA streamlining tools have helped to advance housing projects.** In recent years, the state legislature has adopted new laws that streamline the CEQA process for qualified housing projects. Local agencies have increasingly relied on these laws, and particularly SB 35, to expedite housing approvals – and this trend is expected to continue. Between 2018 and 2020,

approximately 14,000 housing units have been approved using SB 35, of which 77 percent were affordable.

- **Before the legislature enacts further amendments to the law, it should assess how these streamlining bills play out.** Because environmental review is not required for projects authorized by SB 35, there may be no mitigation required for environmental impacts. Especially since CEQA is not the root cause of the housing crisis, lawmakers and policy leaders should carefully monitor this narrowing of CEQA's application to housing development and evaluate how the current CEQA amendments play out before further weakening the law's environmental review requirements.
- **Both the number of CEQA lawsuits and the rate of litigation continue to be low.** Since 2002, CEQA lawsuits have averaged less than 200 per year, despite rapid (14.5 percent) population growth in the state. The rate of litigation from 2013 to 2019 was only an estimated 2 percent, meaning that just a small fraction of CEQA projects are litigated — far lower than some press reports imply. The few cases that are filed typically call attention to legitimate issues related to public health, the environment and/or government transparency.
- **The cost of CEQA compliance is relatively low.** Compliance costs range from 0.025% to 0.6% of total project costs, not high enough to seriously impede projects.
- **California has experienced significant economic growth and prosperity over the last five decades, with CEQA in place.** California saw the 7th fastest job growth in the nation between 2012 and 2019, including in the manufacturing sector, and ranked first in the nation in GDP, the value of all economic output, in 2019. The pace of infill housing construction compares favorably with other states. And California has five of the 20 most walkable cities in the nation, a key metric for sustainable development.
- **For more than 50 years, CEQA has helped to protect some of California's most iconic places** such as Headwaters Forest, Mono Lake, Owens Valley, the Santa Monica Mountains and the San Francisco Bay.

"This report closely examines evidence from numerous objective sources and finds that CEQA is not a major impediment to housing development," said Jessica Hitchcock, spokesperson for The Housing Workshop and co-author on the report. She added, "Our analysis shows that new CEQA streamlining bills are working to expedite housing, and that only a small fraction of projects face litigation under the law."

CEQA was signed into law in 1970 by Governor Ronald Reagan. CEQA requires public agencies to identify environmental and public health impacts associated with proposed development and to reduce or eliminate such impacts whenever feasible. The law includes provisions to ensure government transparency and invites community involvement in the land use decision-making process.

"CEQA is often the only legal protection available to communities of color and low-income communities disproportionately burdened by environmental harms," said Tiffany Eng, Green Zones Program Manager for the California Environmental Justice Alliance. "Every Californian has the right to clean air and water and a home free from pollution. The CEQA process brings to light public health impacts of big projects and leads to safer, healthier neighborhoods while still making room for smart development."

The report uses current data and case studies to assess CEQA litigation rates, economic prosperity metrics, and the cost of CEQA compliance. The report's analysis includes:

- An overview of the CEQA process, including recent legislative and regulatory changes to streamline CEQA.
- A detailed analysis of the number and rates of CEQA litigation, and a literature review of prior studies of CEQA litigation.
- An extensive, fact-based analysis of housing production patterns and CEQA's role in the process.
- Case studies demonstrating the relatively low cost of CEQA compliance.
- A review of California's economic prosperity and sustainable development.
- An explanation of how CEQA has evolved to become an effective tool, not just for protecting the environment, but also for advancing environmental justice and addressing climate change.

"Wildfires, drought and other crises caused by climate change, together with the pandemic, are all adding stress to California right now," noted Aruna Prabhala, Senior Attorney for the Center for Biological Diversity. "For 50 years, CEQA has helped Californians protect our environment, our health and our most vulnerable communities. We need this landmark law now more than ever to help us cope with these crises while sustaining our state's economy, environment and prosperity into the future."

To read the full report and fact sheet summarizing the report's key findings, see tinyurl.com/ceqa2021study. To arrange an interview with the report's authors or with experts on CEQA's role in protecting the environment, public health and environmental justice, contact Severn Williams at sev@publicgoodpr.com.

[The Housing Workshop](#) provides affordable housing policy and development advisory consulting services to governmental jurisdictions, research institutes, and policy organizations.

[Rose Foundation for Communities and the Environment](#) promotes community-based advocacy to protect the environment, public health and consumers.

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