

Presentation Item

CEQA Changes

AB 130

SB 131

City Council
August 19, 2025

Background

- On June 30, 2025, Governor Newsom approved and signed the state budget.
- Attached to the budget was Assembly Bill (AB) 130 and Senate Bill (SB) 131
- Streamline the California Environmental Quality Act (CEQA) review

CEQA Changes AB 130

- Housing projects - 5 public hearings
- Requires streamline process for housing projects
- Housing projects locks in ordinances and standards in place at that time
- Vehicle Miles Traveled (VMT) mitigation

New Exemption Provisions

CEQA does not apply to housing development projects that meet all the conditions of AB 130:

- The project site is no larger than 20 acres
- Located within the boundaries of a city or "urban area"
- The project site has developed or surrounded by development
- Consistent with applicable local plans
- Do not require demolition of historic structures
- Meets tribal consultation requirements
- Does not include transient lodging (hotel, motel etc.)
- Comply with Air Quality standards
- 2/3 of the project's to residential use

Additional Provisions

The project is not located:

- in certain areas of the coastal zone
- on prime farmland
- on wetlands
- in a very high fire hazard severity zone
- on a hazardous waste site
- in an earthquake fault zone
- in a special flood hazard area
- within a regulatory floodway
- on land identified for conservation or under conservation easement, or on habitat for endangered species.

CEQA Changes SB 131

- Added a whole new list of projects exempt from CEQA
- “Near Miss” review when considering environmental impacts
- Narrowing the scope of the administrative record

Current Projects in City that might benefit

- **1600 East Ocean Multi Family Project** – a 256-unit rental housing development project located at 1600 East Ocean on a 10-acre site.

End of Presentation