



Strengthening the Voice of Business

BizFed Central Valley Member Alliance

African American Farmers of California

6/28/18

Associated Builders and Contractors

Building Industry Association, Tulare-Kings

California Association of Food Banks

California Association of Mutual Water Companies

California Business Roundtable

California Hispanic Chamber of Commerce

California Independent Petroleum Association

Downtown Visalians

Employers Group

Fresno County Farm Bureau

Fresno Metro Black Chamber

Greater Bakersfield Chamber of Commerce

Hong Kong Trade Development Council

Independent Oil Producers Agency

Kern Citizens for Energy

Kern Hispanic Chamber of Commerce

Manufacturer's Council of the Central Valley

National Association of Royalty Owners - CA Chapter

Nisei Farmers League

Pacific Merchants Shipping Association

Tulare County Association of REALTORS

Visalia Economic Development Corporation

Water Association of Kern County

Deputy Secretary Christopher Calfee
California Natural Resources Agency
1416 Ninth Street, Ste. 1311
Sacramento, CA 95814

Dear Deputy Secretary Christopher Calfee,

We are writing on behalf of BizFed Central Valley, a federation of businesses and top business associations representing 20,000 employers and more than 400,000 employees in the five counties from Kern to Madera.

The California Environmental Quality Act (CEQA) is one of the Golden State's key statutes that sets us apart from the rest of the nation.

BizFed Central Valley members greatly appreciate how the act has allowed greater participation by all Californians, regardless of income or status, in determining how and where we grow.

However, the act has also been abused — used as a hammer for various purposes that have nothing to do with preserving and protecting the environment for human health and prosperity.

- Businesses have used it to get the upper hand on competitors.
- It has been used as a means to extract higher wages from project developers.
- Neighborhood activists have used it to stave off what they perceive as "undesirable" housing, typically much-needed, affordable multi-family projects.
- Attorneys have used it as a cash cow for fees.
- Environmental activists have used it to unduly thwart reasonable industrial project that would provide jobs regardless of the amount of mitigation offered.

Consequently, CEQA, for all its benefits, has become a backhoe that's being used to deepen the gulf between the haves and have nots in California.

Affordable housing is critically low.

Transportation to get from affordable living areas to cities with jobs is at gridlock.

Meanwhile, good-paying jobs that could propel families from working class to middle class are harder to come by as employers find opening or expanding businesses in California ever more difficult.

That is particularly important in the Central Valley, which is working hard to increase good manufacturing jobs to diversify our economy.

For those reasons and more, BizFed Central Valley asks that new CEQA implementation guidelines now under consideration incorporate the following reforms:

1. Prohibit anonymous CEQA lawsuits allowing plaintiffs to hide their identities and economic interests.
2. Prohibit repeat CEQA lawsuits allowing parties to sue over the same plan or projects for which CEQA compliance has already been done.
3. Establish a “mend it or end it” approach of directing corrections to any deficient environmental study rather than vacating project approvals.
4. Prohibit CEQA lawsuits against voter-approved infrastructure projects and projects that receive voter-approved funding.

These tenets are sensible constructs around which the new CEQA guidelines should be built.

The concepts listed above move toward minimizing CEQA lawsuit abuses without preventing participation or negating legitimate concerns.

They also provide a level of certainty for project developers.

Unfortunately, some of the proposed guidelines submitted by the Office of Planning and Research (OPR) create even more uncertainty for project developers and could lead to even greater CEQA lawsuit abuses.

In just one example, BizFed Central Valley members question the proposed guidelines regarding “vehicle miles traveled” (VMT) as a replacement for the current “level of service” (LOS) guideline.

There are several issues of concern in this proposed change: **1)** The Central Valley is a very rural area without the kind of transit found in denser cities. The proposed VMT guideline creates a built-in penalty for Valley projects as it would be applied in blanket fashion statewide. **2)** Because LOS is still proposed as a guideline for other potential impacts (noise, air quality), the proposed VMT guideline appears to simply push the potential impact from one category into another, adding more burden and uncertainty to projects and, of course, increasing the opportunity for lawsuits. **3)** There is no accepted model for calculating VMT on a project-specific level, again, opening the door for malicious lawsuits.

And, frankly, the proposed mitigation measures for VMT go far beyond the statutory authority of CEQA.

“Improving jobs/housing fit of a community,” “improving or increasing access to housing” and “contribute to non-profit or agency transit systems,” are just some of far reaching suggested VMT mitigation measures for all projects, not just housing.

So, in order to mitigate for potential VMT impacts, a Valley developer hoping to build or expand a tomato processing plant located near fields — far from any transit or housing — would be

forced to donate money to a bus system that doesn't service the plant or serve its workers? Or, somehow "increase access to housing" (whatever that means...?) in a far-off town?

Such proposed mitigation is vabue, doesn't address the actual impact and, ultimately, only serves to discourage construction or expansion of such a plant.

The proposed VMT guideline is just one example of the kind of unclear, overreaching often contradictory language found in the proposed guidelines that BizFed Central Valley members oppose.

Rather than streamlining CEQA to increase housing and good-paying jobs, as Governor Brown has said he supports, these proposed guidelines would increase litigation and further bog down reasonable and much-needed projects to reduce homelessness and poverty.

Please don't hesitate to contact BizFed Central Valley Advocacy Director Lois Henry (661/204-3635 or lois.henry@bizfed.org) with any questions.

Sincerely,



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