



DEPARTMENT OF
PLANNING AND DEVELOPMENT

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA

April 21, 1989

Transportation & Community Development/
Budget & Finance Committees
Sacramento, California

ADMINISTRATION
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95814-2987
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ECONOMIC DEVELOPMENT
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Honorable Members in Session:

NUISANCE ABATEMENT
ROOM 301
95814-3982
916-449-5948

SUBJECT: REVIEW AND EVALUATION OF THE CEQA PROCESS

SUMMARY

The attached report includes a review and evaluation of the CEQA process as it currently exists in the City of Sacramento and makes recommendations for changes to that process.

BACKGROUND

Last year staff initiated a review and evaluation of the existing CEQA process within the City to determine whether improvements in that process could be achieved. A steering committee comprised of several department heads and City Manager office representatives provided oversight and direction for the study. The results of this year long effort are detailed in the attached report titled "Review and Evaluation of the CEQA Process".

The conclusions reached by the steering committee can be summarized as follows:

- * The current environmental review process, which includes separate environmental coordinators for public and private projects, has resulted in inconsistent environmental review standards and practices within City Departments.
- * In some instances, City staff responsible for assuring CEQA compliance are unfamiliar with or inadequately trained in the procedural requirements of CEQA.
- * The environmental review process generally takes too much time and financial resources; new state laws and court decisions threaten to add even more time and costs.
- * Extraordinary efforts, including repetitive work, has been required in order to insure the production of technically and legally adequate documents. This results in increased time and cost to the city and the private sector.

- * The City is not recovering the full cost of environmental review for private projects.
- * There is a serious lack of consistent, effective internal coordination among City departments related to environmental process and procedures.

As a result of these conclusions, the steering committee is recommending several actions which are summarized below.

FINANCIAL INFORMATION

The full implementation of an Environmental Services Division will require the addition of five positions for the 1989-90 fiscal year.

- 1 - Environmental Coordinator - To manage division activities.
- 2 - Typist Clerk II's - To handle the additional clerical workload.
- 1 - Administrative Assistant II - To perform contract administration and project accounting activities.
- 1 - Assistant/Associate Planner - To handle increased workload in performing other departments Environmental Determinations.

The expanded activities of the Division will require a projected additional yearly appropriation of \$224,000 with one-time expenditures totaling \$146,000 for an anticipated budget increase of approximately \$370,000 for 1989-90.

It is anticipated that these costs can be offset by revenue generated by full cost recovery fees and from the CIP project budgets. If the City Council approves the concept of the Environmental Services Division, staff will prepare budget and revenue resolutions to be considered by the City Council prior to the July 1, 1989 start-up date.

POLICY MATTERS

No specific City Council policies will be directly affected if the recommendations below are approved.

MBE/WBE

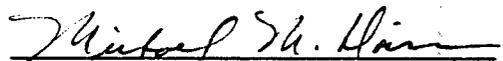
Consolidated administration of the CEOA process should permit greater attention to, and specific accountability for meeting MBE/WBE goals in this service area.

RECOMMENDATION

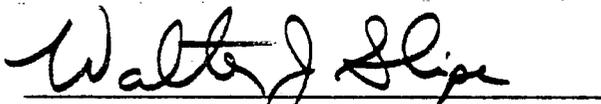
It is recommended that the Joint Committees recommend that the City Council:

1. Authorize consolidation of the City's Environmental Services program as a new division of the City's Planning and Development Department effective July 1, 1989 (a 3 to 6 month phase in-period is expected).
2. Authorize the new division to conduct environmental reviews pursuant to CEQA for all public and private projects.
3. Direct the staff to report back to the City Council, through the Budget and Finance Committee, with fee and expense resolutions designed to achieve full cost recovery and augment staffing as required to implement the program.
4. As part of the consolidation effort direct the staff to:
 - a. Improve cost accounting procedures to assume full cost recovery of services.
 - b. Establish the clearinghouse committee comprised of City department representatives to coordinate major public and private environmental projects, and assess environmental studies done by other agencies.
 - c. Determine the feasibility and cost of conducting traffic analyses and traffic modeling within the Department of Public Works.

Respectfully submitted,


MICHAEL M. DAVIS, Director
Planning and Development

Recommendation Approved:

For


SOLON WISHAM, JR.
Deputy City Manager

Contact Person to Answer Questions:
Jim Harnish
Acting Environmental Coordinator
449-2037, Ext. 46

May 2, 1989
All Districts

RESOLUTION No.

Adopted by The Sacramento City Council on date of

RESOLUTION CONSOLIDATING THE ENVIRONMENTAL
REVIEW PROCESS AND CREATING AN ENVIRONMENTAL
SERVICES DIVISION.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

The concept of consolidation of the City's environmental services is approved and that an Environmental Services Division be created in the Department of Planning and Development effective July 1, 1989. This Division will be authorized to conduct environmental reviews pursuant to CEQA and applicable federal regulations for all public and private projects. Staff is further directed to:

1. Report back to the City Council, through the Budget and Finance Committee, with fee and budget resolutions designed to achieve full cost recovery and augment staffing and the budget as required to implement the program.
2. Improve cost accounting procedures to assume full cost recovery of services.
3. Establish a clearinghouse committee comprised of City department representatives to coordinate major public and private environmental projects, and assess environmental studies performed by other agencies.
4. Determine the feasibility and cost of conducting traffic analyses and traffic modeling within the Department of Public Works.

MAYOR

ATTEST:

CITY CLERK

C:RESENVIR.489

FINAL REPORT

REVIEW AND EVALUATION OF THE C.E.Q.A. PROCESS
CITY OF SACRAMENTO

APRIL, 1989

PREPARED BY:

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ACTING ENVIRONMENTAL COORDINATOR
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EVALUATION TEAM:

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PLANNING & DEVELOPMENT DEPARTMENT

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CAROL BRANAN,
SENIOR MANAGEMENT ANALYST
FINANCE DEPARTMENT

EXECUTIVE SUMMARY

This report reflects the analysis of and recommendations for changes to the City of Sacramento's CEQA process. Problems and deficiencies effecting the current procedures are evaluated. Modifications to the current procedures which might eliminate those problems and deficiencies are recommended. The following is a summary of the major conclusions and recommendations of the report.

FINDINGS

- * The current environmental review process, which includes separate environmental coordinators for public and private projects, has resulted in inconsistent environmental review standards and practices within City Departments.
- * In some instances, City staff responsible for assuring CEQA compliance are unfamiliar with or inadequately trained in the procedural requirements of CEQA.
- * The environmental review process generally takes too much time and financial resource; new state laws and court decisions threaten to add even more time and costs to the process.
- * Extraordinary efforts, including repetitive work, has been required in order to insure the production of technically and legally adequate documents. This results in increased time and cost to the City and the private sector.
- * The City is not recovering the full cost of environmental review for private projects.
- * There is a serious lack of consistent, effective internal coordination among City departments related to environmental process and procedures.

RECOMMENDATIONS

- * Designate a single environmental coordinator to head a new Environmental Services Division within the Planning and Development Department to be responsible for all environmental reviews for both public and private projects in the City. (See pages 30-33)
- * Create an environmental "clearinghouse committee" comprised of representatives of all appropriate City departments (including Public Works, Parks and Community Services, General Services and Law) to review and comment on environmental documents, solve difficult environmental issues, and coordinate environmental issues within all City departments. (See pages 27-28)
- * Improve cost accounting procedures to assure full cost recovery for all environmental review services performed by the Environmental Division. (See pages 22-26)
- * Staff the new Environmental Services Division with 11 F.T.E. positions. (See pages 24-25)
- * Create "Project Delivery Teams" for all public projects which require EIR's or complex negative declarations. These teams, headed by a department project manager, will assure the integration of environmental review within the overall project design and implementation. (See page 32)
- * Continue to rely on the use of consultants for the preparation of EIRS and related special studies at least for the time being. Re-evaluate this practice after a year of operation under the new program. (See page 28-29)
- * Increase staff as necessary within the Department of Public Works to provide traffic modeling and analysis capabilities for both environmental analysis and general research. This action will reduce actual City and project applicant costs. Increase reliability and decrease environmental review time. (See pages 29)

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I. BACKGROUND AND PURPOSE

The California Environmental Quality Act (CEQA) requires all local governments to conduct an environmental analysis of projects for which they exercise discretionary approval. In response to CEQA, the Sacramento City Council, in 1978, adopted Resolution No. 78-172 which contains the City of Sacramento Environmental Procedures. These regulations, along with several amendments, establish the detailed administrative and review standards for environmental analysis within the City.

As presently structured, the formal responsibilities for environmental review are divided between the City Engineer, who is designated Environmental Coordinator for public projects and the Planning Director, who is designated Environmental Coordinator for private projects. In practice, each City department assumes responsibility for conducting the environmental review of projects, public or private. Presently, four City departments (Planning and Development, Public Works, General Services and Parks and Community Services) conduct their own administrative environmental reviews. The City Council has formal certification authority for environmental documents in all public and many private projects. The Planning Commission and the Design Review and Preservation Board have final authority on some private projects and act in an advisory capacity to the City Council on other private projects.

A number of the City's formal rules and procedures are outdated and inadequate. Environmental review standards are not always consistent between City departments. Current staff levels are insufficient to respond to the increasing legal and procedural demands of CEQA statutes and court decisions. There is a clear need to modify the City's present environmental review practices and procedures.

The purpose of this study is to consider whether the City should modify its current environmental review procedures. First, those procedures are summarized. The issues and concerns regarding those procedures are identified. The number, type and extent of environmental review activities are also summarized and evaluated from a fiscal perspective. This report then provides a detailed overview of some general considerations which will effect decisions regarding the environmental review procedures. Finally, recommendations for changes to the environmental review program are discussed in detail.

It should be noted that the Sacramento Housing and Redevelopment Agency (SHRA) is not included in the scope of this study. The SHRA occupies a unique relationship to the City of Sacramento administrative organization. SHRA is an autonomous agency for which the City Council sits as the Governing Board of Directors. The SHRA maintains a separate environmental review process governed by its own adopted procedures. The Agency must conduct a review process which satisfies federal as well as state standards. The SHRA relies on City and County environmental staff for both formal and informal advice and staff services related to environmental review. However, for purposes of this study and the consideration of changes to the City's formal review procedures, SHRA is not included.

II. EXISTING CITY ENVIRONMENTAL REVIEW PROCESS

The City is responsible for conducting or ratifying environmental reviews of discretionary projects for which it has approval authority. Before any changes in the current process are considered, it is appropriate to describe, in some detail, the mechanics of the current process. The following discussion is divided into two sub sections: public projects and private projects. Some generalizations have been made in order to make this discussion clear and concise.

A public project is defined for the purpose of this study as any project, such as road construction, park development or construction of a parking lot, which is to be carried out by the City of Sacramento. A private project is any development activity proposed by a private individual or firm which requires discretionary approval by the City of Sacramento.

Public Projects

The Public Works Department and its several divisions are responsible for the majority of public projects in the City. Other City departments which act as lead departments for public projects in the City are Parks and Community Services, General Services, and Planning and Development. As noted earlier, current City procedures establish the Public Works Director as the Environmental Coordinator for all public projects except those public projects for which the Planning Division is responsible (e.g., General Plans and Community Plans). This means that formally, the Public Works Department should be responsible for conducting environmental determinations and reviews on General Services and Parks and Community Services projects. In practice, however, each department carries out environmental determinations and reviews of public projects for which they are responsible. The outline below is an abbreviated summary of the steps in the City's current environmental process for public projects.

1. Staff Determination to Initiate a Project: Once a department budget is approved, staff makes an administrative determination to consider initiating projects authorized in the budget. This determination triggers the CEQA process. The environmental review process takes place between this point and the City Council's certification of an environmental document.

2. Does CEQA Apply? CEQA applies only to discretionary projects. Certain activities undertaken by the City are not discretionary projects as defined in CEQA. If the proposed action in question does not fall within that definition, CEQA does not apply. Examples include activities specifically exempted by state law; administrative and maintenance activities; and general policy making.

3. Is the Project Categorically Exempt? If the proposed activity is a project as defined by CEQA, it still may be exempt from further environmental review if it falls within one of several categories of exempt projects listed in CEQA or in the City's environmental review procedures. Common examples of exempt public projects are: the operation, maintenance or repair of existing public structures, facilities (including streets) and equipment; information collection; protection of natural resources or the environment; inspections; and sale of surplus property. If the project clearly falls within one of the numerous categories of exemptions, a statement to that effect, referencing the specific category of exemption in CEQA or City procedures, is included in the project description. This determination can be appealed to the City Council.

4. Initial Study: If the project is not categorically exempt, the staff would next conduct an initial study unless it is clear an EIR is required. (If an EIR is clearly required, staff may prepare a scope of work and request for proposals from private consultants to prepare the EIR--Step #7 below). An initial study is prepared which represents a brief, comprehensive consideration of all potential environmental impacts as well as an examination of the existing environmental setting of the project and its consistency with existing plans and policies. If potential impacts are identified, the specifics of those impacts and mitigation measures are discussed. If the preparer of the initial study concludes that there could be no significant environmental impact resulting from the project, a negative declaration must be prepared. If potential impacts are identified, but mitigation measures would reduce the impact below a level of significance, a negative declaration with mandatory mitigation measures is prepared. If neither of these circumstances exists, the staff must initiate the preparation of an EIR.

5. Environmental Determination: The initial study process described above results in an administrative determination of potential environmental effects. This determination is preliminary in that it must be ultimately ratified by the appropriate decision-making body. Therefore, the staff determination should reflect, as much as possible, the policy direction of the decision making body within the parameters set by CEQA. This activity is most susceptible to subjective opinion. It is a sensitive and sometimes controversial step in the CEQA process.

6. Negative Declaration: If no significant impact is anticipated as a result of the project (either as proposed or modified by mitigation measures), a negative declaration is prepared and circulated for public review. The contents of a negative declaration include: the initial study; the project location and description; a statement of project consistency with adopted plans; the proposed findings; and the availability of the document. The

Negative declaration must be posted in the City Clerk's office at least ten working days prior to any action approving the project. If no persuasive protest is received and the Council agrees with the staff recommendation and certifies the negative declaration, a Notice of Determination to carry out the project is filed and a 30-day time period begins within which a lawsuit may be filed.

7. EIR: If staff determines that there could be one or more significant environmental impacts resulting from a proposed public project for which effective mitigation measures cannot be clearly identified, a consultant or consultants are retained to prepare an EIR to evaluate those potential impacts, appropriate mitigation measures, and feasible alternatives. This process takes 6 to 12 months. Public hearings are held on the adequacy of the EIR and the merits of the proposed project. Once the EIR is certified and the City Council makes a decision regarding the project, a Notice of Determination is filed which, as with a negative declaration, starts a 30-day time period within which a lawsuit may be filed.

Private Projects

The Planning and Development Department is the only department in the City which processes applications for private projects subject to CEQA review. The steps in the environmental review of private projects are described below:

1. Application Received: An application for private projects is received by Planning Division staff.

2. Initial Study: Within 3 working days of the close of the application period, one of four staff in the Environmental Section reviews the application for completeness. If the project is exempt, the appropriate CEQA reference is cited. If the project is not exempt, an initial study, described above (step 4, public projects) is prepared unless it is clear an EIR is required.

3. Group Review of Applications: Every other Tuesday, the Environmental Section staff meet with staff from the Current and Advance Planning sections to review initial staff determinations regarding each project. (Occasionally, when necessary, staff from other departments are requested to participate on particularly difficult determinations.) The group reaches consensus on each application. One of five determinations is made for each application: categorical exemption; negative declaration; negative declaration with mitigation measures; EIR; or that more information is needed.

a. Categorical Exemption: If a project is determined to be categorically exempt, the appropriate exemption is referenced and the application is processed by Current Planning Section staff with no further involvement by the Environmental staff.

b. Negative Declaration/No Mitigation Measures: Environmental staff prepares and posts the negative declaration in the City Clerk's Office ten days prior to a City Planning Commission or Design Review and Preservation Board meeting.

c. Negative Declaration with Mitigation Measures: If the staff review identifies potential significant effects resulting from a project, but can also identify mitigation measures which will avoid those impacts, environmental staff will prepare a letter to the applicant which identifies those measures. The applicant must then agree to those measures in writing prior to the application being processed further. If agreement is not obtained, then an EIR must be prepared to analyze the potential significant impacts of the project. Once the applicant agrees to the mitigation measures, modifies the project accordingly, or an EIR is completed, current planning staff begin processing the application for action by the City Planning Commission or Design Review and Preservation Board. Environmental staff post the negative declaration with mitigation measures in the City Clerk's Office ten days prior to the public hearing on the project.

d. EIR: If an EIR is required, the Environmental staff initiates a consultant selection and EIR preparation process which takes six to twelve months. A standard work schedule used for the preparation of EIR's by the Planning Division is included in the Appendix of this report.

e. Need More Information: Occasionally, environmental staff cannot make an environmental determination based on the information received in a project application. One of several actions is taken under those circumstances:

1. The project site is visited to confirm whether sensitive environmental concerns exist (e.g., trees, vernal pools, etc.);
2. City staff in other departments are consulted to resolve questions, or obtain additional information;
3. A letter is sent to applicant requesting additional information;
4. The initial study is circulated to other agencies and organizations to determine whether there are potential significant impacts; or
5. A consultant is retained to prepare additional information (most commonly traffic and noise studies).

Processing of the application in any of the above circumstances is suspended until the additional information is obtained. In some cases, no delay in application processing occurs. In other cases, it will take several days to several weeks to obtain the necessary information. In a few cases, it will take several months to obtain all necessary information. Once the information is obtained and an environmental determination is made, the application processing resumes under one of the scenarios described above.

III. ISSUES AND CONCERNS

Consistency of Review Standards

While the final judgment on all environmental determinations rests with the appointed or elected body (e.g., City Council, Planning Commission, Design Review and Preservation Board) making a final decision on a project, that decision is, for the most part, a ratification of staff judgment. City staff are responsible for exercising a substantial amount of independent judgment on both public and private projects regarding the applicability of CEQA, the potential for significant environmental effects and the effectiveness of mitigation measures. That staff judgment (and its ultimate ratification) is guided by both CEQA and the City Environmental Procedures. Under the City's current arrangements, four separate departments exercise their judgment regarding environmental determinations: Planning and Development, Public Works, General Services, and Parks and Community Services. This decentralized decision-making process has raised concerns as to the consistency of staff analysis and conclusions. Given the variety of background, training and understanding of responsible staff, the potential is high for inconsistent application of the same standards.

While staff do communicate amongst themselves, there is no formal requirement for staff to agree on detailed review standards. There is no central "clearinghouse" to insure consistency of determinations, although the Environmental Coordinator in the Planning Division is frequently a focal point for informally assisting in the resolution of difficult environmental issues.

Objectivity

The environmental review process is intended to be an objective, full disclosure, information gathering process. Generally, staff responsible for conducting environmental reviews determine whether a project may have a significant effect on the environment. Such determination, while always relying to a degree on subjective judgment, must ultimately be as objective as possible. If staff responsible for those determinations have some stake in the outcome of the environmental determination, the likelihood of objectivity in that determination decreases (or, at least, is perceived to decrease.)

Under the present decentralized environmental review process, the department responsible for undertaking public projects (e.g., streets, parks, community plans) is also responsible for preparing the environmental determinations for those projects. In most circumstances, department staff have a good idea about their preferred project design. Under such circumstances, the potential exists for staff to be less objective regarding environmental

determinations of their preferred projects. The more issues raised the greater the cost and time for implementation for the project. The potential exists under these circumstances for the staff to cast their project in a more favorable light.

Commitment to the Intent of CEQA

The environmental review process created by CEQA is intended to be an objective, analytical process which provides decision-makers a clear understanding of the probable impacts of proposed projects. In circumstances where potential impacts may be significant, the CEQA process affords an opportunity to consider realistic alternatives and compare probable impacts of those alternatives to the proposed project. The environmental review process is intended to augment and support the policy decision-making process as an objective, factual source of information; is not intended to supplant subjective policy decisions. CEQA does not require that policy decisions mitigate all environmental impacts; only that those impacts be identified and considered as part of the decision-making process. However, CEQA compliance is sometimes considered to be just so much red tape inhibiting a timely and economical decision-making process. The result is a tendency to not give environmental issues meaningful consideration. CEQA compliance, at times, can become an afterthought rather than an early information gathering and objective analytical process.

Legal Adequacy

Defective CEQA compliance is probably the most common basis upon which litigation challenging local government land use decisions is based. The combination of complex statutory standards and frequent interpretation by court decisions has created a circumstance where many environmental documents are fatally flawed. This situation can be exacerbated when staff charged with administering CEQA compliance are not fully trained in CEQA administration and are not aware of changes in the law and procedure. The result is that the City can be left open to successful legal challenge of its discretionary decisions, not because the decisions were faulty, but because the environmental documents were inadequate.

A legally sound environmental review process is an essential element of the City's policy and decision-making process. The City has been subjected to an increasing number of CEQA-based lawsuits. This is very costly to all parties involved, in terms of dollars, time, and reputation. Most of the litigation is instituted because of a disagreement over policy. Nevertheless, litigation is successful most often because the technical requirements of CEQA were not met. A legally sound CEQA process in the City would eliminate most or all successful CEQA-based lawsuits.

Cost

There are a number of costs associated with the environmental review process in the City. First, there is the cost of staff to administer the process. There are, in addition to the 5 full-time environmental staff in the Planning and Development Department, at least 6 staff in the other 3 departments devoting some time conducting project environmental reviews. Second, when additional studies or EIRs are required, private consulting firms are retained to conduct those studies. The cost for those consultants is borne by the City on public projects and by applicants on private projects. These costs fluctuate widely depending upon the number of major development applications and public projects proposed.

Several cost-related issues are apparent. First, the decentralized review process raises the question of efficiency. The numerous staff performing part-time environmental functions in several departments may not be cost effective. The same functions may be conducted more efficiently by one or two full-time staff and at lesser cost. Second, the cost of outside consultants is substantial. It may be more efficient for the City staff to perform some or all of the environmental analysis services, at a reduced cost to private applicants.

Quality and Accuracy

Quality and accuracy of environmental reviews can be compromised due to limited staff and short application review periods. The volume of complex applications for private development proposals has increased substantially in the past year. Growing development activity has resulted in many requests for special permits, rezonings, and other major changes in land use and zoning entitlements. A direct effect of this activity is the substantial increase in environmental determinations and staff work load. Environmental staff often are unable to perform important work such as inter-departmental and interagency review and coordination. Limited staff resources can also result in a less than thorough analysis of applications prior to an environmental determination.

The Public Works Department has assigned staff who regularly process environmental determinations on a part-time basis. The General Services and Parks and Community Services departments assign staff on an as-needed basis to environmental reviews. All three departments occasionally consult with the Planning Environmental Coordinator; however, none of the three departments have staff formally trained in CEQA compliance and environmental analysis. None have full-time staff who are continually included in the process and maintain up-to-date knowledge of the changing state of technical requirements of CEQA. The result is an

unpredictable process which may or may not be legally or technically adequate.

Increased Environmental Review Requirements

Since the City's environmental review procedures and staff organization was established in 1978, the procedural and substantive requirements for environmental review have expanded greatly. Over the last 10 years, the result of that expansion has been a substantial increase in cost, time, and energy for project applicants, City staff and the public. Some examples of recent changes are provided below to illustrate why the environmental review process sometimes becomes the information tail wagging the public decision-making process.

Every project subject to CEQA which is not exempt is first evaluated with the familiar initial study checklist (see appendix for example). This list includes four pages listing numerous subjects for which a project may have significant environmental impact. Most projects will have all or almost all of the subjects checked as "no" to indicate no potentially significant impact. Traditionally, those subjects noted as "yes" or "maybe" are explained in attached discussions. However, recent cases have indicated that every subject area determination whether "yes", "maybe", or "no", must be accompanied by an explanation as to the rational and information sources relied upon by the preparer to arrive at those conclusions. That means that where most initial studies took a quarter to a half hour to complete in years past, each now takes at least one to two hours and in some instances many more hours. The resulting increase in City and applicant costs and time is obvious.

A second example relates to mitigation measures associated with negative declarations, the most common environmental document. In the past, simple mitigation measures were treated as conditions of approval, incorporated into staff reports and presented to the City Planning Commission (or City Council) for action. However, according to case law and revised CEQA guidelines, every mitigation measure included in a negative declaration must be agreed to by the applicant prior to posting and circulating the negative declaration for review. The rule is that if the mitigation measures are not incorporated as a part of the project, potential significant impacts will exist and an EIR should be required. The result of this requirement is additional staff time (including letters, phone calls, and meetings with applicants), increased processing time and increased cost to applicants.

A third example is the ever-increasing scope and content of EIR's as prescribed by numerous court decisions. Every EIR must consider a broad geographic area in assessing cumulative traffic and air quality impacts effected by individual projects. Most EIR's must include a range of alternatives to the proposed project

including: no project; build out under existing zoning; and, under certain circumstances, building the project at another location. In short, to assure legal adequacy, EIR's are becoming increasingly costly, lengthy, and take more time to prepare.

A final example is the recent state legislation (AB 3180) requiring every local government to establish a mitigation measure monitoring and reporting program as of January 1, 1989. The City is now required to have a procedure assuring that someone will monitor every project approved with mitigation measures and report to the environmental coordinator as to whether the measures are being implemented. This means increased staff time, consultant costs, and applicant costs. How much those increases will be has not been determined; however, the clear result is ever-increasing time and costs.

The net result of the changes in CEQA requirements, as illustrated by the examples above, is that the City staff are spending much more time on each project application. Applicants spend a lot more money. The application processing, review, and decision-making process has become much longer, and very few people are happy about that. While it is unlikely that the City of Sacramento can change the legally-mandated CEQA requirements, some improvements to the current procedures could result in reduced costs and processing time. Such changes should also result in a more effective, useful environmental review program which conforms to the original intent of CEQA: to provide decision-makers and the general public with a clear, concise evaluation of the potential environmental impacts of proposed projects leading to objective, responsive, informed decision-making.

IV. FISCAL CONSIDERATIONS

The purpose of the fiscal section of this report is to review past environmental activities undertaken by the City, determine the level of staffing and funding committed to these past activities and to project future staffing and funding needs for city-wide environmental review activities.

Data Collection

In order to make the final recommendations contained in this report, a thorough review of past and present financial data was conducted for city-wide environmental activities beginning with fiscal year 1986/87 and ending with fiscal year 1988/89. Actual figures were used for the first six months of 1988/89 and then projections were made for the remainder of the fiscal year.

The following data was collected and is presented in consecutive order in the charts below: 1) number of environmental reviews conducted each fiscal year; 2) costs expended each fiscal year; and 3) costs incurred by the different funds. Fiscal year 1989/90 has been included as the last column on the charts, although this column represents projections as compared to the historical data presented in the first three columns.

Chart 1
Number of Environmental Reviews

	1986/87	1987/88	1988/89	1989/90
<u>EIR's</u>				
Planning	3	11	8	4
Public Works	0	7	6	4
General Services	0	3	0	0
Parks	1	1	2	1
<u>Negative Declarations</u>				
Planning	207	164	226	270
Public Works	26	35	22	53
General Services	3	1	0	2
Parks	0	14	0	9
<u>Categorical Exemption</u>				
Planning	289	218	238	283
Public Works	61	55	48	6
General Services	0	0	0	0
Parks	0	0	12	2
TOTALS	----- 590	----- 509	----- 562	----- 634

Chart 2
Total Costs

	1986/87	1987/88	1988/89	1989/90
Planning	\$161,908	\$ 166,814	\$ 126,854	\$466,176
Public Works	190,497	427,708	149,380	322,580
Gen. Ser (1)				
Parks(2)	62,400	62,400	62,400	62,400
Private	938,848	440,847	553,690	616,254
	-----	-----	-----	-----
TOTALS	\$1,353,653	\$1,097,769	\$892,324	\$1,467,410

Chart 3
Costs by Fund

	1986/87	1987/88	1988/89	1989/90
General Fund	\$ 611,908	\$ 166,814	\$126,854	\$ 285,343
Enterprise Funds/CIP	252,397	490,108	211,780	384,980
Private Funds	488,848	440,847	553,690	616,254
	-----	-----	-----	-----
TOTALS	\$1,353,653	\$1,097,769	\$892,324	\$1,467,410

(1.) General Services has been combined with Public Works due to shared responsibilities.

(2.) Parks and Community Services costs are estimated since this Department does not presently track environmental review staff expenditures.

Findings

1. Level of Activity: Using the charts above, a comparison of the number of environmental reviews by fiscal year shows that there is no consistent "trend" in the level of environmental activity. For instance, the numbers do not allow projections to be made based on a 12% annual increase in the level of activity. Instead the numbers respond to the economic cycles that drive construction

projects and may, therefore, be high one year and low the next year. This fluctuation makes it difficult to project future staffing requirements since environmental review needs change significantly from year to year. On an average basis, however, the City has completed approximately 574 environmental assessments in each of the last four years.

2. Citywide Costs: The costs incurred by the City to conduct environmental review show fluctuations similar to those seen with the number of environmental reviews. A comparison of the numbers in Charts 1 and 2 illustrates that there is no direct correlation between the number of reviews and the cost to conduct reviews. Because of the varied nature of individual environmental reviews, they cannot be costed out on a per unit basis. For instance, in fiscal year 1987/88 fewer reviews were conducted than in 1988/89, but on a per unit basis costs are higher in 1987/88 for fewer reviews.

Projections

1. Methodology Used in Making Projections: Since the historical data collected does not provide a sound foundation on which to make projections for future environmental review needs, staff has used a combination of resources to make projections. These resources are described below. The projections identify the probable number of reviews, the cost to conduct these reviews, and the staffing level required to carry out the workload.

a. The Five Year CIP: The City's Five Year Capital Improvement Program (CIP) budget was analyzed to determine which projects would likely require environmental review during the 1989/90 fiscal year. Once this was determined, the level of review (EIR, negative declaration, or categorical exemption) was determined. Staff then applied hourly costs to these established needs to project staffing requirements and costs. It should be stressed that the hourly costs are assumptions based on the informed estimates of staff working with environmental review on a daily basis. Twenty percent of each staff person's time is dedicated to non-project specific activities.

b. Private Projects: Since private projects presently comprise the majority of environmental review conducted by the City, it is critical that estimates on the level of upcoming private sector activity be included in any projections. To make these projections, staff has reviewed the DRI Economic Forecast in the context of specific development activity that is occurring within the City limits. Also considered were projects already being reviewed that will extend into the next fiscal year.

2. Future Environmental Review Requirements: Relying upon the methodology described above, a projection of probable environmental review requirements for FY 1989-90 has been made and is summarized in Chart 4 below. Chart 4 also indicates the probable cost of those reviews (\$1,467,410) and required fulltime staff (5) to support that level of activity.

Chart 4
Projected Future Environmental Review Requirements
1989/90

<u>EIRs:</u>	
Planning	4
Public Works	4
General Ser.	0
Parks	1
<u>Negative Declaration</u>	
Planning	270
Public Works	53
General Ser.	2
Parks	9
<u>Categorical Exemptions</u>	
Planning	283
Public Works	6
General Services	0
Parks	2

TOTALS	634
	===

PROJECTED COSTS	\$1,467,410 =====
-----------------	----------------------

FTE	5.0 ===
-----	------------

Funding

1. Requirements: Chart 4 above identifies the projected funding and staffing levels necessary to conduct the 1989/90 environmental review activities. The chart below translates these total needs into the funds that would typically support environmental review. For instance, an EIR on a water treatment plant expansion would typically be supported by an enterprise fund whereas environmental review on construction of a new animal control shelter or a General Plan Update would be supported by the General Fund.

Chart 5
Future Costs by Fund
1988/89

General Fund	\$ 285,343
Enterprise Funds/CIP	\$ 565,813
Private Funds	\$ 616,254

TOTALS	\$1,467,410

2. Funding Resources: Environmental review, by its very nature, is associated with specific projects. Those projects are either City-funded public projects or private sector projects considered by the City as a part of the development application review process. In both cases, specific funds are set aside for these projects. In the case of public projects, the annual CIP Budget appropriates funding for the projects. In the case of the private projects, the applicants pay the full cost for the environmental review.

There is, however, a certain amount of time that is not project-specific. This time is spent, primarily by the Planning Department, providing general information, recordkeeping, internal administration, and continuing education. It is estimated that twenty percent of a Planner's time is spent on such general activities. This time is supported by the General Fund. There appears to be a minimal amount of general environmental time spent by staff on public projects that are supported by the CIP.

Because the majority of environmental review work is related to specific projects, there should be an identifiable appropriation (CIP) or fee revenue (private project) to pay for that work. To determine if the City was achieving full cost recovery for environmental review activities, an analysis was conducted of the costs expended each year for environmental review compared to the funds/revenue set aside to offset the costs. Chart 6 below illustrates the results of that comparison.

Chart 6
Cost Recovery

YEAR	FUNDS SPENT		OFFSET	
	Public	Private	CIP Budget	Private
1986/87	\$252,897	\$1,100,756	\$252,857	\$573,764
1987/88	490,108	607,661	490,108	385,003
1988/89	211,780	680,544	211,780	624,094
	-----	-----	-----	-----
TOTALS	\$954,785	\$2,388,961	\$954,745	\$1,582,861

The results of this cost recovery analysis show that while CIP environmental review is fully recovering its costs, private project environmental review is not. The end result is that the General Fund picks up those costs incurred but not offset by private project revenues. The following discussion highlights those areas of both the CIP and private project environmental review which require some revisions in order to provide a full cost recovery.

a. Public Projects: Public projects should contain line item budgets as a part of the CIP which provide a detailed cost plan for that particular project. In the past this line item detail has not always been achieved. This appears to be especially true of environmental review. Because past projects generally did not contain the line item detail necessary to determine if funds were adequately budgeted for environmental review, it is impossible to determine when a public project exceeds its budget, whether this cost overrun is due to environmental review or any number of other line items that should be budgeted in the project. This inability to reconstruct past costs incurred compared to costs budgeted leads to the recommendation that consistent and detailed recordkeeping occur using job numbers and line item budgeting to track costs incurred and expenditures on CIP.

b. Private Projects: In concept, the fee/deposit system used by the Department of Planning and Development is designed to achieve full cost recovery. However, achieving this cost recovery depends on an accurate correlation between cost and fees.

1.) Categorical Exemptions: Until its recent fee revision, the Planning and Development Department was charging \$25 per categorical exemption. This fee has been increased to \$42 per exemption. The following Chart 7 illustrates that, based on the assumptions used in the chart 4, full cost recovery has not been achieved for categorical exemptions.

Chart 7
Cost to Prepare Categorical Exemptions

	1986/87	1987/88	1988/89	1989/90
Number of Reviews @ 1 hour ea.	289	218	238	283
Cost per Review @ \$42	\$12,138	\$9,156	\$9,996	
@ \$70				\$19,810
Cost Recovery @ \$25	\$ 7,225	\$5,450	\$5,590	
@ \$42				\$11,886

2.) Negative Declarations: Until the recent fee revision, the City charged \$90 per negative declaration. That fee has now been increased to \$150 per negative declaration. The following chart illustrates the funding gap that has existed between City costs to conduct negative declarations and revenues received to offset those costs.

Chart 8
Costs to Prepare Negative Declaration

	1986/87	1987/88	1988/89	1989/90
Number of reviews @ 8 hrs. ea.	207	164	226	270
Cost per Review @ \$42	\$69,552	\$55,104	\$37,968	\$151,200
@ \$70			\$63,280	
Cost Recovery @ \$90	\$18,630	\$14,760	\$10,170	
@ \$150			\$16,950	\$40,500

This analysis shows that, based on the assumptions in the amount of time it takes to conduct reviews, the General Fund is absorbing the gap between revenues collected and actual costs incurred to conduct negative

declarations. To achieve full cost recovery for negative declarations, fees would have to be raised substantially. There are a number of variables that could be applied to the assumptions which would result in varying figures for full cost recovery. Some negative declarations are relatively simple and require only 4 to 8 hours as compared to the 16 hour estimate used above. Some negative declarations require well over 100 hours of staff time. Because this fluctuation exists with the time required to conduct environmental review, it is recommended that the new fee structure be established. This new fee structure would set minimum fees for both categorical exemptions and negative declarations. Applicants would be billed additional costs if the review exceeded these minimums. In addition, detailed and consistent record keeping should track costs and revenues to determine if further fee revision is required to offset costs.

If the projections are correct for 1988/89, then the Planning and Development Department may be as close to full-cost recovery as is possible given time on non-project related environmental work. Verification of these projections at the end of fiscal year 1989/90 and tracking for 1989/90 will give us more data upon which to base a decision on the adequacy of the new fee structure. The numbers do suggest, however, that in the past full cost recovery has not been achieved.

3.) Environmental Impact Reports: When it is determined that an environmental impact report is required for a private project, the Planning Department estimates the number of hours required on the part of City staff and of City retained consultants to prepare an EIR. The private project applicant deposits this sum in a City trust account and the review is conducted. If the review exceeds the estimated costs, the City requires additional deposits from the applicant. This system is structured on a full cost recovery basis. Even though the system is structured to achieve full cost recovery, there is the possibility that not all staff costs are recovered. Therefore, the same recommendation made for tracking the costs on negative declarations is made for EIRs.

Staffing

As noted above, both the number of environmental reviews and the cost of those reviews has fluctuated from year to year. This fluctuation makes it difficult to predict staffing levels over an extended time frame. It is this difficulty in projecting staffing

requirements that argues against establishing a staff level on a permanent basis to prepare all environmental documents including EIR's. Instead, the environmental review program and budget should be based on a full-cost recovery which could not be guaranteed if the City staffed up and then there was a drop in the level of environmental reviews. Such fluctuation could result in periods when staff would not be fully utilized. Therefore, the recommendation is to staff at a baseline level and to contract out as required. This system will allow the Planning and Development Department to achieve full-cost recovery and to provide its services in a timely manner. This approach is consistent with that used by other City departments whose workload is driven by fluctuations in demand. It is also consistent with the approach by the Building Division for plan check work.

Since 1986-87 the Department of Public Works (and later also General Services) have committed a small portion of staff time to environmental activities. This percentage of time varies between .25 FTE and 1.00 FTE.

The organizational structure of the Planning and Development Department has a specific environmental unit which currently employs 7.50 FTE. Of these 7.50 positions, 3.50 are presently carried in the indirect rate.

By adding the FTE used for environmental review in the Public Works Department, General Services Department and the Planning and Development Department, the total City FTE is 8.50 FTE of which 3.50 FTE are included within the indirect rate. The projections for the 1989-90 fiscal year show a total need for 5.0 FTE to staff the overall City environmental review process, assuming the continued use of consultants and no change in review procedures. This is in addition to the 3.50 FTE presently carried. Therefore, total FTE for future environmental review based on the fiscal analysis above is projected to be 8.50 FTE. This matches the existing staffing level. However, other considerations discussed below indicate minimum staffing requirements beyond 8.5 FTE.

One of the key recommendations of the report is to centralize the environmental review function within one department, that the an initial recommendation of the evaluation team was 1.0 FTE in Public Works be moved to the Planning and Development Department. Moving this 1.0 FTE would be difficult due to the manner in which Public Works environmental review is conducted. The department does not have one person who conducts only environmental review. The activity is performed by numerous individuals when the projects they manage require environmental work. Thus environmental review becomes one small portion of their overall management of the CIP. It would be difficult to extricate all of these parts in the form of one FTE. Therefore, it is recommended one FTE be added to Planning and Development to replace the aggregate FTE in Public

Works. This will leave Public Works staff with more time to commit to public projects (although their technical expertise will be required at various stages of the environmental review). The end result of the removal of the majority of environmental activity from Public Works is that CIP dollars should be spent faster because staff will be able to commit more time to other aspects of the CIP.

Summary

As a result of this fiscal analysis, at a minimum, the following actions are recommended:

1. Institute a fee change for categorical exemptions and negative declarations conducted for the private sector.
2. Hire 1.0 new FTE in Planning and Development Environment to bring total staffing to 8.50.
3. Institute a detailed cost recovery tracking system to allow yearly program audits.
4. Work with all departments submitting CIP requests to adequately budget for environmental review on a line item basis.

V. GENERAL CONSIDERATIONS

It is recommended that the following procedures be incorporated into any final action on the environmental process reorganization regardless of the ultimate decision on staffing and organization.

Environmental Clearinghouse

All staff involved in this study of the City's environmental review process agreed that one of the most important changes needed is to improve communication and consistency among staff involved in the environmental review process that need preparation and review of City environmental documents as well as documents submitted by outside agencies for review and comment.

It is recommended that an "environmental clearinghouse function" be established to resolve this critical concern. This clearinghouse should include representatives from all City departments and divisions directly involved in the environmental review process. The committee should meet at a regularly scheduled time and place. Agendas should be published and distributed to all staff in advance. The meetings should be internal, administrative staff meetings not open to the public. The committee should provide comprehensive coordinated staff input on all environmental matters. The committee should review and comment on environmental documents from other agencies. The committee should provide comment and advice at critical points in the City's environmental review process. Responsibilities of the committee should include the resolution of complex or difficult environmental determinations; review and comment on NOPs, RFPs, administrative draft and final EIRs; assisting in consultant selection; and coordination of staff. The following is a summary of the proposed committee composition and responsibilities.

i. Composition: A 9-member staff committee should institute the clearinghouse. Representatives from the following departments or divisions should be members of the committee. Final details of the committee structure, composition, and responsibilities and operation should be developed as a part of the start up of the new process.

- a. City Environmental Coordinator (Chair)
- b. Planning Division, including representatives from:
 - * Advance Planning
 - * Current Planning
- c. Public Works Department, including representatives from:
 - * Utility Services

- * Engineering Services
- * Field Services

- d. Parks and Community Services
- e. General Services
- f. City Attorney
- g. SHRA Environmental Coordinator (ex-officio)

2. Organization: Regularly scheduled meetings (twice monthly to weekly); published agendas; no public notice (internal, administrative meetings); agendas distributed to all City departments and division heads.

3. Responsibilities: While the environmental coordinator will be ultimately responsible for all environmental determinations, the committee should provide review and advice to assist the coordinator in his or her duties. The range of knowledge and expertise represented on the committee would provide valuable, essential information to the environmental coordinator and staff. The following are examples of those responsibilities.

- a. Review administrative draft and final EIR's;
- b. Advise on difficult environmental determinations;
- c. Coordinate review of external environmental documents;
- d. Assist in project or document scoping, consultant selection, difficult project management issues; and
- e. Advise on changes to environmental review procedures.

Environmental Review Procedures

The City's adopted environmental review procedures are out of date. Changes to the organization and function of the process will make those procedures further outdated. A comprehensive revision of the procedures is anticipated following a final decision on the reorganization. The revision of the procedures will also include administrative rules under which the staff will operate. Those rules will address consultant selection and contracting procedures, general standards for staff review and conduct, and internal working policies.

Use of Consultants

The City relies substantially on private consultants for special studies and EIR's. While consideration was given to increasing the number and type of environmental staff to a level sufficient to perform most of the environmental work in-house, this step is not recommended at this time with the one exception discussed below. The use of consultants fluctuates greatly, depending largely on the number of private development applications. It is the uncertainty of the volume of private applications by which the evaluation team recommends continued

reliance on consultants. If staff levels were increased to meet today's very high workload, a substantial drop in private development activity would leave those staff with little to do. More importantly, revenues to support that staff would drop and would have to be augmented by the General Fund.

The problems associated with continued reliance on consultants are several. Consultants will generally cost more than public sector staff given, if nothing else, the private sector profit requirements. Second, it is more difficult to control consultants (as opposed to staff) in terms of cost, time, and quality of work. Consultants generally are less accessible and responsive than staff. Technical assumptions made by consultants can often be difficult to clearly establish. This sometimes leads to difficulty in verifying the accuracy of consultant generated data (particularly traffic analysis).

On the other hand, consultants provide a great wealth of specialized talent which is available on an as needed basis. This avoids the need to retain highly specialized staff whose services may be essential but required only periodically (e.g., noise analysis).

As noted earlier, there is at least one exception to this general circumstance. There is an increasing need for regular and reliable "traffic modeling" for environmental review, staff analysis and program planning. Traffic studies are required for many projects to determine appropriate mitigation measures. The Public Works Department relies on traffic studies for projecting facility improvement needs and prioritization of projects. However, both planning and public works staff have become increasingly concerned about the quality, time, and cost of traffic studies performed by private consultants. Assumptions made by consultants are not always clear. Accuracy of the work is sometimes difficult to establish. The City project review and processing time is frequently slowed due to consultant response time. The cost of traffic studies is frequently high despite the fact that the information contained in the studies is often very similar to previous studies. Consideration should be given to establishing traffic modeling capabilities within either the environmental or Public Works staff.

VI ORGANIZATIONAL RECOMMENDATIONS

The conclusions and recommendations contained in this report are based on a number of factors which include: existing department needs; ease of administration; existing staff skills and training; consistency of environmental review; long-term organizational requirements; legal adequacy; and cost.

Two basic organizational alternatives were initially considered: (1) modify and retain the existing dual environmental coordinator process; or (2) establish a single, City-wide environmental coordinator position and necessary staff. The second alternative of a single environmental coordinator is clearly the best choice for a number of reasons. The only apparent rationale for maintaining dual coordinator functions would be to minimize the potential for the environmental review of public projects being slowed by the demands for speedy review of private project applications. There are adequate safeguards built into the recommended structure to avoid this potential situation. The dual coordinator arrangement has a significant potential for increased costs, decreased consistency and a general perpetuation of the existing internal coordination problems. The following organization and staffing arrangements for environmental review activities in the City are therefore recommended.

1. Establish a Single Environmental Impact Review Unit Within the City. This unit would be responsible for all environmental determinations and review for both public and private projects. Individual departments would be responsible for preparing project descriptions and, if they choose, making initial environmental determinations (that is most appropriate for categorical exemptions and simple negative declarations) In such cases, the initial determinations would be reviewed and approved by the environmental staff who will be responsible for all required notices, posting and public review requirements.

2. Create An Environmental Division In The Department of Planning And Development. The present Environmental Section of the Planning Division should be re-established as a new environmental services division within the Department of Planning and Development. Both planning staff and other City departments have expressed concern that a revised environmental review process would result in less service to either private or public projects. This change is intended to insure that environmental review of public and private projects will be accorded "equal processing priority". The City's Environmental Coordinator would report directly to the Director of Planning and Development. All sponsors of private and public projects would have equal access to the environmental staff. The sponsors of public projects (other City departments) and private projects (the Planning Division) would continue to serve as overall project managers for their respective projects.

3. Staffing: The fiscal analysis found in Section IV above, indicated that, based upon existing and projected workload, the environmental project could be fully staffed by 8.5 FTE. However, there are several important considerations beyond that fiscal analysis which effect the recommendations for staffing an Environmental Services Division.

First, it is clear that the environmental review process has not been sufficient to assure full legal adequacy of all environmental reviews. Increased staff time is necessary for each environmental review to provide such assurances. Second, new statutory requirements and court decisions require more time and effort for each environmental review than has been required in the past. These new demands translate into either increased processing time with existing staff or more staff to maintain or decrease individual project processing time.

Third, the staff project applicants and City Council are becoming increasingly frustrated with the length of time necessary to provide legally sound environmental review. An increased number of environmental staff should result in more timely, efficient environmental review. Fourth, the organization of a separate division of environmental services will require increased support staff to provide effective receptionist, telephone answering, filing, and other clerical services which are currently supplied by the Planning Division clerical pool.

Finally, given the need to assure timely and effective processing of both private and public project environmental review, appropriate separate management staff are appropriate to separately oversee, the processing of public and private project reviews. The recommended staff organization reflects that need. The result of these several considerations is that an initial staffing level of 11 is recommended to assure adequate timely and effective environmental review services within the City. This initial staffing should be reviewed at the end of FY 90 to determine whether additional changes in the staff level or organization are necessary.

It is recommended that the initial staff organization include the following positions:

- a. Environmental Coordinator (Division head)
- b. Principal Planner
- c. Senior Planner
- d. Administrative Assistant
- e. Clerk Typist (2)
- f. Assistant/Associate Planners (5)

A staff organization chart is found on the next page. The following is a brief description of the duties and responsibilities of the proposed staff.

a. Environmental Coordinator: Overall management of the division including: budgets; personnel; projects; coordination with outside agencies and other City departments; development of environmental procedures; consultant selection; serves as chair of the environmental clearinghouse committee. Trouble shoots most difficult projects and policy issues. Reports to the Director of Planning and Development.

b. Principal Planner: Serves as Acting Environmental Coordinator in the absence of the division head; oversees the environmental review of all private projects; coordinates with other City departments, assists the Environmental Coordinator in the development of policy and procedures. Reports to the Environmental Coordinator.

c. Senior Planner: Responsible for day-to-day project supervision; assist in consultant selection, and coordination with other agencies and City departments; directly supervises staff and consultants; and assists Coordinator in development of environmental procedures and policy recommendation. Reports to the Environmental Coordinator.

d. Administrative Assistant: Responsible for contract management; general administrative analysis; project scheduling and status reporting. Reports to the Environmental Coordinator.

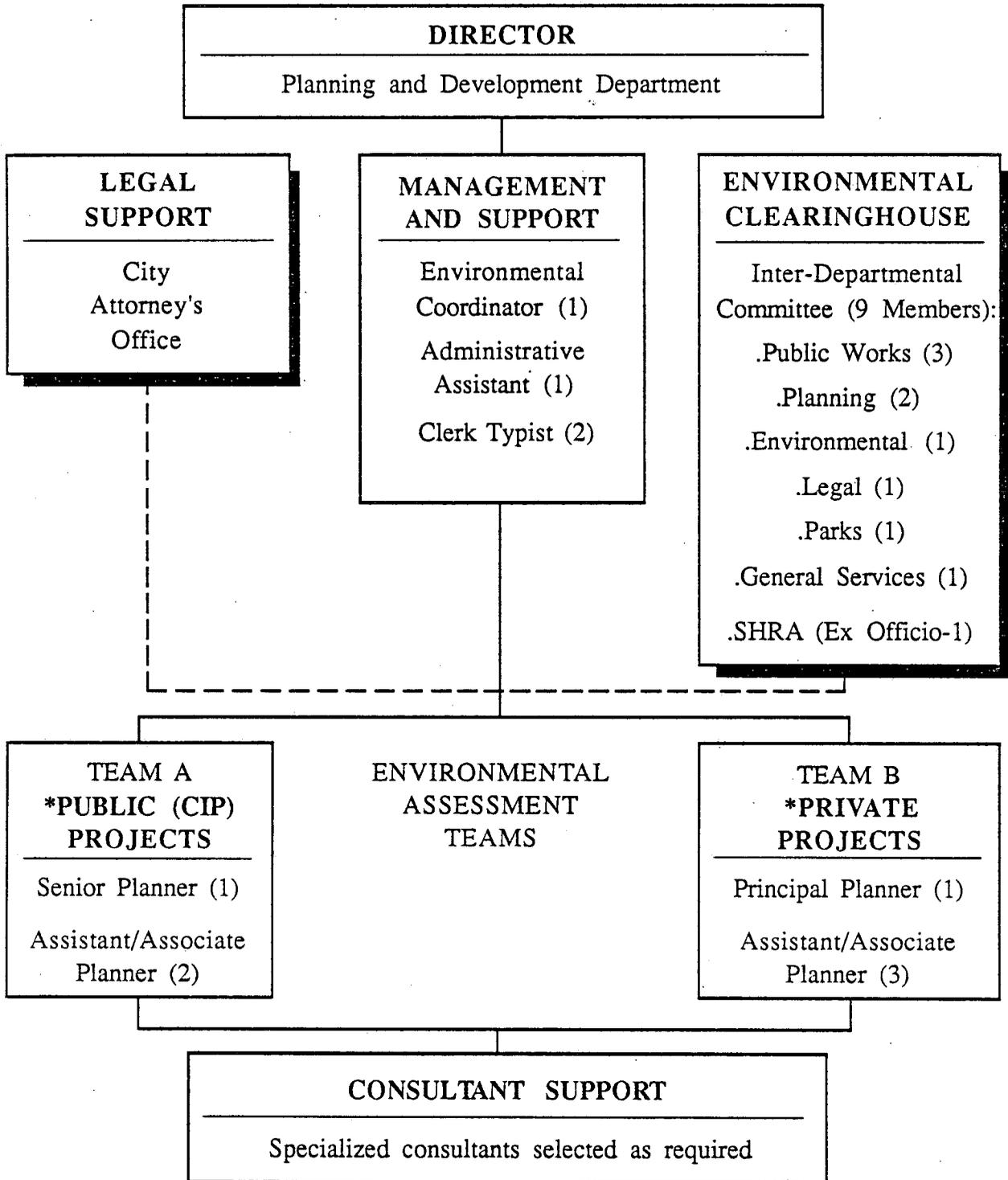
e. Assistant/Associate Planners (5): Serve as individual project supervisors and environmental analyst; perform environmental analytical work involving initial studies; environmental determinations; and mitigation measures monitoring. Reports to either the Senior Planner or Principal Planner depending upon assignment.

f. Clerical(5): Word processing; receptionist; telephone answering; posting of notices; filing; library maintenance, and related work. Reports to either the Environmental Coordinator or the Administrative Assistant depending upon assignment.

4. Project Delivery Teams: Environmental reviews for public projects which involve EIR's or complex negative declarations all include a "project delivery team" comprised of the Environmental Services Division assigned to the project, the manager responsible for the project design and implementation, other staff as necessary, and consultants. This team will assure integration of the environmental review process with the other aspects of the public project. The intent of the project delivery teams is to avoid delays in project implementation and emphasize internal coordination and cooperation.

PROPOSED

ORGANIZATION OF THE
ENVIRONMENTAL SERVICES DIVISION
DEPARTMENT OF PLANNING AND DEVELOPMENT



* Staff to be shared on public and private projects as required to meet work load demand

Revised Environmental Review Process

Section II of this report summarizes the processes currently used to conduct the environmental reviews for both public and private projects. One result of the consolidation of those separate processes, if accepted and approved by the steering committee and City Council, will be a single environmental review process for both public and private projects. The following is a brief summary of the anticipated changes from the existing process.

1. Budgeting and funding environmental reviews: Staff responsible for managing Public Works projects as a part of the City's capitol improvement program (CIP) will estimate the probable level of environmental review required at the time the project is proposed for inclusion in the CIP. This estimate should be done in consultation with the environmental coordinator. Each project in the CIP will, among other things, include sufficient lead time and funding for that environmental review.

Private projects will continue to be funded by applicants. The revised process will provide for full cost recovery of staff time and expenses on all environmental determinations including negative declarations, EIRs and mitigation measure monitoring.

2. Environmental Determinations: Private project applications will continue to be processed in a fashion quite similar to that described in Section II. Public projects will be included in that process in an orderly, timely manner. City staff responsible for projects requiring environmental determinations will transmit, at a minimum, a complete project description and supporting documents. The environmental staff responsible for public projects will complete the determination and initial study, if necessary, at weekly intervals (this step will probably be merged with the group review of private project applications and that review changed to be a weekly occurrence). Categorical exemptions and simple negative declarations would be completed and returned to the project manager within 1 to 2 days resulting in a processing time for the simplest determinations of no more than 10 days. Processing time for the remaining more complex determinations is not possible to estimate at this time.

3. Negative Declarations with Mitigation Measures and EIRs: The more complex environmental documents will be prepared by the environmental division in consultation with responsible departmental staff. The preparation of mitigation measures or the selection of consultants will closely involve project staff at each important step in the decision-making process staff. The environmental clearinghouse will also be included in periodic review at designated steps in the process. Project delivery teams comprised of environmental staff, the sponsoring department project staff and consultants may be established for complex negative

declarations to assure integration consistency with the overall project objectives.

4. Certification of the Environmental Document: Environmental staff will be present at every Design Review and Preservation Board, City Planning Commission, City Council, or other required public meetings where the presentation of or questions about an environmental document is necessary. Environmental staff will be fully responsible for the completeness and adequacy of all environmental documents for both public and private projects. Environmental staff will also be responsible for all legal advertisements, posting of documents and the filing of necessary forms and notices.

5. Legal Adequacy: The environmental staff will also be responsible for assuring that adequate findings of fact and statement of overriding considerations, if necessary are prepared to the satisfaction of the City Attorney's Office. The environmental staff will serve as the principal coordinator between the City Attorney's Office and the project environmental matters only. It is anticipated that day-to-day coordination between the City Attorney's Office and the project on other matters will continue to be handled by the departmental project staff.

VII APPENDICES



CITY OF SACRAMENTO

INITIAL STUDY

This Initial Study has been required and prepared by the Department of Planning and Development, Planning Division Environmental Section, 1231 I Street, Suite 300, Sacramento, CA 95814, (916)449-2037, pursuant to CEQA Guidelines Section 15063 (August 1, 1983).

File No. and/or Project Name: _____
 Applicant - Name: _____
 Address: _____

Answer the following questions to determine if the proposed project may have potentially adverse significant impacts on the environment.

- | | <u>Yes or No</u> |
|---|------------------|
| 1. <u>Earth</u> . Will the proposal result in: | |
| a. Unstable earth conditions or in changes in geologic substructures? | _____ |
| b. Disruptions, displacements, compaction or overcovering of the soil? | _____ |
| c. Change in topography or ground surface relief features? | _____ |
| d. The destruction, covering or modification of any unique geologic or physical features? | _____ |
| e. Any increase in wind or water erosion of soils, either on or off the site? | _____ |
| f. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river, stream, bay, inlet or lake? | _____ |
| g. Exposure of people or property to geologic hazards such as earthquakes, ground failure, or similar hazards? | _____ |
| 2. <u>Air</u> . Will the proposal result in: | |
| a. Substantial air emissions or deterioration of ambient air quality? | _____ |
| b. The creation of objectionable odors? | _____ |
| c. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally? | _____ |
| 3. <u>Water</u> . Will the proposal result in: | |
| a. Changes in currents, or the course of direction movements, in either marine or fresh waters? | _____ |
| b. Changes in absorption rates, drainage patterns, or the rate and amount of surface runoff? | _____ |
| c. Alterations to the course of flow of flood waters? | _____ |
| d. Change in the amount of surface water in any water body? | _____ |
| e. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity? | _____ |
| f. Alteration of the direction or rate of flow of ground waters? | _____ |
| g. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations? | _____ |
| h. Substantial reduction in the amount of water otherwise available for public water supplies? | _____ |
| i. Exposure of people or property to water related hazards such as flooding? | _____ |
| 4. <u>Plant Life</u> . Will the proposal result in: | |
| a. Change in the diversity of species, or number of any species of plants? | _____ |
| b. Reduction of the numbers of any unique, rare or endangered species of plants? | _____ |
| c. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species? | _____ |
| d. Reduction in acreage of any agricultural crop? | _____ |
| 5. <u>Animal Life</u> . Will the proposal result in: | |
| a. Change in the diversity of species, or number of any species of animals? | _____ |
| b. Reduction of the numbers of any unique, rare or endangered species of animals? | _____ |
| c. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals? | _____ |
| d. Deterioration of existing fish or wildlife habitat? | _____ |

Yes or No

- 6. Noise. Will the proposal result in:
 - a. Increases in existing noise levels? _____
 - b. Exposure of people to severe noise levels? _____

- 7. Light and Glare. Will the proposal produce new light or glare? _____

- 8. Land Use. Will the proposal result in a substantial alteration of the present or planned land use of an area? _____

- 9. Natural Resources. Will the proposal result in:
 - a. Increase in the rate of use of any natural resources? _____
 - b. Substantial depletion of any nonrenewable natural resource? _____

- 10. Risk of Upset. Does the proposal involve:
 - a. A risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals or radiation) in the event of an accident or upset conditions? _____
 - b. Possible interference with an emergency response plan or an emergency evacuation plan? _____

- 11. Population. Will the proposal alter the location, distribution, density, or growth rate of the human population of an area? _____

- 12. Housing. Will the proposal affect existing housing, or create a demand for additional housing? _____

- 13. Transportation/Circulation. Will the proposal result in:
 - a. Generation of substantial additional vehicular movement? _____
 - b. Effects on existing parking facilities, or demand for new parking? _____
 - c. Substantial impact upon existing transportation systems? _____
 - d. Alterations to present patterns of circulation or movement of people and/or goods? _____
 - e. Alterations to waterborne, rail or air traffic? _____
 - f. Increase in traffic hazards to motor vehicles, bicyclists or pedestrians? _____

- 14. Public Services. Will the proposal have an effect upon, or result in need for new or altered governmental services in any of the following areas:
 - a. Fire protection? _____
 - b. Police protection? _____
 - c. Schools? _____
 - d. Parks or other recreational facilities? _____
 - e. Maintenance of public facilities, including roads? _____
 - f. Other governmental services? _____

- 15. Energy. Will the proposal result in:
 - a. Use of substantial amounts of fuel or energy? _____
 - b. Substantial increase in demand upon existing sources of energy or require the development of new sources of energy? _____

- 16. Utilities. Will the proposal result in a need for new system, or substantial alterations to the following utilities:
 - a. Power or natural gas? _____
 - b. Communications systems? _____
 - c. Water? _____
 - d. Sewer or septic tanks? _____
 - e. Storm water drainage? _____
 - f. Solid waste and disposal? _____

Yes or No

- 17. Human Health. Will the proposal result in:
 - a. Creation of any health hazard or potential health hazard (excluding mental health)? _____
 - b. Exposure of people to potential health hazards? _____

- 18. Aesthetics. Will the proposal result in the obstruction of any scenic or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view? _____

- 19. Recreation. Will the proposal result in an impact upon the quality or quantity of existing recreational opportunities? _____

- 20. Cultural Resources.
 - a. Will the proposal result in the alteration or destruction of a prehistoric or historic archaeological site? _____
 - b. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure or object? _____
 - c. Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values? _____
 - d. Will the proposal restrict existing religious or sacred uses within the potential impact area? _____

- 21. Mandatory Findings of Significance.
 - a. Does the project have the potential to degrade the quality to the environment, substantially reduce the habitat of a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? _____
 - b. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals? (A short-term impact on the environment is one which occurs in a relatively brief, definitive period of time while long-term impacts will endure well into the future.) _____
 - c. Does the project have impacts which are individually limited, but cumulatively considerable? (A project may impact on two or more separate resources where the impact on each resource is relatively small, but where the effect of the total of those impacts on the environment is significant.) _____
 - d. Does the project have environment effects which will cause substantial adverse effects on human beings, either directly or indirectly? _____

MITIGATION MEASURES

- _____ None required.
- _____ The following mitigation measures shall become conditions of approval for the subject proposal:

CONCLUSION

The proposed project will not have a significant adverse effect on the environment for the following reasons:

1. Will have only temporary or short-term construction impacts such as dust and equipment emissions, noise and truck traffic.
2. Will not generate a significant amount of additional vehicles, noise or emission levels.
3. Will not affect rare or endangered species of animal or plant, or habitat of such species.
4. Will not eliminate important examples of major periods of California history or prehistory.
5. Will not result in a significant effect on air, water quality or ambient noise levels for adjoining areas.
6. Will not be subjected to floodplains or major geologic hazards.
7. Will not have a substantial aesthetic affect.
8. Will not breach any published national, State or local standards relating to solid waste.
9. Will not involve the possibility of contaminating public water supply or adversely affect groundwater.
10. Will not result in or add to a violation of the waste discharge requirements applicable to local sewer systems as prescribed by California Regional Water Quality Control Board.
11. Will not occur to the disadvantage of long-term environmental goals.
12. Will not result in the adverse cumulative impacts.
13. Will not result in adverse growth inducing impacts.
14. Will not result in substantial adverse effects on human beings either directly or indirectly.
15. Will not be in conflict with the City's General and Community Plans.

REFERENCES

Sacramento City General Plan and EIR, 1988	Sacramento City Zoning Ordinance, July 1987
South Sacramento Community Plan and EIR, 1986	Renaissance Tower EIR, 1986
North Natomas Community Plan and EIR, 1986	Laguna Creek Floodplain Study and EIR, 1985
South Natomas Community Plan and EIR, 1987	Creekside Oaks and Gateway Centre EIR, 1984
Airport-Meadowview Community Plan and EIR, 1984	Delta Shores Village PUD EIR, 1983
North Sacramento Community Plan and EIR, 1984	Greenhaven Executive Office Park EIR, 1982
Sacramento South Pocket Specific Plan & EIR, 1977	Executive Airport Master Plan and EIR, 1981
Sacto. Central City Comprehensive Plan & EIR, 1977	Sacto. City Amer River Pkwy Plan & Neg. Dec. 1985
Downtown Redevelopment Plan Update & EIR, 1985	Northgate Station EIR, 1986
	Willow Creek EIR, 1985

- o At the Crossroads, A Report on California Endangered and Rare Fish and Wildlife. California Resources Agency and Department of Fish and Game, 1972
- o Soils of Sacramento County, California. Walter Weir, Division of Soils, U.C. Berkeley, 1950
- o Fifteenth Progress Report on Trip Ends Generation Research Counts. CalTrans 1983.
- o Native Oaks: Our Valley Heritage. Sacramento County Office of Education, 1976.
- o The applicant's environmental questionnaire and submitted plans are considered part of this Initial Study.

DETERMINATION

On the basis of this initial evaluation:

- _____ I find the proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- _____ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect on this case because the mitigation measures described in this Initial Study has been added to the project. **A NEGATIVE DECLARATION WILL BE PREPARED.**
- _____ I find the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.

DATE: _____ SIGNATURE: _____

PREPARED BY: _____ PHONE: _____

TENTATIVE PROJECT PROCESSING TIME SCHEDULE

<u>PROCEDURE</u>	<u>TIME</u>
Proponent Submits Application	
City Determines if Application is Complete Informal or Formal Early Consultation If not Complete - Request for Additional Information in Writing If not Supplied in 30 Days, Application Deemed Withdrawn If Complete Starts Time Requirement	30 days*
Complete Application: Starts 6 Month Negative Declaration or 1 Year EIR Time Limit	0
City makes Environmental Determination (30 days*) Prepare Initial Study Either Negative Declaration or EIR If Negative Declaration - City Prepares in 105 days and Action within 8 Months	3 weeks
If EIR - City Sends Letter Requiring EIR: Applicant Appeals EIR Determination or Deposits EIR Consultant Selection Fee or Application Deemed Withdrawn	10 days*
<u>EIR PROCESS</u>	
City Sends Notice of Interest for Consultant Services	1 day
City Prepares and Distributes RFP City Conducts Briefing Session	1 week
City Distributes Notice of Preparation (30 days*) (Mailing, Newspaper) Planning Commission Review NOP within 30 Day Comment Period Notice of Preparation Public Review Period Closes	
Planning Commission Reviews Consultant Selection Process	1 week
City Council Reviews Consultant Selection Process	1 week
Consultants Prepare Proposals - Due	2 weeks
Interview/Selection of Consultant - Completed	2 weeks
City Determines EIR Cost and Request Deposit	
Applicant Deposits Estimated Preparation Cost or Application Deemed Withdrawn	10 days*
If Money Deposited, Council Amends Department Budget	1 week
City Prepares and Processes Contract	2 weeks
Consultant Prepares Administrative EIR	9 weeks
City Reviews Administrative EIR	1 week
Consultant Makes Revisions	2 weeks
City Review Revisions	1 week
City Publishes and Distributes Draft EIR	1 week
City Files Notice of Completion and Ten Draft EIRS with OPR Which Starts Draft EIR Public Review Period City Advertise (Mailing, Posting, Newspaper) Availability of Draft EIR	45 days
City Publishes Notice of CPC Draft EIR Hearing	
CPC Hearing to Receive Comments within Review Period	
Draft EIR Public Review Period Closes	
City Transmits all Written Comments to Consultants	

Council
lr/pc/3/19/88

TENTATIVE PROCESSING TIME SCHEDULE
CONTINUED

<u>PROCEDURE</u>	<u>TIME</u>	<u>DATE</u>
Consultant Prepares Administrative Final EIR	3 weeks	
City Review of Administrative Final EIR	2 weeks	
Consultant Makes Revisions	1 week	
City Publishes and Distributes Final EIR	1 week	
Planning Request City Clerk Reserve Hearing Date		
Final EIR Public Review Period (7 days*) Starts	2 weeks	
Final EIR Public Review Period Closes		
Receive Comments and Prepare Staff Report	2 weeks	
Planning Sends Public Notice 10 days Before CPC Hearing (Mail, Post, Newspaper)		
Planning Commission Hearing on Final EIR and Project (Recommendation)		
Planning Request City Clerk Set Hearing Date Next Day After CPC Action		
City Clerk Sends Public Notice 10 Days Before Hearing (Mail, Posting, Newspaper)		
Planning Forwards Staff Report on Final EIR and Project on Wednesday to City Manager and then to City Clerk for the Tuesday Hearing		
Council Hearing on Final EIR and Project Final Action	3 weeks	
Determine Actual Cost (Bill if Necessary)		
City Files Notice of Determination within 5 days* After Action with County Clerk and State		
	<u>49 weeks</u>	

* Mandatory Time Frame