

RESOLUTION 76-57
PERTAINING TO CEQA PROCEDURES FOR ALL AGENCY PROGRAMS

WHEREAS, the Agency must consider the potential environmental impacts of each of its programs in light of the California Environmental Quality Act of 1970; and

WHEREAS, the Agency is required to adopt objectives, criteria and procedures for the implementation of the California Environmental Quality Act of 1970 and the regulations promulgated pursuant thereto; and

WHEREAS, the staff has prepared for the review of this Board of Directors objectives, criteria and procedures for the implementation of the California Environmental Quality Act of 1970 and the regulations promulgated pursuant thereto; and

WHEREAS, such objectives, criteria and procedures have been presented to this Board of Directors for its review; and

WHEREAS, this Board of Directors has reviewed the aforementioned objectives, criteria and procedures in the form presented at this meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Housing Finance Agency:

- 1) That the objectives, criteria and procedures hereinabove described are hereby adopted by this Board of Directors.
- 2) That this resolution shall take effect immediately.

I hereby certify that this is a true and correct copy of Resolution 76-57 adopted at a duly constituted meeting of the Board of Directors of the California Housing Finance Agency held on October 27-28, 1976

Attest



Stuart Honse
Secretary

CALIFORNIA HOUSING FINANCE AGENCY

October 19, 1976

TO: MEMBERS OF THE BOARD OF DIRECTORS

CHFA's legal staff is currently studying the California Environmental Quality Act as it relates to all the financing programs of the California Housing Finance Agency. The Board has adopted procedures for the Mortgage Purchase Program. These same procedures could also be adopted so as to be applicable to all other financing programs.

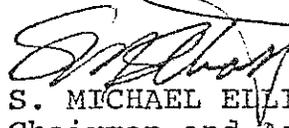
The Regulations published pursuant to Resources Code §21083, (Environmental Quality Act of 1970) state, "Public agencies shall adopt objectives, criteria, and specific procedures consistent with CEQA and these Guidelines for the orderly evaluation of projects and the preparation of environmental documents." (14 Cal. Adm. Code §15050(c)). The Regulations also state that the word "...'shall' identifies a mandatory element which all public agencies are required to follow." (14 Cal. Adm. Code §15015). Therefore, it is mandatory that CHFA as a public agency adopt procedures for the environmental evaluation of its projects.

It should be noted that the required procedures may be adopted by resolution. (Resources Code Section 21082). These internal procedures are not subject to the notice requirements of the California Administrative Procedure Act and they may be amended by resolution at any Board meeting. They are only intended to provide an internal guide for CEQA compliance.

Until internal CEQA procedures are adopted which apply to the other CHFA programs, no evaluation of these programs from the environmental standpoint may take place, nor may environmental documents be prepared. Due to the potential environmental impacts of CHFA's remaining programs, evaluation of each program and preparation of documents is essential. Since some of these programs are contemplated in the near future and proper environmental evaluation and documentation is extremely time consuming, it is important that internal procedures applicable to all CHFA programs be approved very soon.

Enclosed is a copy of proposed objectives, criteria, and procedures for the implementation of CEQA. They are almost identical to those applicable to the Mortgage Purchase Program, with the addition of a section dealing with procedures to be followed when CHFA is not a lead agency, and the deletion of a definition which merely duplicated a definition in the State Guidelines. Please review these proposed procedures and make any comments which you feel may be relevant. After consideration of your comments, we will present these procedures for your consideration at the Board meeting of October 27.

Sincerely,



S. MICHAEL ELLIOTT
Chairman and Acting President

Enclosure

STAFF PROPOSAL

CALIFORNIA HOUSING FINANCE AGENCY

OBJECTIVES, CRITERIA AND PROCEDURES FOR IMPLEMENTATION OF THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970

CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

Article 1. General Provisions

1. Authority. The objectives, criteria and procedures contained herein are adopted by the California Housing Finance Agency (CHFA) pursuant to authority granted in Public Resources Code Section 21082 for the purpose of implementing, interpreting, or applying the California Environmental Quality Act of 1970 (Public Resources Code, Sections 21000 through 21174).

2. Purpose. These procedures supplement and interpret both the California Environmental Quality Act of 1970, as it may be amended from time to time, and the Secretary for Resources Guidelines for Implementation of the California Environmental Quality Act of 1970, as they may be amended from time to time. No attempt has been made to reproduce in these procedures the definitions, policies, and other provisions found in the Act and in the State Guidelines. Therefore, these procedures should be read and used together with the Act and the State Guidelines.

3. Decisions on Environmental Matters. Approval of Environmental Impact Reports will be within the discretion of the Board of Directors. All other decisions pertaining to environmental matters shall be delegated to the President. Any Board member may request the Board of Directors to review any determination made by the President under these procedures. If the Board, by majority vote, agrees to review a determination of the President, the determination shall be placed on the agenda at the next scheduled meeting. At the conclusion of its review of the President's determination, the Board shall either ratify the determination or make the appropriate determination with findings.

Article 2. Abbreviations and Definitions

4. Abbreviations. The following abbreviations are used in this Chapter:

- (a) BOD -- Board of Directors;
- (b) CEQA -- California Environmental Quality Act of 1970;
- (c) CHFA -- California Housing Finance Agency;
- (d) DEIR -- Draft Environmental Impact Report;
- (e) EIR -- Environmental Impact Report; and
- (f) IS -- Initial Study.

5. Environmental Documents. "Environmental documents" means the Initial Study; the Environmental Impact Statement; the Draft Environmental Impact Report; the Environmental Impact Report; the Draft Negative Declaration; the Negative Declaration; the Notice of Completion; and the Notice of Determination.

6. Lead Agency. "Lead agency" means the public agency which has the greatest general governmental responsibility for carrying out or approving a project which may have a significant effect on the environment where more than one governmental agency is involved with the same implementation or approval process. Determination of Lead Agency in projects in which CHFA is involved will depend upon which of the several CHFA programs is involved.

7. State Guidelines. "State EIR Guidelines" means the Guidelines for Implementation of the CEQA adopted by the Secretary for Resources under CEQA.

CHAPTER 2. ENVIRONMENTAL DOCUMENTS--WHEN REQUIRED

Article 1. Projects Requiring No Environmental Documents

8. Projects With No Possible Significant Environmental Effect. No environmental documents are required for a project having no possible significant effect on the environment. In making this determination, the President shall consider those elements listed in §§15081 and 15082 of the State Guidelines with respect to each project considered by CHFA. When he determines that a particular project has no possible significant environmental effect, the project is exempt from CEQA.

9. Categorically Exempt Projects. No environmental documents are required for a project within any one of the classes that the Secretary for Resources has found not to have a significant effect on the environment and has declared to be categorically exempt from the requirement to prepare an EIR. Categorical exemptions are listed in Resources Code §§15100-15116.

10. Ministerial Projects. No environmental documents are required for a project undertaken or approved by CHFA upon a given state of facts in a prescribed manner in obedience to the mandate of legal authority or advise when CHFA must act upon the given facts without regard to its own judgment or opinion concerning the propriety or wisdom of the act.

11. Emergency Permits. No environmental documents are required for a project that may be approved pursuant to the emergency procedures of the State Guidelines.

12. Feasibility and Planning Studies. No environmental documents are required for a project involving feasibility or planning studies for possible future CHFA actions that the CHFA has not approved, adopted, or funded.

Article 2. Projects Requiring Environmental Documents

13. CHFA Lead Agency.

- (a) When EIR Required. If the CHFA is lead agency, an EIR is required for any project which the President has determined will have a significant effect on the environment and which is not included in Article 1.
- (b) When Negative Declaration Required. If the CHFA is lead agency, a Negative Declaration is required for any project which the President has determined will not have a significant effect on the environment and which is not included in Article 1.
- (c) Submission of IS. The determination of whether a project or a plan which has a possible significant effect on the environment actually has a significant effect on the environment will be made on the basis of information that shall be submitted by the applicant in an IS in the form required by Section 22, where an applicant is involved. Where such a determination must be made and no applicant is involved, the President shall compile appropriate information and prepare the IS.

14. CHFA Not Lead Agency. If the CHFA is not the lead agency on a project, and an environmental document that complies with CEQA and the State Guidelines has been prepared for the project and certified by the lead agency, further environmental documents are required only if, subsequent to certification, either (1) substantial changes are proposed in the project which will require major revisions to the already prepared environmental document, or (2) substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions to the already existing environmental document.

CHAPTER 3. PROCEDURES WHEN EIR OR NEGATIVE
DECLARATION IS REQUIRED AND CHFA
IS LEAD AGENCY

Article 1. Environmental Impact Reports
and Negative Declarations

15. President to Prepare EIR. If the CHFA is lead agency, and the President determines that an EIR is required for a project, the President shall:

- (a) Determine the scope of the proposed project, the level of expertise required to prepare a DEIR and EIR sufficient under CEQA, and to what extent consultant assistance may be needed to prepare required environmental documents. (Where a matter involves a large project or complex environmental considerations, the CHFA will normally rely on a consultant to assist in the preparation of environmental documents.)
- (b) Prior to preparing a DEIR, consult with all other public

agencies which have jurisdiction by law with respect to the project and with any other agency or person he deems appropriate (such consultation will usually take the form of an "environmental working paper" circulated for review and comment.)

- (c) Prepare a DEIR.
- (d) File a Notice of Completion of the DEIR with the Secretary for Resources.
- (e) Distribute copies of the DEIR to all public agencies which have jurisdiction by law with respect to the project and with any other agency or person he deems to have a special expertise.
- (f) Notify the BOD and the public that a DEIR has been prepared and is available at the CHFA offices for review, and allow a reasonable time for comment thereon.
- (g) Schedule a public hearing on the DEIR whenever possible concurrently with the public hearing on the project.
- (h) Prepare an EIR for BOD consideration and certification.
- (i) File a copy of the certified EIR with all public agencies that have jurisdiction by law with respect to the project.
- (j) After the project is acted upon by the BOD, file a Notice of Determination with the Secretary for Resources.

16. President to Prepare Negative Declaration. If the CHFA is lead agency, and the President determines that a proposed project may have an effect on the environment, the President shall:

- (a) Consult with all other public agencies which have jurisdiction by law with respect to the project and with any other agency or person he deems appropriate, and prepare an IS in the form required by Section 22.
- (b) If satisfied by the IS that the project will not have a substantial effect on the environment, prepare a draft Negative Declaration.
- (c) Submit the IS and Negative Declaration to the BOD for its preliminary review.
- (d) Distribute copies of the draft Negative Declaration to all public agencies which have jurisdiction by law with respect to the project and with any other agency or person he deems to have special expertise.
- (e) Notify the public that an IS and a draft Negative Declaration have been prepared and are available at the CHFA offices for review and allow a reasonable time for comment thereon.

- (f) If he concludes, after considering all comments received, that the project will not have a substantial effect on the environment, prepare a Negative Declaration.
- (g) File a copy of the Negative Declaration with all public agencies that have jurisdiction by law with respect to the project.
- (h) Present the Negative Declaration to the BOD prior to project approval.
- (i) After the project is acted upon by the CHFA, file a Notice of Determination with the Secretary for Resources.

Article 2. Comments, Public Hearings, and Certification
When CHFA is Lead Agency

17. Comments Made to the CHFA.

- (a) When the CHFA is the lead agency, comments on "environmental working papers" shall be submitted in writing to the President within a time period set by the President.
- (b) After the President has prepared draft environmental documents, he shall allow a reasonable time period for review of these documents. Upon written request and for good cause, the President may extend the time for comments. If any public agency or person concerned with regard to an environmental document fails to comment within the time allowed, it shall be assumed, absent a request for an extension of time, that such agency or person has no comment to make. The President, in his discretion, may consider comments submitted after the deadline has expired.

CHAPTER 4. PROCEDURES WHEN CHFA IS NOT LEAD AGENCY

Article 1. Comments by President

18. Review and Comment on Environmental Documents When the CHFA Is Not the Lead Agency.

- (a) Comments by President. If the CHFA is not the lead agency on any program or project but is consulted by a Lead Agency for comment on its "environmental working papers" or environmental documents, the President shall:
 - (1) Review any environmental working papers or IS sent to him for consultation purposes, determine what comments should be made on behalf of the CHFA and forward such comments to the lead agency;
 - (2) Review any draft environmental documents, received either through the State Clearinghouse review process or through other review procedures, determine what comments should be made on behalf of the CHFA and

forward such comments to the lead agency or the State Clearinghouse.

Article 2. CHFA Comments

19. Public Hearing and CHFA Comment. The BOD in its discretion, may hold a public hearing on any environmental documents submitted to it and direct the staff to make whatever comments, or to obtain whatever additional information, the BOD deems appropriate.

Article 3. Effect of Comments

20. Effect of Comments. Comments on environmental documents submitted by the CHFA are intended to help the lead agency prepare adequate environmental documents. They do not indicate what action the CHFA may take when a program or project comes before the CHFA requesting approval under a CHFA program; nor do they preclude the CHFA from requiring additional environmental information in the course of the application process.

CHAPTER 5. ENVIRONMENTAL DOCUMENTS

Article 1. Purpose and Style

21. Purpose and Style of Environmental Documents. The purpose of the environmental impact report process is to inform the appropriate governmental agencies and the public of the environmental effects of proposed projects. All documents should be clearly and concisely written. Technical and scientific terms should be avoided, and if detailed environmental data is submitted, it should be placed in an appendix, rather than in the text of the documents. Environmental documents should be in the format indicated in this chapter.

Article 2. Contents

22. Initial Study (IS). The IS shall include when appropriate or available the following information in the indicated format:

(a) Under the Heading "I. Description of Project."

- (1) Project and Its Location. Give the name of the program or project, type of program, and its location where ascertainable.
- (2) Statement of Purpose of the Project. Briefly describe what the project is intended to achieve.
- (3) General Description of Program or Project. Describe the principal features of the project. The nature of this description will depend upon the particular CHFA program involved. Include where knowing locations, dimensions, etc.

(b) Under the Heading "II. Environmental Setting."

- (1) Present Environment. Describe the physical environ-

ment as it exists now, before commencement of the program or project. If possible, describe both the immediate area of the project and all nearby areas that the project might affect. Provide sufficient information to permit a clear evaluation of the environmental alterations that the proposed project would make. Present social and economic conditions should be discussed.

- (2) Environmental Singificance. An identification of particular environmental effects either by use of the checklist attached hereto as Exhibit A, or by use of the narrative form.

(c) Under the Heading "III. Environmental Impact."

Discuss any potential substantial adverse environmental impacts attributed to the particular program, drawing conclusions as to the environmental impact, if any, of the total program.

23. Draft Environmental Impact Report (DEIR). To the subject headings I and II only, included in the IS under Section 22, the following information shall be added to form the DEIR"

(a) Under a new Heading "III. Environmental Impact."

- (1) Environmental Impact of the Proposed Project. Describe all the environmental impacts, beneficial and adverse, anticipated from the project. Both short-term and long-term effects should be described.
- (2) Any Adverse Environmental Effects that Cannot be Avoided if the Proposal is Implemented. Describe (i) significant environmental impacts of the proposed project that are harmful but cannot be reduced in severity and (ii) those that are harmful and can be reduced but not eliminated. If the project involves significant and harmful environmental impacts that cannot be eliminated or substantially reduced, explain why the project should be allowed to proceed.
- (3) Mitigation Measures Proposed to Minimize the Impact.
 - (i) Describe any measures proposed to mitigate any harmful environmental effects of the proposed projects. Explain whether the proposed mitigation significantly reduces the harmful environmental impacts. If several alternatives for mitigation have been considered, describe them separately and briefly, and explain why the recommended alternate was chosen. When unavoidable adverse impacts will likely result from a project despite the best design, explain what measures to provide environmental benefits

are proposed to offset the unavoidable adverse environmental effects; and

- (ii) Describe any measures proposed to conserve energy incorporated into the design and operation of the proposed project. Explain whether the proposed use of energy causes less energy to be used than would ordinarily be the case for projects of this nature. If alternatives for conserving energy are available, describe them separately and briefly, and explain why the recommended alternate was chosen.
- (4) Alternatives to the Proposed Action. Describe (i) alternatives to the proposed project, e.g., building it in a different location, deferring construction, not building it at all (this alternative must be specifically discussed); and (ii) alternative designs for the project (e.g., different size, different shape, different construction materials, etc.), and explain why the proposed alternative was chosen.
 - (5) The Relationship Between Local Short-Term Uses of Man's Environment and the Maintenance and Enhancement of Long-Term Productivity. Describe the cumulative and long-term effect of the proposed project which adversely affects the state of the environment. Special attention should be given to impacts which narrow the range of beneficial uses of the environment or pose long-term risks to health or safety. In addition, the reasons why the proposed project is believed to be justified now, rather than reserving an option for further alternatives, should be explained.
 - (6) Any Irreversible Environmental Changes that Would be Involved in the Proposed Action Should it be Implemented. Describe any irretrievable commitment of resources involved in the project.
 - (7) The Growth-Inducing Impact of the Proposed Action. Discuss the ways in which the proposed action could affect, directly or indirectly, economic or population growth. Discuss also the probable impacts, both desirable and undesirable, on the total environment of such growth. If the proposed action will have no growth-inducing impact, this should be stated and the reason given for the conclusion.
- (a) Under a new Heading "IV. Sources." List the name, address, telephone number, and area of expertise of all governmental agencies, other organizations, consultants, and individuals involved in preparing or compiling the project and environmental data. When listing agencies, include the name

and title of the person contacted at the agency.

24. Environmental Impact Report (EIR). To the material included in the DEIR under Section 23, corrected to reflect any comments or new information received at the public hearing or during review and comment by other agencies and individuals, the following information shall be added to form the EIR:

- (a) Under a new Heading "V. Issues Raised." Indicate the significant environmental issues raised during review or public hearing and the disposition of such issues, including any revisions to the proposed project made to mitigate anticipated impacts or objections and a detailed explanation of why the project is still proposed whenever the project's environmental impact is at variance with recommendations and objections raised.
- (b) Under a new Heading "VI. Certification." List the name, address, and telephone number of the governmental agency certifying the EIR and the date and method of certification.
- (c) In Appendix A, at the end of the EIR, "Comments." List the name, address, telephone number, agency affiliation, if any, and area of expertise of each person involved in reviewing the DEIR, including criticisms, recommended additions to or deletions from the DEIR and other information received during review.

25. Contents of a Draft Negative Declaration. A draft Negative Declaration shall contain the following information:

- (a) An IS or summary thereof; and
- (b) A finding, with reasons, stating that the project will not have a significant effect on the environment.

26. Contents of a Negative Declaration. In addition to the information contained in a draft Negative Declaration, the Negative Declaration shall contain a statement indicating who prepared the initial study and where a copy of it may be obtained.

27. Contents of a Notice of Completion. A Notice of Completion shall contain the following information:

- (a) A statement that a DEIR has been completed;
- (b) A brief description of the project and its location; and
- (c) An address where copies of the DEIR are available.

28. Contents of a Notice of Determination. A Notice of Determination shall contain the following information:

- (a) A statement of the determination of the President whether the project will or will not have a significant

effect on the environment;

- (b) A statement of the decision of the BOD to approve or disapprove the project; and
- (c) A statement of whether an EIR has been prepared pursuant to the provisions of CEQA.