

Date of Hearing: August 27, 2026

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Isaac G. Bryan, Chair

SB 328 (Grayson) – As Amended August 26, 2026

SENATE VOTE: 38-0 (not relevant)

SUBJECT: California Environmental Quality Act: exempt surplus land

SUMMARY: Adds the portion of the former Concord Naval Weapons Station (CNWS) conveyed to the City of Concord as a new category of “exempt surplus land” under the Surplus Land Act (SLA). Limits administrative and judicial review under the California Environmental Quality Act (CEQA) for land use types that are consistent with specified prior CEQA review of redevelopment of the CNWS site.

This analysis focuses on the CEQA provisions (Section 2). For the SLA provisions (Section 1), see the Assembly Local Government Committee analysis.

EXISTING LAW:

- 1) Requires lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. (Public Resources Code (PRC) 21000 *et seq.*)
- 2) Provides, when an EIR has been prepared for a project, no subsequent or supplemental EIR is required unless one or more of the following events occurs:
 - a) Substantial changes are proposed in the project which will require major revisions of the EIR.
 - b) Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the EIR.
 - c) New information, which was not known and could not have been known at the time the EIR was certified, becomes available.(PRC 21166)
- 3) Requires lead agencies to rely on a “tiered” EIR when appropriate, i.e., when a prior EIR has been prepared, a later project may rely on a narrower or site-specific EIR which incorporates by reference the discussion in the prior EIR and concentrates on the environmental effects which (a) are capable of being mitigated, or (b) were not analyzed in the prior EIR. (PRC 21093)
- 4) When a prior EIR has been certified for a program, plan, policy, or ordinance, lead agencies are required to use a tiered EIR for a later project that is consistent with the program, plan, policy, or ordinance; consistent with applicable local land use plans and zoning, and; not subject to PRC 21166. In this case, the later project EIR is not required to examine effects that were (a) mitigated or avoided as a result of the prior EIR or (b) examined at a sufficient level of detail in the prior EIR to enable those effects to be mitigated or avoided by site-

specific revisions, the imposition of conditions, or by other means in connection with the approval of the later project. (PRC 21094)

- 5) Authorizes judicial review of CEQA actions taken by public agencies, following the agency's decision to carry out or approve the project. Challenges alleging improper determination that a project may have a significant effect on the environment, or alleging an EIR does not comply with CEQA, must be filed in the superior court within 30 days of filing of the notice of approval. The courts are required to give CEQA actions preference over all other civil actions. (PRC 21167 *et seq.*)

THIS BILL:

- 1) Defines key terms, including:
 - a) "Addendum" means the Final Environmental Impact Report Addendum and Initial Study of Environmental Significance for the Concord Reuse Project Area Plan approved by the city in January 2012.
 - b) "Concord Community Reuse Project" means the Concord Community Reuse Project, approved by the city on February 23, 2010, that established the planning process for civilian use of the former CNWS.
 - c) "CRP area plan" means the area plan for the Concord Community Reuse Project reviewed in the addendum and adopted and incorporated into the city's 2030 general plan in 2012, that covers the inland portion of the former CNWS, the North Concord/Martinez Bay Area Rapid Transit Station, and the Diablo Creek Golf Course.
 - d) "CRP area plan diagram" means figure 3-3 of the CRP area plan.
 - e) "CRP area plan maximum planning area-wide total" means the total aggregate development in the plan area of approximately 12,272 housing units and 6,115,718 square feet of commercial floor space as set forth in the CRP area plan.
 - f) "CRP FEIR" means the Final Environmental Impact Report for the Concord Community Reuse Project Plan (SCH No. 2007052094) certified by the city in February 2010.
 - g) "Land use types" means the land uses listed in CRP area plan Table 3-4, District Standards, in the rows titled "Mix of Uses", without regard to the labels "Required Use" and "Mix of Appropriate Uses."
 - h) "Plan area" means the approximately 5,000-acre inland portion of the CNWS included within the boundaries of the CRP area plan.
- 2) Establishes a conclusive presumption that the 2010 CRP FEIR and 2012 addendum satisfy the requirements of CEQA for any project within the CNWS plan area that meets the following requirements:
 - a) The project has land use types that are consistent with CRP area plan land use types and locations for those land use types that are consistent with the CRP area plan diagram.

- b) The project does not cause the aggregate development in the plan area to exceed the CRP area plan maximum planning area-wide total.
- 3) Requires a project that contains land use types that are consistent with the CRP area plan land use types *in locations that are not consistent* with the CRP area plan diagram to be subject to CEQA review, provided that:
 - a) The conclusive presumption above applies to components of the project and environmental impacts that are unaffected by the changed location of land use types.
 - b) Review is limited to review of the location of land use types that are not consistent with the CRP area plan diagram.
 - c) If review is undertaken pursuant to PRC 21166, review is not required to include analysis of changed circumstances or new information.
- 4) Requires any lawsuit challenging the application of the CEQA review provisions above, including any potential appeals to the court of appeal or the California Supreme Court, to be resolved to the extent feasible within 270 calendar days of the filing of the certified record of proceedings with the court. Requires the project applicant to pay any additional costs incurred by the courts in hearing and deciding any case, as well as the lead agency's costs of preparing the record of proceedings concurrent with its review and consideration of the project.
- 5) Provides that these CEQA provisions are severable.
- 6) Is an urgency measure.

FISCAL EFFECT: Unknown

COMMENTS:

1) Author's statement:

SB 328 seeks to provide streamlining procedures under CEQA and the federal base closure and realignment disposition process for qualifying projects within the area of the Concord Reuse Project Area Plan, supporting implementation of a long-planned, transit-oriented reuse of a portion of the former CNWS with housing, job-creating facilities, open space, and environmental improvements. The measure also creates an exemption within the SLA for land to be conveyed by the City of Concord for this project.

In 2005, the United States Navy identified approximately 4,972 acres of the former Inland Area of the CNWS as surplus to the needs of the federal government, in accordance with the Defense Base Closure and Realignment Act of 1990. The City is the Local Reuse Authority (LRA) for the base closure process. The LRA has executed legally binding agreements approved by the U.S. Department of Housing and Urban Development to provide four sites totaling 16 acres for permanently supportive housing and 10 acres for local Food Bank expansion within the former CNWS.

The Navy intends to convey through an Economic Development Conveyance approximately 2,350 acres of the former CNWS to the City as the designated LRA for

disposition to developers for redevelopment for the purpose of short- and long-term job generation.

In 2010, after a multi-year process with substantial public input, the City certified an EIR and adopted the CNWS Reuse Plan. In 2012, the City adopted an Addendum to the EIR and approved the Area Plan, incorporating the Reuse Plan's policies and goals into the City's General Plan and establishing a land use plan that would transform former naval weapons storage facilities into a mixed-use, transit-oriented, and sustainable community. The Navy completed National Environmental Policy Act (NEPA) environmental review of the disposal and reuse based on the Area Plan and issued a Record of Decision in 2017.

The Area Plan provides for the development of more than 10,000 housing units and requires 25 percent of units to be affordable to lower income households. The Area Plan also provides for up to approximately 6.1 million square feet of commercial space, community facilities such as school sites, neighborhood parks, and sports facilities, as well as extensive open space.

The measure also contains commitments to provide affordable housing and the construction of 10,000 housing units. It will facilitate the development of this much needed housing and community in the East Bay.

SB 328 does not exempt qualifying CNWS projects from CEQA—it leverages CEQA review already completed for CNWS. Additionally, the measure has been drafted within the structure of the SLA in order to provide accountability for the commitments made to build housing as well as affordable housing.

- 2) **Background.** CEQA provides a process for evaluating the environmental effects of applicable projects undertaken or approved by public agencies. If a project is not exempt from CEQA, an initial study is prepared to determine whether the project may have a significant effect on the environment. If the initial study shows that the project would not have a significant effect on the environment, the lead agency must prepare a negative declaration. If the initial study shows that the project may have a significant effect, the lead agency must prepare an EIR.

Generally, an EIR must accurately describe the proposed project, identify and analyze each significant environmental impact expected to result from the proposed project, identify mitigation measures to reduce those impacts to the extent feasible, and evaluate a range of reasonable alternatives to the proposed project. Prior to approving any project that has received environmental review, an agency must make certain findings. If mitigation measures are required or incorporated into a project, the agency must adopt a reporting or monitoring program to ensure compliance with those measures.

To enforce compliance with CEQA, actions taken by public agencies can be challenged in superior court once the agency approves the project. CEQA appeals are subject to unusually short statutes of limitations. Under current law, CEQA lawsuits generally must be filed within 30 to 35 days, depending on the type of decision. The courts are required to give CEQA actions preference over all other civil actions. The petitioner must request a hearing within 90 days of filing the petition and, generally, briefing must be completed within 90

days of the request for hearing. Courts are required to commence hearings on CEQA appeals within one year of filing, to the extent feasible.

- 3) **Concord Community Reuse Project.** The Concord Community Reuse Project has been subject to the following planning-level environmental review:
- a) An EIR for the Concord Community Reuse Project Plan certified in February 2010;
 - b) An addendum to the EIR for the Concord Community Reuse Project Plan approved in January 2012; and
 - c) A Concord Reuse Project Area Plan added to Concord's General Plan and approved in January 2012.
 - d) An EIS under NEPA for the Disposal and Reuse of the Former Naval Weapons Station Seal Beach, Detachment Concord, prepared by the U.S. Department of the Navy issued in August 2017;

This bill limits the usual triggers for additional CEQA review for future projects within the area plan that differ from what was analyzed in the prior EIRs, provided the land use types are consistent with the CRP area plan. While the bill only applies to land use types that are consistent with the CRP area plan, it offers limited CEQA review for projects in locations that differ from the prior plans.

Among the consequences of not conducting new or additional CEQA review for projects within the area plan, when it otherwise would be required, is that future development on the site will not require tribal consultation and mitigation or avoidance of impacts on tribal cultural resources. The prior EIRs the bill relies on predate the addition of tribal consultation requirements to CEQA in 2014.

- 4) **Double referral.** This bill was gutted and amended on the Assembly Floor August 21 and referred to the Local Government and Natural Resources Committees pursuant to Assembly Rule 77.2 The bill was heard and approved by the Local Government Committee on August 27 by a vote of 8-0.

REGISTERED SUPPORT / OPPOSITION:

Support

Bricklayers and Allied Craftworkers Local 3
 Bay Area Council
 Contra Costa Building and Construction Trades Council
 Housing Action Coalition
 International Brotherhood of Electrical Workers Local 302
 Smart, Sheet Metal Workers' Local Union No. 104
 State Building & Construction Trades Council of California
 YIMBY Action

Opposition (unless amended)

East Bay Housing Organizations

Kakoon Ta Ruk Band of Ohlone-Costanoan Indians of the Big Sur Rancheria

Non-Profit Housing Association of Northern California

Public Advocates

Public Interest Law Project

San Diego Housing Federation

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