



Jul 07, 2025

Categories:
[Publications](#)

Authors:
[Thierry R. Montoya](#)

CEQA Streamlining Laws Unlock Brownfield Redevelopment in California

On June 30, 2025, Governor Gavin Newsom signed Assembly Bill 130 and Senate Bill 131, enacting the most significant California Environmental Quality Act (CEQA) reforms in decades. These companion budget trailer bills carve out targeted exemptions for infill housing, transit-oriented development, and civic facilities—critically including projects on previously contaminated or brownfield sites.

Background: CEQA and the Brownfield Challenge

CEQA is California’s foundational environmental review law, requiring public agencies to identify and, where feasible, mitigate the environmental impacts of discretionary projects. It mandates preparation of an Environmental Impact Report (EIR) if a project may have a significant effect on the environment, unless a statutory or categorical exemption applies. Alternatively, a Mitigated Negative Declaration (MND) may suffice if mitigation measures can reduce potential impacts to less-than-significant levels. While CEQA can play a vital role in environmental protection, its procedural demands have often posed substantial hurdles for infill and brownfield redevelopment.

Historically, infill projects on contaminated land have faced substantial barriers under CEQA. Even after cleanup, a site’s listing on the Cortese List, Government Code section 65962.5, typically disqualified it from categorical exemptions like Class 32. The Cortese List is a planning document compiled by the California Environmental Protection Agency that identifies sites known to contain hazardous materials or waste. Lead agencies often defaulted to full EIRs based on minimal or speculative evidence of residual contamination, which are common at brownfield sites even when cleanup is complete. Litigation risks further chilled redevelopment on land best suited for infill housing—sites near

transit, jobs, and existing infrastructure.

The courts began narrowing these challenges. In *Baird v. County of Contra Costa*, the court found CEQA does not require analysis of existing hazards unless the project worsens them. In *Parker Shattuck Neighbors v. Berkeley City Council*, the court upheld an MND for a former gas station project with mitigated soil vapor risk—even though the site remained on the Cortese List. Despite these rulings, agencies continued to apply CEQA inconsistently.

AB 130: Categorical CEQA Exemption for Urban Infill Housing

AB 130 creates a statutory exemption from CEQA for qualifying infill housing projects up to 20 acres in urbanized areas. To qualify, projects must comply with zoning, occur on previously developed land, and avoid offsite environmental impacts. Most importantly for brownfield sites, a cleaned or remediated property that receives regulatory confirmation is eligible for exemption—even if previously listed on the Cortese List. This removes a longstanding disqualification that forced unnecessary CEQA review.

The bill also streamlines review for “near-miss” projects. If a project narrowly fails to meet one criterion, CEQA review is limited to that specific disqualifying factor, avoiding full-scope review.

SB 131: Statutory Safe Harbor for Mitigated Contamination

SB 131 complements AB 130 by establishing a safe harbor where residual contamination has been mitigated under agency oversight. If a regulator approves a cleanup plan and confirms oversight is complete, that determination precludes litigation based solely on speculative contamination claims. SB 131 also modernizes CEQA procedure, limiting documents allowed in litigation, strengthening deadlines for lead agency action, and expanding categorical exemptions for broadband and wildfire mitigation projects.

These changes reduce procedural gamesmanship and improve clarity for all CEQA stakeholders.

Practical Guidance for Developers and Counsel

To take full advantage of these reforms, developers should start with a thorough environmental investigation, including Phase I Environmental Site Assessments and, where appropriate, Phase II Environmental Site Assessments. These reports guide site design and cleanup and help determine eligibility for statutory exemptions or streamlined CEQA review.

Next, developers should obtain written documentation from the Department of Toxic Substances Control or the appropriate Regional Water Quality Control Board confirming that regulatory oversight has concluded. These records are foundational to supporting exemption claims and legal defensibility.

A well-maintained administrative record remains critical. Whether proceeding under a statutory exemption or an MND, developers must compile documentation of mitigation, technical evaluations, and regulatory approvals. This will form the basis of any litigation defense. Close coordination with local planning staff is equally important. Developers should verify that local CEQA procedures align with AB 130 and SB 131, especially in jurisdictions that may be slow to update internal policies.

Lastly, developers should engage affected communities early—particularly in historically impacted areas. CEQA streamlining does not override the need for transparency. Sharing cleanup outcomes and planned safeguards fosters public trust and can reduce opposition.

Conclusion

AB 130 and SB 131 mark a decisive shift in how CEQA treats brownfield redevelopment. By reducing unnecessary EIRs and litigation risk, these reforms help unlock previously contaminated land for infill housing—advancing California’s housing, climate, and equity goals. With strategic planning and documented compliance, developers and public agencies can now move forward confidently on sites that were previously seen as too risky to touch.

For more information, please contact the author or any member of Frost Brown Todd's [Environmental Practice Group](#).

© 2026 FBT Gibbons LLP. May be considered attorney advertising in some jurisdictions.