

Definition of a Project. CEQA applies only to discretionary government activities that are defined as “projects.” A project is defined as the whole of an action which has the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Guidelines sec. 15378(a); Pub. Res. Code sec. 21065.

A “project” under CEQA is considered to be an activity directly undertaken by a public agency, an activity that is supported, in whole or in part, through public agency contracts, grants, subsidies, loans, or other assistance from a public agency, or an activity involving the public agency issuance of a lease, permit, license, certificate, or other entitlement for use by a public agency. As used in CEQA, the term “project” is very broad. In considering whether an activity is a “project” an agency must look at all of the parts, components, and phases of the activity.

Project Segmenting Not Permitted. An agency is generally not permitted to “segment” or “piecemeal” a project into small parts if the effect is to avoid full disclosure of environmental impacts. This rule arises from the definition of “project” under CEQA which includes the phrase “whole of the action.” This phrase has been interpreted by the California Supreme Court to mean that it is generally inappropriate to chop a project into small segments to avoid preparing an EIR. *See Bozung v. Local Agency Formation Commission* (1975) 13 Cal. 3d 263. Therefore, an agency may not treat each separate permit or approval as a separate project for purposes of

Definition of a Project

- An activity directly undertaken by a public agency, including:
 - Public works construction activities
 - Clearing or grading of land
 - Improvements to existing public structures
 - Enactment and amendment of zoning ordinances
 - Adoption and amendment of local general plans
- An activity that is supported, in whole or in part, through public agency contracts, grants, subsidies, loans, or other assistance from a public agency
- An activity involving the public agency issuance of a lease, permit, license, certificate, or other entitlement for use by a public agency

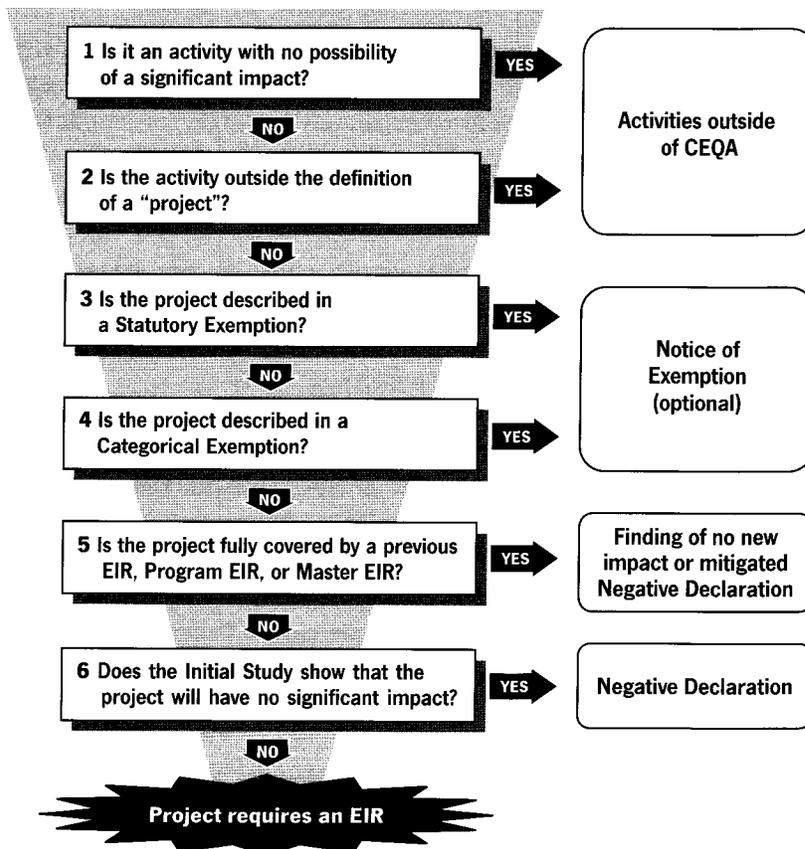


Figure 2-2
Screening Projects
for CEQA Applicability

“Project” refers to the underlying activity being approved by an agency, not just the government permits necessary to develop such an undertaking.

evaluating environmental impacts. See chapter 4 for more detail on requirements of the project description in an EIR.

“Project” refers to the underlying activity being approved by an agency, not just the government permits necessary to develop such an undertaking. Guidelines sec. 15378(c). Therefore, an agency may not treat each separate permit or approval as a separate project for purposes of evaluating environmental impacts.

The rule against segmenting does not, however, mean that every activity related to a proposed project must be included in a single CEQA document. Rather, the California Supreme Court held that related actions only had to be included in a CEQA document when they were reasonably foreseeable, but not when they were remote and speculative. See *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal. 3d 376. In *Laurel Heights*, the court also noted the decision whether related actions must be evaluated in a single CEQA document was to be determined by the facts and circumstances of each case.

A variety of other exceptions to the “segmenting” rule have also been recognized. Figure 2-3 summarizes the current state of the law regarding when related activities must be considered in a single environmental document and when they may be segmented into separate environmental documents or deferred to future documents. In the table “Action A” refers to the proposed project under current evaluation, and “Action B” refers to the related activity in question (often a future activity). Many of the concepts in the table are discussed in greater detail throughout this book.

Nonprojects. Some government activities are not subject to CEQA because they do not fall within the meaning of the term “project” as defined by the law. Although they are listed separately in CEQA, for practical purposes “nonprojects” are treated the same as statutory exemptions. Guidelines sec. 15378. CEQA does not consider the following actions to be within the definition of a “project”:

- Proposals for legislation to be enacted by the State Legislature
- Certain continuing administrative or maintenance activities
- Submissions of proposals to a statewide or local vote, except for CEQA projects requiring later voter ratification
- School closing and student transfer when the only physical changes involved are categorically exempt
- A city council action placing a voter initiative on the ballot
- Creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project that may result in physical environmental impacts
- Organizational or administrative activities of governments that are political or that are not physical changes in the environment

Exemptions from CEQA

Review for Exemptions. Once a Lead Agency has determined that an activity is a “project” subject to CEQA, it must then determine whether an exemption applies. Exemptions fall into four categories: “statutory exemptions,”