
THIRD READING

Bill No: AB 500
Author: Ward (D), et al.
Amended: 8/31/21 in Senate
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 6-2, 6/29/21
AYES: Stern, Allen, Eggman, Hertzberg, Hueso, Laird
NOES: Jones, Grove
NO VOTE RECORDED: Limón

SENATE GOVERNANCE & FIN. COMMITTEE: 4-1, 7/8/21
AYES: McGuire, Durazo, Hertzberg, Skinner
NOES: Nielsen

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/26/21
AYES: Portantino, Bradford, Kamlager, Laird, McGuire
NOES: Bates, Jones

SENATE GOVERNANCE & FIN. COMMITTEE: 3-1, 9/7/21 (Pursuant to
Senate Rule 29.10)
AYES: McGuire, Hertzberg, Wiener
NOES: Nielsen
NO VOTE RECORDED: Durazo

ASSEMBLY FLOOR: 53-20, 5/27/21 - See last page for vote

SUBJECT: Local planning: coastal development: streamlined permitting

SOURCE: Author

DIGEST: This bill requires local governments in the coastal zone to amend their local coastal programs by January 1, 2024, to provide streamlined permitting procedures for certain housing projects, as specified, among other things.

ANALYSIS:

Existing law:

- 1) Establishes the California Coastal Commission (Coastal Commission) in the California Natural Resources Agency.
- 2) Establishes numerous California Coastal Act of 1976 (Coastal Act) policies including that:
 - a) New development shall minimize risks to life and property in areas of high geologic, flood, and fire hazards.
- 3) Provides for the planning and regulation of development within the coastal zone in the Coastal Act.
 - a) A person planning to perform or undertake any development in the coastal zone is required to obtain a coastal development permit (CDP) from the Coastal Commission or local government enforcing a local coastal program (LCP) certified by the Coastal Commission.
 - b) A LCP cannot be required to include housing programs and policies.
 - c) The coastal zone means the coastal land and waters of California, and includes the lands that extend inland generally 1,000 yards from the mean high tide line, as specified, with various exceptions including the San Francisco Bay.
 - d) Development means, among other things, the placement or erection of any solid material or structure on land or in water.
- 4) Requires the Coastal Commission's review of a land use plan to be limited to its administrative determination that the plan does or does not conform to Coastal Act policies, as provided.
- 5) Declares in the Coastal Act that the Legislature finds that:
 - a) It is important for the Coastal Commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone.
 - b) The Coastal Act is not intended, and shall not be construed as authorizing the Coastal Commission to exercise their power to grant or deny a permit in

a manner which will take or damage private property for public use, without the payment of just compensation therefor, as provided.

- c) The basic goals of the state for the coastal zone include to assure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state.
- 6) Requires local governments to ministerially permit specified accessory dwelling units (ADUs) and junior ADUs (JADUs). ADU law provides that it cannot be construed to supersede or in any way alter or lessen the effect or application of the Coastal Act, except that the local government shall not be required to hold public hearings for coastal development permit applications for ADUs.
- 7) Requires local governments to ministerially grant increases in density to projects that include affordable housing. The “density bonus law” includes a similar provision to ADU law regarding the Coastal Act and also says that any benefits provided under it must be permitted in a manner that is consistent with the Coastal Act.
- 8) Limits the ability of local government, pursuant to the Housing Crisis Act of 2019, to impose new permitting requirements on projects that have submitted a “preliminary application” and caps the number of hearings that a local government may hold before deciding to approve or deny a project. The Housing Crisis Act also includes the same provision regarding the Coastal Act as noted in 6) and 7) above, and adds that cities and counties can enact development policies, standards, or conditions necessary to implement or amend a certified local coastal program consistent with the Coastal Act.

This bill requires local governments in the coastal zone to amend their LCPs to provide streamlined procedures for certain housing projects, as specified, among other things. Specifically, this bill:

- 1) Requires a local government with a certified land use plan or fully certified LCP to amend their land use plan or LCP no later than January 1, 2024, to specify streamlining permitting procedures within non-hazardous areas for:
 - a) Accessory dwelling units and junior accessory dwelling units;
 - b) Developments in which 100% of the units are affordable to lower income households, as provided;
 - c) Developments in which at least 25% of the units are designated for supportive housing, as provided; and

- d) Low Barrier Navigation Centers, as defined.
- 2) Requires the amendment to include provisions for the issuance of administrative permits, coastal development permit waiver, or other streamlined permitting procedures in non-hazardous areas where coastal resources and public access will not be negatively impacted.
- 3) Requires the amendment to be submitted, processed, and approved consistent with the Coastal Commission's existing process for reviewing LCP amendments, including the time limits under existing law.
- 4) Provides that the Coastal Commission retains the authority to deny a permit waiver or exemption, process an appeal, or impose conditions necessary for a project to achieve consistency with the Coastal Act.
- 5) Requires the Coastal Commission to provide guidance to all applicable local governments on compliance with streamlined permitting processes by July 1, 2022.
- 6) Modifies the existing prohibition against requiring housing programs and policies in LCPs to establish an exception for the permitting streamlining requirements added herein.
- 7) Defines non-hazardous areas to specifically exclude areas vulnerable to sea level rise or areas within a high fire hazard severity zone.
- 8) Makes appropriate and relevant legislative findings and declarations.

Background

The California Coastal Commission was established by voter initiative in 1972. The Legislature later made the Coastal Commission permanent through the adoption of the Coastal Act. The Commission plans for and regulates the use of land and water in the coastal zone (which excludes the San Francisco Bay).

The Coastal Commission's mission statement states that it "is committed to protecting and enhancing California's coast and ocean for present and future generations." The Coastal Commission does so "through careful planning and regulation of environmentally sustainable development, rigorous use of science, strong public participation, education, and effective intergovernmental coordination."

Development activities in the coastal zone generally require a CDP from the Coastal Commission or from a local government with a LCP certified by the Coastal Commission. Development is broadly defined to include construction of buildings, divisions of land, and activities that change the intensity of use of land or public access to coastal waters.

In 1977, the Coastal Act's policy provisions included the protection of affordable housing. In implementing this policy, the Coastal Commission prohibited the demolition of low- and moderate-income housing for reasons other than health and safety, and its development guidelines incorporated density bonuses, and in-lieu fees, land dedication, and housing credits in certain circumstances, among other things, to promote affordable housing. In 1981, SB 626 (Mello, Chapter 1007, Statutes of 1981) repealed the Coastal Commission's authority to protect and provide affordable housing.

According to the California Housing Partnership Corporation, the state needs almost 1.3 million more affordable rental homes to meet the needs of its lowest income renters.

While planning and zoning is largely a local matter, according to the Senate Governance and Finance Committee, state law imposes comprehensive standards on local governments to ensure that they are zoning densely enough to accommodate their share of regional housing needs at very low, low, moderate, and above moderate income levels. The Department of Housing and Community Development reviews local housing elements for compliance with state housing laws and certifies them—or doesn't, if they haven't identified enough developable sites or are not affirmatively furthering fair housing, among other requirements. Local governments that have certified housing elements are considered under state law to have zoned adequately to meet the projected need for housing in their jurisdiction.

(NOTE: Additional background and comments can be found in the Senate Governance and Finance Committee bill analyses.)

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

None applicable to the current version of the bill.

SUPPORT: (Verified 9/7/21)

Azul

California Coastal Commission

California Housing Partnership Corporation

Housing California

OPPOSITION: (Verified 9/9/21)

California Association of Realtors

City of Carlsbad

City of Torrance

State Building and Construction Trade Council of California

ARGUMENTS IN SUPPORT: According to the author, “California continues to experience a severe affordable housing crisis, with a deficiency of three million homes and growing. This issue is exacerbated in residential areas of the coastal zone, where developments face various challenges. The Legislature has passed laws to streamline the development processes for ADUs, affordable housing, and supportive housing – however, while those helped cities, they did not extend to Coastal Development Permits (CDP), which area a state process. AB 500 will require local jurisdictions to update and streamline the regulatory CDP process for ADUs, junior ADUS, low barrier navigation centers, supportive housing projects, and 100% affordable housing with the coastal zone. This will give developers a clear understanding of the regulations and timeline for projects in the Coastal Zone.”

ARGUMENTS IN OPPOSITION: The City of Carlsbad notes in its opposition letter: “Local jurisdictions lay the groundwork for housing production by planning and zoning new projects in their communities based on extensive public input and engagement, state housing laws, and certification by the California Department of Housing and Community Development (HCD)... AB 500 disregards the housing element process and instead adds an additional bureaucratic agency to an already complex process involving HCD and a local government. The law is clear on the purview of the Commission and its responsibilities and housing is not one of them. That authority lies within local governments who are responsible for the content and progress of their housing elements and Local Coastal Plans (LCPs), which guide coastal development. LCPs are local government policies. Unfortunately, AB 500 will not help spur much needed construction. Rather, this measure will further complicate the planning and zoning process, which will lead to additional uncertainty and delay.”

ASSEMBLY FLOOR: 53-20, 5/27/21

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Burke, Calderon, Carrillo, Cervantes, Chau, Chiu, Cooper, Frazier, Friedman, Gabriel,

Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Lee, Levine, Low, Mayes, McCarty, Medina, Mullin, Nazarian, O'Donnell, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Stone, Ting, Villapudua, Ward, Akilah Weber, Wicks, Wood, Rendon

NOES: Bigelow, Boerner Horvath, Chen, Choi, Cunningham, Megan Dahle, Davies, Flora, Fong, Gallagher, Kiley, Lackey, Mathis, Nguyen, Patterson, Seyarto, Smith, Valladares, Voepel, Waldron

NO VOTE RECORDED: Cooley, Daly, Maienschein, Muratsuchi, Petrie-Norris

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9/9/21 11:24:25

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