

## CONCURRENCE IN SENATE AMENDMENTS

AB 1061 (Quirk-Silva)

As Amended July 10, 2025

Majority vote

**SUMMARY**

This bill modifies historic resource designations that limit the single-family parcels eligible for ministerial approval of an urban-lot split or a duplex development under SB 9 (Atkins, Chapter 162, Statutes of 2021) by deleting the absolute exemption for historic districts in SB 9 and instead excluding SB 9 duplex developments and urban lot splits on parcels or properties individually listed as historic resources or landmarks, as specified.

**Senate Amendments**

Amendments taken in the senate:

- 1) For SB 9 duplex developments:
  - a) Prohibit a setback from being required for an existing structure or a structure constructed in the same location and to the same dimensions as an existing structure.
  - b) Prohibit SB 9 duplex developments on a contributing structure within a historic district included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or historic property or district pursuant to a city or county ordinance.
  - c) Delete a provision of the bill specifying that any SB 9 development shall not demolish more than 25% of the exterior wall area nor affect the character-defining exterior features of the principal elevation of a contributing structure of a historic district.
- 2) For SB 9 urban lot splits:
  - a) Prohibits urban lot splits that would require the demolition or alteration of contributing structures or existing exterior structural walls in a historic district.
- 3) Delete a provision allowing a local agency to adopt objective standards that prevent adverse impacts on historic properties for both SB 9 duplexes and urban lot splits.

**COMMENTS**

*SB 9 (Atkins)*: In 2021, the Governor signed SB 9 (Atkins), Chapter 162, Statutes of 2021, which allowed up to four homes on lots where currently only one exists. It did so by allowing existing single-family homes to be converted into duplexes. It also allowed single-family parcels to be subdivided into two lots, while allowing for a new two-unit building to be constructed on the newly formed lot. The changes to land use law created by SB 9's passage have the potential to help address the state's multi-million unit housing deficit. According to a 2021 study from the UC Berkeley Turner Center for Housing Innovation, the passage of SB 9 increased the amount of market-feasible homes statewide by 700,000.<sup>1</sup> However, a 2023 analysis from the Turner Center

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<sup>1</sup> <https://turnercenter.berkeley.edu/wp-content/uploads/2021/07/SB-9-Brief-July-2021-Final.pdf>

determined that, in its first year, the effect of the law has been relatively limited.<sup>2</sup> Los Angeles had the most activity, with 211 applications for new units under SB 9 in 2022. The state's other large cities all reported very few applications for lot splits or new units. For example, the City of San Diego reported receiving just seven applications for new SB 9 units in 2022.

There are multiple reasons for this slow uptake. It can takes a few years for the construction process to catch up with changes to land use policy. Higher interest rates greatly increased the cost to finance a second unit, causing a chilling effect to the housing market. SB 450 (Atkins), Chapter 286, Statutes of 2024, made a number of changes attempting to address some of the implementation issues with SB 9. The provisions of SB 450 became effective on January 1 of this year, so it is too early to judge the impact of those changes on SB 9 uptake. Despite these changes made to SB 9, some barriers to utilization still remain. One of which is the provision that prohibits both the duplex and urban lot split portions of SB 9 from being used in historic districts. This bill would directly address that by removing the prohibition of using SB 9 in historic districts, while still prohibiting the use of SB 9 on individual historic landmarks.

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*Historic Preservation, Districts, and Landmarks in California:* According to the US National Park Service, historic preservation is "a conversation with our past about our future," meaning it allows us to convey our understanding of the past to future generations.<sup>5</sup> At the federal level, historic preservation efforts are guided by the National Historic Preservation Act (NHPA) of 1966, which was enacted in response to the widespread destruction of historic and cultural sites

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<sup>2</sup> <https://turnercenter.berkeley.edu/research-and-policy/sb-9-turns-one-applications/>

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<sup>5</sup> <https://www.nps.gov/subjects/historicpreservation/index.htm>

during postwar infrastructure expansion and urban renewal projects.<sup>6</sup> The NHPA established the National Register of Historic Places, the nation's official inventory of historic sites, and created procedural protections requiring federal agencies to assess the impact of federal activities on historic resources. It also established a framework for state and local governments, tribal nations, and preservation organizations to participate in historic preservation efforts.

In California, the Office of Historic Preservation (OHP), under the California State Parks, "administers federally and state mandated historic preservation programs to further the identification, evaluation, registration, and protection of California's irreplaceable resources."<sup>7</sup> There are many historic districts in California, with the stated purpose of preserving the state's architectural, cultural, and historical heritage. These districts are designated at the local, state, and federal levels, each with distinct regulatory frameworks, benefits, and potential development challenges. Local historic districts are formed through city or county ordinances, often requiring historic surveys, community support, and approval by local historic preservation commissions or city councils. Local designation may regulate the scope of alterations or demolitions that can be conducted within a given district. State historic districts are included in the California Register of Historical Resources, and are established through a state nomination process. Development in state historic districts are typically subject to the requirements of the California Environmental Quality Act (CEQA), which requires analysis of potential adverse impacts from future development. The criteria for designation on the California Register of Historical Resources include first establishing whether a property is "significant," and then if it is significant, identifying:

- 1) Association with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
- 2) Association with the lives of persons important in our past;
- 3) Embodiment of the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or
- 4) Yield of information important in prehistory or history.<sup>8</sup>

Lastly, federal historic districts are listed on the National Register of Historic Places and must meet national criteria for historic significance and integrity. Notably, federal designation does not automatically prevent development in most of the country. In other states, federal designation simply triggers NHPA reviews if federal funding, permits, or projects are involved. However, in California, development on federally designated properties typically involves CEQA review, and properties that are listed on the National Registry of Historic Places are automatically added to our State Historic Resources Inventory, affording them the same protections as state resources.

Within historic districts, not all buildings or structures carry the same level of significance. "Contributing properties" are those built during the district's period of significance, retain their historic integrity, and contribute to the overall historical, architectural, or cultural character of the district. Non-contributing properties may exist within a district, meaning that despite their geographic location they lack historic significance due to alterations or later construction.

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<sup>6</sup> <https://www.nps.gov/subjects/archeology/national-historic-preservation-act.htm>

<sup>7</sup> <https://ohp.parks.ca.gov/>

<sup>8</sup> [https://ohp.parks.ca.gov/?page\\_id=21238](https://ohp.parks.ca.gov/?page_id=21238)

Preservation efforts also focus on character-defining features, which are the architectural and physical elements that give a historic district or landmark its distinctive identity. These may include architectural elements, materials, and spatial relationships. Historical landmarks are also included on the California Register. Landmarks are individual sites, buildings, or structures recognized for their exceptional historical, architectural, or cultural significance. These landmarks are associated with key historical events, individuals, or architectural styles and are officially designated by the California Office of Historic Preservation. Once designated, they typically receive regulatory protections under CEQA.

Under current law, you cannot use SB 9 in a state or local historic district. This bill would change that. This bill would allow the provisions of SB 9 to be used in historic districts, with some caveats, but not on state or local individual landmark properties. Under this bill, the duplex provisions of SB 9 would be permissible in historic districts so long as they are not located on a contributing structure or an individually listed parcel in the historic district. The urban lot split provision of SB 9 would be allowed in historic districts as long as there is no demolition or alteration proposed to the existing exterior structural walls or a contributing structure of a site listed on a state or local historic registry. In doing so, this bill seeks to balance the goals of maintaining historic integrity and allowing for additional missing-middle housing development. Individual landmark properties would remain ineligible for SB 9.

#### **According to the Author**

"SB 9 has been a critical tool in addressing California's housing crisis by allowing homeowners to build additional units on their property. For too long, outdated rules have kept families from building the housing they need, even when it can be done responsibly. We can expand housing access without erasing our history. AB 1061 protects the integrity of our historic neighborhoods while allowing homeowners to build more housing for the next generation."

#### **Arguments in Support**

The California Home Building Alliance writes in support: "SB 9 has been significantly underutilized due to loopholes that cities and individuals exploit to block housing. A key obstacle is its exclusion of historic districts, which prohibits new housing on any property within these areas at both the state and local levels. This restriction has led to a surge in historic designations, particularly in exclusionary neighborhoods, as a tactic to prevent new development. AB 1061 will close this loophole by allowing SB 9 to streamline lot splits and duplexes in historic districts, provided no existing historic structures are demolished."

#### **Arguments in Opposition**

The California Contract Cities Association (CCCA) writes in opposition: "CCCA believes municipalities ought to be empowered to participate in the review and planning processes for housing and commercial land-use projects in their jurisdictions. This is especially important when it comes to historic districts, which often play key roles in local economies and are sources of joy for communities. Unfortunately, AB 1061 fails to consider this, as well as the significant work local jurisdictions already put into their housing elements to assess historic preservation and its impacts on development goals."

#### **FISCAL COMMENTS**

According to the Assembly Committee on Appropriations:

- 1) HCD estimates minor and absorbable costs.
- 2) Local costs to cities and counties of an unknown amount to revise streamlined project review processes for proposed duplex housing developments and tentative maps for urban lot splits within historic districts or on historic properties, and to conduct expedited design reviews of these proposals. These costs are not reimbursable by the state because local agencies have general authority to charge and adjust planning and permitting fees to cover their administrative expenses associated with new planning mandates.

## **VOTES:**

### **ASM HOUSING AND COMMUNITY DEVELOPMENT: 8-2-1**

**YES:** Haney, Ávila Farías, Caloza, Kalra, Lee, Quirk-Silva, Wicks, Wilson

**NO:** Patterson, Ta

**ABS, ABST OR NV:** Gallagher

### **ASM LOCAL GOVERNMENT: 9-1-0**

**YES:** Carrillo, Hoover, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

**NO:** Ta

### **ASM APPROPRIATIONS: 10-3-2**

**YES:** Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Pacheco, Solache, Alanis

**NO:** Sanchez, Dixon, Ta

**ABS, ABST OR NV:** Hart, Pellerin

### **ASSEMBLY FLOOR: 45-14-20**

**YES:** Addis, Aguiar-Curry, Ahrens, Alvarez, Ávila Farías, Bains, Berman, Bonta, Bryan, Caloza, Carrillo, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Patel, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ward, Wicks, Wilson, Rivas

**NO:** Boerner, Castillo, Chen, Davies, DeMaio, Ellis, Gallagher, Hadwick, Macedo, Patterson, Sanchez, Ta, Tangipa, Wallis

**ABS, ABST OR NV:** Alanis, Arambula, Bauer-Kahan, Bennett, Calderon, Connolly, Dixon, Flora, Jeff Gonzalez, Hart, Hoover, Irwin, Lackey, Muratsuchi, Pacheco, Papan, Pellerin, Petrie-Norris, Valencia, Zbur

### **SENATE FLOOR: 24-10-6**

**YES:** Arreguín, Ashby, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Wiener

**NO:** Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

**ABS, ABST OR NV:** Allen, Archuleta, Becker, Blakespear, Limón, Weber Pierson

**UPDATED**

VERSION: July 10, 2025

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