SENATE COMMITTEE ON HOUSING

Senator Aisha Wahab, Chair 2025 - 2026 Regular

Bill No: AB 462 **Hearing Date:** 7/15/2025

Author: Lowenthal

Version: 7/10/2025 Amended

Urgency: Yes Fiscal: Yes

Consultant: Hank Brady

SUBJECT: Land use: accessory dwelling units

DIGEST: This bill requires coastal development permits (CDPs) for accessory dwelling units (ADUS) to be issued within 60 days, waives prohibitions on issuing certificates of occupancy for ADUs on lots without a primary dwelling unit following a disaster, and eliminates the ability to appeal a CDP for an ADU issued by a local government to the California Coastal Commission (CCC).

ANALYSIS:

Existing law:

1) The California Emergency Services Act (CESA) authorizes the Governor to declare a state of emergency and local officials and local governments to declare a local emergency, when specified conditions of disaster or extreme peril to the safety of persons and property exist.

The California Coastal Act (Coastal Act)

- 1) Establishes the CCC in the California Natural Resources Agency.
- 2) Includes legislative findings and declarations that:
 - a) The coastal zone is a distinct and valuable natural resource of vital and enduring interest to all the people, the permanent protection of the state's natural and scenic resources is a paramount concern to present and future residents, and existing uses and future developments that are carefully planned and developed consistent with the Coastal Act are essential to the economic and social well-of the people of the state.
 - b) The basic goals of the state for the coastal zone include to:

- i) Protect, maintain, and, where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources;
- ii) Ensure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state; and,
- iii) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners, among other things.
- 3) Provides for the planning and regulation of development within the coastal zone, as defined.
 - a) A person planning to perform or undertake any development in the coastal zone is required to obtain a CDP from the Coastal Commission or local government enforcing a certified local coastal plan (LCP).
 - i) Development means, among other things, the placement or erection of any solid material or structure on land or in water. Structure means building, road, pipe, flume, conduit, and electrical power transmission and distribution lines, among other things.
 - ii) 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.
- 4) Requires a local government in the coastal zone to prepare a LCP. Requires the precise content of the LCP to be determined by the local government in full consultation with the Coastal Commission and with full public participation. Provides for LCPs to be amended by the local government, but the amendment does not take effect until certified by the Coastal Commission.
- 5) Provides that after certification of a LCP, an action taken by a local government on a coastal development permit application may be appealed to the CCC only for the following types of developments:
 - a) Developments approved by the local government within a specified distance of the sea.
 - b) Developments approved by the local government in specified tidelands submerged lands, public trust lands, and within 100 feet of a wetland,

- estuary, or stream, or within 300 feet of the top of the seaward face of a coastal bluff.
- c) Developments approved by the local government located in a sensitive coastal resource area.
- d) Any development approved by a coastal county not designated as the principal permitted use under the zoning ordinance or zoning district map.
- e) A development that constitutes a major public works project or a major energy facility.

ADU Law

- 1) Defines an ADU as an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It must include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated.
- 2) Requires a local government to ministerially approve an application for a building permit within a residential or mixed-use zone to create one or more ADUs that meet all state and local requirements within 60 days.
- 3) Prohibits a local government from issuing a certificate of occupancy for an ADU before the local government issues a certificate of occupancy for the primary dwelling
- 4) Provides in the state's ADU laws that they shall not 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 CDP applications for ADUs.

This bill:

- 1) Requires local agencies to issue a certificate of occupancy for a detached ADU, even if one has not been issued for the primary dwelling, if the ADU is built on a lot where the primary dwelling was substantially damaged or destroyed by an event for which the Governor declared a state of emergency on or after February 1, 2025.
- 2) Requires a local government to approve or deny a CDP application for an ADU during the same 60-day period that it is required to approve or deny a completed application for an ADU.

- 3) Requires the CCC, for areas where a local government does not have a certified LCP, to approve or deny the CDP for an ADU within 60 days of receiving a completed application, and specifies that this process shall happen concurrent with the 60-day period for the local government to approve or deny a completed application for an ADU.
- 4) Provides that, for a CDP application for an ADU that is submitted with a CDP application for a new primary dwelling on the lot, the CCC may delay approving the ADU until the CCC approves or denies the application for primary dwelling.
- 5) Provides that if the CCC does not approve or deny a completed CDP application for an ADU within 60 days, the application shall be deemed approved.
- 6) Provides that any decision of local government to approve an ADU pursuant to the provisions of this bill is not subject to appeal to the CCC.

Background

Eaton and Palisades fires. California continues to experience the impacts of climate change with disasters of increasing scale and frequency destroying whole communities at an unprecedented scale. In the first month of 2025, major wildfires burned more than 50,000 acres. The Eaton and Palisades fires alone destroyed or damaged more than 18,000 structures including homes, small businesses, schools, and places of worship in Los Angeles County¹. The destruction of homes in Los Angeles County exacerbates the existing housing crises facing that region and California as a whole.

Prior to the wildfires, the Los Angeles region already suffered from an acute housing shortage. The sixth Regional Housing Needs Allocation (RHNA) cycle required the City of Los Angeles to plan for an additional 456,000 units of housing, and the unincorporated portions of Los Angeles County to plan for 90,000 units of housing in order to satisfy unmet housing demand. Halfway through the sixth cycle, the City of LA has issued 46,000 permits and the County of Los Angeles has issued 5,100 permits (ten percent and six percent of the demand identified in RHNA, respectively). The estimated 10,000 homes

¹ https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire/updates/262ba0be-593a-463c-94b1-a15d1e7f2a1e; https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire/updates/fc673f28-0d66-402b-9ebe-2380a9bf3c26

burned in the Eaton fire alone exceeds the number of permits the County of Los Angeles has issued for new housing developments in the current RHNA cycle.²

Governor's Executive Orders on rebuilding. The CESA grants expansive authority for the Governor to waive or suspend statutes and regulations that hinder efforts to mitigate the impacts of a declared emergency. Additionally, the California Environmental Quality Act (CEQA) and the Coastal Act include provisions that exempt projects to rebuild structures damaged by emergencies from environmental review and permitting requirements. Governor Newsom proclaimed a state of emergency to exist in Los Angeles and Ventura Counties due to fire and windstorm conditions and subsequently issued a series of executive orders in response to the wildfires. The provisions pertinent to rebuilding residential structures are contained in EO-N-45³ and EO N-9-25.⁴ These orders were further modified by EO N-20-25.⁵ Among other provisions, these orders establish the following:

- a) Exempts the following projects from CEQA and any obligation to obtain a CDP:
 - i) Primary structures that are in substantially the same location and do not exceed 110% of the footprint and height of original structures that existed immediately before the emergency;
 - ii) New ADUs on a residential property on which a primary residence was substantially damaged or destroyed as a result of the emergency, provided that the structures are a minimum distance from a canyon or coastal bluff, as specified;
 - iii) Accessory structures that do not exceed 110% of the footprint and height of accessory structures that existed immediately before the emergency, as specified; and,
 - iv) Supportive infrastructure, including, but not limited to, foundation systems, utilities and driveways, that is necessary to facilitate the reconstruction of structures identified above.
- b) Suspends for three years the prohibition on a local government from issuing a certificate of occupancy for an ADU before issuing the certificate of

² https://www.npr.org/2025/01/17/nx-s1-5261859/los-angeles-wildfires-houses-survived-defensible-space#:~:text=More%20than%2010%2C000%20houses%20have,are%20still%20standing%2C%20seemingly%20unt ouched

³Governor Gavin Newsom, *Executive Order N-4-25*. 12 January 2025

⁴Governor Gavin Newsom, *Executive Order N-9-25*. 16 January 2025

⁵ Governor Gavin Newsom, *Executive Order N-20-25*. 13 February 2025.

- occupancy for the primary dwelling on any residential property substantially damaged or destroyed during the emergency.
- c) Suspends for three years any ordinance adopted by a local government in Los Angeles County that precludes the placement of manufactured, mobilehome or recreational vehicle on a private lot for use during the reconstruction or repair of any home damaged by the fires.
- d) Extends the expiration date of permits associated with properties affected by the fires.

Comments

- 1) Author's Statement. "AB 462 allows homeowners in the coastal zone throughout California to enjoy an expedited permitting process. The current coastal development permitting process to build an ADU in the coastal zone can take years for a homeowner to successfully navigate, compared to the 60-day expedited permitting timeframe mandated by state law for ADUs outside of the coastal zone. The current system poses a barrier for homeowners seeking to add much-needed housing supply, especially in areas that historically lack housing. AB 462 requires that completed ADU applications for a coastal development permit are either approved or denied within 60 days, requires that the review for a coastal development permit must happen concurrently with required ADU permitting by the local jurisdiction, and states that a local jurisdiction's coastal development permit decision cannot be appealed to the Coastal Commission. It is essential to implement policies that facilitate the efficient construction of housing and ensure ADUs in the coastal zone can be approved faster with fewer delays."
- 2) Housing permitting generally. Cities and counties enact zoning ordinances to implement their general plans. Zoning determines the type of housing that can be built throughout a jurisdiction. Before building new housing, housing developers must obtain one or more permits from local planning departments and must also obtain approval from local planning commissions, city councils, and/or county board of supervisors. Most housing projects that require discretionary review and approval are subject to review under CEQA, while projects permitted ministerially generally are not. Development opponents can appeal many individual decisions related to the CEQA review to the planning commission and to the city council or board of supervisors. Finally, litigation over approvals is also common. The building industry points to environmental reviews and other permitting hurdles as a hindrance to housing development. They argue that the high cost of building and delays in the approval process reduce builders' incentives to develop housing.

3) Developing in the coastal zone. The Coastal Act outlines standards for development in the coastal zone including specific policies addressing shoreline public access, recreation, protection of habitats, development design, among other things. Local governments within the coastal zone can adopt an LCP. LCPs generally contain the rules for development and protection of coastal resources and basic planning tools used by the local government. Each LCP contains a land use plan and implementing measures (such as zoning and maps), some of which are subjective standards (such as requirements around design or community character), some of which are objective standards.

In order for the local government to have primary jurisdiction over development permitting in the coastal zone, however, the LCP must be approved by the CCC. Once the LCP is approved by the CCC, the local government assumes permitting authority over local developments, including housing, and the LCP is considered to be an extension of the Coastal Act. About 73% of local jurisdictions in the coastal zone have approved LCPs. In the remaining jurisdictions (*i.e.*, those that do not have an approved LCP), CDPs are issued by the CCC directly. Additionally, permitting decisions made by a local government with an approved LCP can be appealed directly to the CCC under specified circumstances. In reviewing the permit, CCC generally must defer to those standards outlined in the LCP. This bill will eliminate the ability to appeal an ADU approved by a local government with an approved LCP.

- 4) Technical clarification needed. This bill requires the CCC, where there is no approved LCP and the CCC is the permitting authority, to approve or deny a CDP for an ADU within 60 days, and specifies that the 60-day timeframe for the CCC to approve or deny a CDP must be occur during the same 60 days that local governments are required to approve or deny an ADU application. The 60-day timeframe for a local government to review a completed ADU application commences once a complete application is provided to the local government. While this bill specifies that the CCC must conduct its review during the same 60-day period that commences once the local government has a completed application, there is not a direct obligation on the applicant to provide the completed application to the CCC, or for the local government to forward a completed application to the CCC.
- 5) *Committee Amendments*. In order to address the issue raised in comment 4), the author has agreed to amend the bill to specify that a local government that does not have an approved LCP must notify the CCC once an ADU application is deemed complete.

- 6) *Double-referral*. This bill was also referred to the Natural Resources and Water Committee, where it was approved by a 7-0 vote on July 8, 2025.
- 7) *Opposition*. Several environmental advocates and local agencies opposed the previous version of the bill that would have exempt ADUs from the Coastal Act in specified circumstances. This bill was substantially amended in the Natural Resources and Water Committee on 7/9/2025 to remove the Coastal Act exemption. All support and opposition letters received by the Committee were based on the prior version of the bill.

Related/Prior Legislation

AB 543 (McNerny, 2025) — makes a series of organizational, technical, and clarifying changes to Accessory Dwelling Unit (ADU) Law, and Junior Accessory Dwelling Unit (JADU) Law.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, July 9, 2025.)

SUPPORT:

Apartment Association of Greater Los Angeles

Apartment Association of Orange County

California Apartment Association (already in Support)

California Rental Housing Association

California Yimby

County of Orange

East Bay Rental Housing Association

Eden Housing

Nor Cal Rental Property Association

Santa Barbara Apartment Association, INC. Dba Santa Barbara Rental Property Association

Southern California Rental Housing Association

OPPOSITION:

Audubon California

Azul

Bear River Band of the Rohnerville Rancheria

California Coastal Protection Network

California Nurses for Environmental Health and Justice

CAUSE

County of Humboldt

Defenders of Wildlife

Endangered Habitats League

Environmental Action Committee of West Marin

Environmental Center of San Diego

Environmental Defense Center

Environmental Protection Information Center

Green Foothills

Humboldt County Board of Supervisors

Humboldt Waterkeeper

Los Cerritos Wetlands Land Trust

Orange County Coastkeeper

Planning and Conservation League

Puvunga Wetlands Protectors

Salted Roots

Save Our Shores

Save the Sonoma Coast

Sierra Club California

Socal 350 Climate Action

Sonoma Land Trust

Surfrider Foundation

Turtle Island Restoration Network