
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 462 (Lowenthal) - Land use: accessory dwelling units

Version: July 17, 2025

Policy Vote: N.R. & W. 7 - 0, HOUSING
10 - 0

Urgency: Yes

Mandate: Yes

Hearing Date: August 18, 2025

Consultant: Ashley Ames

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

Fiscal Impact:

- The Coastal Commission anticipates a fiscal impact of approximately \$200,000 annually (General Fund) for one position to process all Coastal Development Permit applications for ADUs within 60 days, though specific costs will depend on the number of applications received.

Background: 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.

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 County. 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 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.

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-45 and EO N-9-25. These orders were further modified by EO N-20-25.

Proposed Law: This bill would:

1. Require a local agency to issue a certificate of occupancy for an accessory dwelling unit constructed in a county that is subject to a proclamation of a state of emergency made by the Governor on or after February 1, 2025, even if the primary dwelling has not yet been issued a certificate of occupancy, if certain requirements are met, including that the primary dwelling was substantially damaged or destroyed by an event referenced in the state of emergency proclamation. By imposing new duties on local agencies, the bill would impose a state-mandated local program.
2. Create an exception to the a provision of the California Coastal Act by requiring a local government or the commission, as specified, to either approve or deny a coastal development permit application for an accessory dwelling unit within 60 days of receiving a completed application.
3. Notwithstanding the 60-day time limit, authorize the commission, if a coastal development permit application to create or serve an accessory dwelling unit is submitted with a coastal development permit application to create or serve a new single-family or multifamily dwelling on the lot, to delay approving or denying the coastal development permit application for the accessory dwelling unit until the commission approves or denies the coastal development permit application to create or serve the new single-family or multifamily dwelling.

4. Under the bill, and except under specified circumstances, if the commission has not approved or denied a completed application within 60 days, the application would be deemed approved.
5. Include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

Related 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.

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