

CONCURRENCE IN SENATE AMENDMENTS  
 CSA1 Bill Id:AB 462 Author:(Lowenthal and Rivas)  
 As Amended Ver:August 29, 2025  
 2/3 vote. Urgency

## SUMMARY

This bill requires coastal development permits (CDPs) for accessory dwelling units (ADUs) to be approved or denied 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 (Coastal Commission), among other provisions, as provided.

### Senate Amendments

Amendments taken in the Senate:

- 1) Delete the exemption from CDP requirements for the construction of ADUs in the County of Los Angeles, and in any county that is subject to a Governor's proclamation of a state of emergency on or after February 1, 2025 where housing is damaged, destroyed, or made uninhabitable.
- 2) Adds provisions:
  - a) Requiring CDPs to instead be approved or denied within 60 days during a concurrent review process with the ADU permit;
  - b) Waiving prohibitions on issuing certificates of occupancy for ADUs on lots without a primary dwelling unit following a disaster; and
  - c) Eliminating the ability to appeal a CDP for an ADU issued by a local government to the Coastal Commission.

## COMMENTS

*Palisades and Eaton Fires:* On January 7, 2025, two devastating wildfires, the Palisades Fire and Eaton Fire, both ignited in Los Angeles County. The Palisades Fire began in the Santa Monica Mountains, rapidly spreading across over 23,000 acres and destroying over 6,800 structures, primarily in the Pacific Palisades community of the City of Los Angeles.<sup>1</sup> The Eaton Fire ignited in Eaton Canyon near Altadena, burning more than 14,000 acres, destroying over 9,400 structures.<sup>2</sup> Both fires were fully contained by January 31, 2025. In total, more than 16,000 homes and other structures were destroyed.

*Governor's Executive Orders, ADUs, and the Coastal Commission:* In response to the Palisades and Eaton fires, Governor Newsom issued four executive orders in January and February 2025 intended to help the Los Angeles region rebuild permanent housing quickly. These orders help to minimize regulatory barriers to rebuilding and bureaucratic processes, while implementing measures related to temporary housing for those whose homes were damaged or destroyed in the

<sup>1</sup> <https://www.latimes.com/california/live/la-fire-updates-floods-mud-rain-closures-laguna-eaton-palisades>

<sup>2</sup> IBID.

devastating Eaton and Palisades fires. These orders notably suspended certain environmental regulations, including the California Environmental Quality Act (CEQA) and the California Coastal Act, to facilitate rapid reconstruction.

On January 12, 2025, Executive Order N-4-25 suspended the application of CEQA and the Coastal Act for projects aimed at repairing, restoring, demolishing, or replacing properties substantially damaged by the fires. Following this initial executive order, the California Coastal Commission issued guidance indicating that certain permitting procedures under the Coastal Act might still apply to rebuilding efforts. In response to this guidance, Governor Newsom issued Executive Order N-14-25 on January 27, 2025 to clarify and reiterate that all Coastal Act requirements were suspended. Citing that guidance from the Coastal Commission as "legally erroneous," the Governor directed the Commission to refrain from issuing any guidance or taking actions that could interfere with or conflict with the intent of the previous executive orders.

The Governor also issued Executive Order N-9-25, which suspended the existing statutory requirement that prohibits the issuance of a certificate of occupancy for an ADU before the primary residence receives a certificate of occupancy on any residential property that was damaged or destroyed in the fires. Since ADUs typically experience much faster permitting and construction timelines than standard units, this suspension acknowledged that ADUs could serve as a valuable source of housing for those impacted by wildfires while the primary residence goes through the permitting and rebuilding process.

*ADUs as a Solution:* Recently, there has been a national trend to allow for more "gentle density," e.g., ADUs, duplexes, fourplexes, townhomes, and other moderately dense developments that were common before the imposition of zoning. The Legislature has taken a more active role in facilitating such gentle density in recent years. In 2016, SB 1069 (Wieckowski), Chapter 720 and AB 2299 (Bloom) Chapter 735 permitted ADUs by right on all residentially-zoned parcels in the state. By permitting attached, detached, and ADUs on all single-family lots, these laws, among others, facilitated the construction of missing middle housing in exclusionary single-family neighborhoods.<sup>3</sup> SB 1211 (Skinner), Chapter 296, Statutes of 2024 furthered the trend towards gentle density by increasing the number of allowable ADUs on multifamily properties.

Taken as a whole, ADU laws have established a fast, predictable, uniform, and enforceable process for the approval of ADUs statewide. These laws have transformed ADUs from being less than 1% of new construction before 2017 to now being approximately 20%, with over 23,000 new ADUs legally completed in 2023.<sup>4</sup> The number of ADUs is expected to continue growing as the ADU construction and financing industry matures, which will help meet the market feasibility for ADUs that is estimated to be approximately 1.8 million units in California.<sup>5</sup>

This bill would remove barriers to the construction of ADUs in the Coastal Zone in Los Angeles County. ADUs, rented at all income levels, can promote housing affordability by increasing the

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<sup>3</sup> <https://www.hcd.ca.gov/sites/default/files/docs/policy-and-research/adu-handbook-update.pdf>

<sup>4</sup> Per HCDs "APR Dashboard" <https://www.hcd.ca.gov/planning-and-community-development/housing-open-data-tools/housing-element-implementation-and-apr-dashboard>. Complete data for 2023 will be made available by June 30, 2024. This statistic relies on data pulled on May 28, 2024.

<sup>5</sup> Monkonnen et al, 2020, *One to Four: The Market Potential of Fourplexes in California's Single-Family Neighborhoods*, UCLA Working Paper Series: <https://www.lewis.ucla.edu/research/market-potential-fourplexes/>

supply of smaller, more cost-effective homes within existing neighborhoods. They allow homeowners to generate rental income, helping offset mortgage costs, while offering renters alternative rental options than apartment buildings or single-family homes. ADUs utilize existing infrastructure and land more efficiently, reducing development costs compared to new large-scale housing projects. They can create opportunities for multigenerational living, allowing families to share housing expenses while maintaining separate spaces. By diversifying housing options, ADUs help alleviate housing shortages and improve affordability in high-cost areas.

*ADUs in the Coastal Zone:* In 1976, the Legislature enacted the Coastal Act (Act), mandating that coastal counties manage the conservation and development of coastal resources through a comprehensive planning and regulatory program. The area that constitutes the Coastal Zone is defined by California's Public Resources Code. In significant coastal estuarine, habitat, and recreational areas, the Coastal Zone extends inland to the first major ridgeline paralleling the sea or five miles from the mean high tide line of the sea, whichever is less. In developed urban areas, the Coastal Zone generally extends inland less than 1,000 yards. The Coastal Zone does not include the area of jurisdiction of the San Francisco Bay Conservation and Development Commission, nor any area contiguous thereto, including any river, stream, tributary, creek, or flood control or drainage channel flowing into such area. California's coast is a vital natural resource and delicately balanced ecosystem, and an important economic and social resource for the state. However, not all of the Coastal Zone consists of natural resources; much of it encompasses developed urban areas, including affluent, high-opportunity coastal communities.

Homeowners in California's Coastal Zone do not enjoy the same streamlined, expedited, and predictable permitting process for ADUs as non-coastal homeowners. Coastal jurisdictions in California all develop their own Local Coastal Programs (LCPs), each with unique ADU development standards. Detached ADUs in the Coastal Zone must comply with both local development standards and the LCP, and they require a CDP to construct. These CDPs add costs in the form of additional permitting fees and time for additional review. The review is either conducted by the local government or the Commission, depending on whether the area has a certified LCP. Even in jurisdictions where the local government reviews the CDP, the decision may be appealable to the Commission. The CDP process to build an ADU can take years for a homeowner to successfully navigate, compared to the 60-day permitting timeframe mandated by state law for ADUs outside of the Coastal Zone. This poses a barrier to homeowners seeking to add much-needed housing supply, particularly in areas like Los Angeles County facing such a dearth of housing options.

According to a 2023 analysis by the Legislative Analyst's Office, "while many factors have a role in driving California's high housing costs, the most important is the significant shortage of housing, particularly within urban coastal communities. A shortage of housing along California's coast means households wishing to live there compete for limited housing. This competition increases home prices and rents. Some people who find California's coast unaffordable turn instead to California's inland communities, causing prices there to rise as well."<sup>6</sup>

This bill would require local governments and the Coastal Commission to approve or deny a CDP application for an ADU within 60 days of receiving a completed application, and to process

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<sup>6</sup> Legislative Analyst's Office, California's Housing and Homelessness Challenges in Context (February 27, 2023), page 2, available at <https://lao.ca.gov/handouts/socservices/2023/Housing-and-Homelessness-Challenges-020623.pdf>.

CDP applications concurrently with ADU applications. In counties subject to a gubernatorial state of emergency on or after February 1, 2025, it would also allow local agencies to issue certificates of occupancy for ADUs even if the primary dwelling has not yet been rebuilt, provided certain conditions are met. AB 462 further deems ADU CDP applications approved if not acted upon within 60 days (with limited exceptions), prohibits appeals of local CDP approvals to the Commission, and applies these reforms to all cities, including charter cities. Declared an urgency statute, the bill takes effect immediately to address both the state's housing shortage and the urgent need for recovery housing in disaster-affected areas.

**According to the Author**

"This will ensure that those homeowners enjoy a 60-day permitting process when seeking to add an ADU to their property. These ADUs could be used to house those displaced from the Palisades and Eaton fires while they rebuild their primary residences or search for additional for-sale units nearby. This bill seeks to provide vital relief to the rental market that was already facing a serious housing crisis prior to the loss of property caused by the Eaton and Palisades fires."

**Arguments in Support**

AARP writes in support: "In January 2025, multiple wildfires burned in and around Los Angeles, ravaging neighborhoods, destroying thousands of structures, and forcing tens of thousands of people to evacuate their homes. In Pacific Palisades, Altadena, and other nearby areas, more than 23,000 acres burned, and at least 10,000 structures were destroyed, exacerbating Los Angeles' already dire 500,000-unit housing shortage by displacing thousands of Angelenos who now must seek new temporary or permanent housing.

AARP policy calls for expedited permitting in disaster-impacted regions, and ADUs are one tool that could help displaced individuals quickly find new housing. AB 462 can help to ensure that our members and their families can remain in their communities, close to friends, family and their support systems."

**Arguments in Opposition**

A coalition of environmental organizations writes in opposition unless amended: "While the recent amendments improved AB 462, they also included a new provision prohibiting appeals of local government approvals of coastal development permits for ADUs, by exempting them entirely from PRC 30603. Provisions (1) and (2) of subdivision (a) of PRC 30603 ensure any development isn't built in a place that would be unsafe for its residents or the public, such as sites that are flood prone, vulnerable to sea level rise, or on unstable bluffs. These provisions also maintain the public's legal right to access the coast. Moreover, Provision (3) also ensures that development does not impact a sensitive coastal resources area. PRC 30116 defines a "sensitive coastal resource area" to include "special marine and land habitat areas, wetlands, lagoons, and estuaries as mapped and designated in Part 4 of the coastal plan."

Prohibiting appeals under these three criteria are likely to harm the environment by reducing compliance with the Coastal Act, given that the threat of appeal is a strong incentive for project proponents to submit compliant plans in the first place."

**FISCAL COMMENTS**

According to the Assembly Committee on Appropriations for a prior bill version:

Both local governments and the California Coastal Commission (Commission) conduct reviews of CDP applications for ADUs, depending on who has jurisdiction over a particular application. In Los Angeles County, both local governments and the Commission are likely to see cost savings as a result of this bill, but the amount is unknown at this time. Similar savings may accrue to additional counties impacted by this bill in the future.

- 1) Local governments in Los Angeles County will likely accrue ongoing cost savings to the extent they review fewer CDP applications for ADUs. However, any savings to local governments would be offset to the extent ADU permit applications increase under the standard streamlined process, now available for ADU construction in the Coastal Zone under this bill. This savings offset is difficult to evaluate because CDP applications are more complex and time consuming to review than streamlined ADU applications, and it is unclear to what extent ADU applications will increase as a result of this bill.
- 2) The Commission will likely accrue ongoing cost savings in Los Angeles County because it will no longer review CDP applications for ADUs or process related appeals. Accordingly, the Commission anticipates no new costs as a result of this bill.

## **VOTES:**

### **ASM HOUSING AND COMMUNITY DEVELOPMENT: 11-0-1**

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

**ABS, ABST OR NV:** Gabriel

### **ASM APPROPRIATIONS: 15-0-0**

**YES:** Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hadwick, Hart, Pacheco, Pellerin, Solache, Ta

### **ASSEMBLY FLOOR: 77-0-3**

**YES:** Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, DeMaio, Dixon, Elhawary, Ellis, Essayli, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas

**ABS, ABST OR NV:** Alvarez, Davies, Wicks

## **UPDATED**

VERSION: August 29, 2025

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