

Date of Hearing: July 1, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

SB 1090 (Pérez) – As Amended June 22, 2026

SENATE VOTE: 30-9

SUBJECT: Planning and zoning: housing development projects: urban lot splits: subdivisions: 2025 Eaton Wildfire: Altadena

SUMMARY: Exempts, from January 7, 2025 through January 7, 2030, the ZIP codes of 91001 and 91003 from the duplex and urban lot split requirements of SB 9 (Atkins), Chapter 162, Statutes of 2021, and the 10-unit subdivision and approval provisions of the Starter Home Revitalization Act (SHRA), established by SB 684 (Caballero), Chapter 783, Statutes of 2023, as specified. Specifically, **this bill:**

- 1) Provides that, from January 7, 2025 through January 7, 2030, the streamlined, ministerial approval provisions for the following project types are void in the ZIP codes of 91001 and 91003:
 - a) SB 9 duplexes in single-family zoning districts;
 - b) SB 9 urban lot splits in single-family zoning districts;
 - c) SHRA housing development projects of up to 10 units; and
 - d) SHRA subdivisions resulting in up to 10 parcels.
- 2) Provides that the provisions of this bill do not apply to an application for a proposed housing development for which the property rights have vested.
- 3) Makes findings and declarations that a special statute is necessary in order to address the disparity in protection from predatory development practices following the Los Angeles fires for communities in the unincorporated area known as Altadena in the County of Los Angeles that are excluded from the scope of the Governor’s Executive Order N-32-25.

EXISTING LAW:

- 1) Requires, pursuant to SB 9, a local agency to ministerially approve an urban lot split creating up to two parcels, and to ministerially approve up to two residential units on a parcel, if specified criteria are met. (Government Code (GOV) Sections 66411.7, 65852.21)
- 2) Authorizes local agencies to apply objective zoning, subdivision, and design standards to SB 9 projects, but prohibits standards that would physically preclude the construction of up to two units per parcel or otherwise conflict with state law. (GOV 66411.7, 65852.21)
- 3) Exempts parcels in very high fire hazard severity zones from the requirements of 1) and 2), unless the sites have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development. (GOV 66411.7, 65852.21)

- 4) Provides that a local agency is not required to permit more than two units on a parcel created through an SB 9 urban lot split, including units created through SB 9, ADUs, or JADUs. (GOV 66411.7)
- 5) Requires the ministerial approval of qualifying SHRA subdivisions of up to 10 parcels and associated housing development projects of up to 10 units, subject to objective standards and specified eligibility criteria, including the requirement that the lot is substantially surrounded by qualified urban uses. (GOV 66499.41, 65852.28)
- 6) Requires local agencies to ministerially approve qualifying SHRA housing development projects on subdivided lots within specified timeframes and limits the ability of local agencies to deny such projects except upon a written finding of a specific, adverse impact on public health and safety. (GOV 65852.28)
- 7) Requires local agencies to issue building permits for qualifying SHRA housing development projects of 10 or fewer units on subdivided lots, subject to compliance with applicable standards and conditions related to subdivision approval. (GOV 65913.4.5)
- 8) Prevents the use of the SHRA within a high or very high fire hazard severity zone. (GOV 66499.41)
- 9) Establishes the California Emergency Services Act (CESA) to ensure that preparations within the state will be adequate to deal with the effects of natural, manmade, or war-caused emergencies that result in conditions of disaster or in extreme peril to life, property, and the resources of the state, and generally to protect the health and safety and preserve the lives and property of the people of the state. (GOV 8550 *et seq.*)
- 10) Authorizes the Governor to make, amend, and rescind orders and regulations necessary to carry out the provisions of CESA, and provides that any orders and regulations issued during a state of emergency shall take effect immediately. (GOV 8567)
- 11) Authorizes the Governor, during a state of emergency, to suspend any regulatory statute, or statute prescribing the procedure for conduct of state business, or the orders, rules, or regulations of any state agency, where the Governor determines and declares that strict compliance with any statute, order, rule, or regulation would prevent, hinder, or delay the mitigation of the effects of the emergency. (GOV 8571)
- 12) Establishes CalOES, within the office of the Governor, and makes CalOES responsible for the state's emergency and disaster response services for natural, technological, or man-made disasters and emergencies, including the responsibility for activities necessary to prevent, respond to, recover from, and mitigate the effects of emergencies and disasters to people and property. (GOV 8585)

FISCAL EFFECT: This bill has been keyed non-fiscal by the Legislative Counsel.

COMMENTS:

Author's Statement: According to the author, "The people of Altadena are demanding protections from speculators who are purchasing property from distressed fire survivor's and seeking to exploit laws that were not intended for communities recovering from a disaster of this

magnitude. While I have supported many policies aimed at increasing California's housing supply, those laws were designed to encourage urban infill development under normal circumstances, not for a community that suffered the level of disaster experienced by the Eaton Fire. Allowing up to ten homes on a lot that was previously zoned for a single-family residence is overwhelming Altadena's existing infrastructure and destabilizing the community's long-term recovery. Recognizing these concerns, the Palisades community that was also devastated by a major fire was granted a temporary exemption from these laws through an executive order. Altadena deserves the same protections. SB 1090 would provide disaster-impacted survivors with the stability and certainty they need to focus on rebuilding their homes and lives. By extending the protections provided under the Governor's executive order to the entirety of Altadena for five years, this measure helps ensure that residents are not pressured into selling their property at a vulnerable moment and that the community can recover on its own terms."

California's Housing Crisis: California's housing crisis is a half-century in the making.¹ After decades of underproduction, supply is far behind demand, and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state.² One in three households in the state doesn't earn enough money to meet their basic needs.³ In 2024, over 187,000 Californians experienced homelessness on a given night.⁴

To meet this housing need, HCD determined that California must plan for more than 2.5 million new homes, and no less than one million of those homes must be affordable to lower-income households, in the 6th Regional Housing Needs Allocation (RHNA) cycle. By contrast, housing production in the past decade has been under 100,000 units per year – including less than 10,000 units of affordable housing per year.⁵ Increasing the overall supply of housing, both market-rate and deed-restricted affordable, is essential to reducing upward pressure on rents and home prices, and to creating a more stable, accessible housing market for Californians across income levels.

The state's housing crisis is not equally experienced by all Californians. Testimony by the UC Berkeley Turner Center to this Committee showed that the impacts of the housing crisis are significantly more severe for lower-income individuals, single-earner households, Black and Latino Californians, younger and older populations, and those who reside in, or aspire to live and work in, the state's highest-cost regions.⁶ As it pertains to homeownership, homeownership rates have fallen to historic lows. The median home price in California now exceeds \$800,000, effectively locking out many working families from the ownership market.

Recent State Efforts to Address the Housing Crisis: In recent years, the Legislature has enacted numerous laws intended to increase housing production by reducing regulatory barriers and expanding opportunities for residential development. Many of these measures shift housing approvals from discretionary processes to ministerial approvals governed by objective standards,

¹ California Department of Housing and Community Development, *A Home for Every Californian: 2022 Statewide Housing Plan*. March 2022, <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

² IBID.

³ IBID.

⁴ U.S. Department of Housing and Urban Development, Point in Time Counts.

<https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>

⁵ <https://www.hcd.ca.gov/policy-research/housing-challenges.shtml>

⁶ UC Berkeley Turner Center Testimony by Ben Metcalf, Managing Director, at the State Housing Production Legislation: Actions, Outcomes, and Opportunities Informational Hearing, February 12, 2025

increase allowable residential density, and limit the ability of local governments to deny or reduce the density of qualifying housing developments. The Legislature has also sought to preserve existing development capacity through the Housing Crisis Act of 2019, which generally prohibits affected local governments from downzoning residential property or otherwise reducing a site's residential development capacity, commonly referred to as the Act's "anti-downzoning" provisions. Collectively, these reforms include expanding accessory dwelling unit (ADU) production, reforming single-family zoning, streamlining the approval of qualifying housing developments, facilitating office-to-residential conversions, and increasing allowable residential density in certain locations.

A key legislative strategy to address the housing crisis has been to promote "missing middle" housing typologies in existing neighborhoods. Missing middle housing refers to a range of small-scale, multiunit housing types, such as duplexes, triplexes, fourplexes, townhomes, and cottage courts, that are compatible in scale with single-family neighborhoods while providing more homes at moderate densities, sometimes also referred to as "gentle density." Two of the Legislature's significant missing middle housing reforms are SB 9 (Atkins), Chapter 162, Statutes of 2021, and the SHRA, both of which are directly affected by this bill.

SB 9: SB 9 established a ministerial process allowing qualifying property owners to create up to four residential units on parcels zoned for single-family residential use. Specifically, SB 9 authorizes urban lot splits creating up to two parcels and permits up to two primary dwelling units on each resulting parcel, subject to specified objective standards and eligibility requirements. The law was intended to increase missing middle housing opportunities by allowing modest increases in density within existing single-family neighborhoods. SB 9 also incorporated environmental and public safety siting criteria, including restrictions on development within very high fire hazard severity zones unless specified statutory fire hazard mitigation requirements are satisfied.

Utilization of SB 9 has been relatively limited since its enactment. Some observers attribute the slow uptake to financing challenges, owner-occupancy requirements, and broader market conditions, including higher interest rates. In response, SB 450 (Atkins), Chapter 286, Statutes of 2024, strengthened and clarified SB 9 by establishing a 60-day approval timeline, limiting local discretion over qualifying projects, and providing HCD with explicit enforcement authority. Those amendments became effective January 1, 2025.

Starter Home Revitalization Act: The SHRA established a ministerial pathway for qualifying small-scale subdivisions and associated housing development projects intended to facilitate missing middle housing opportunities. The law requires local agencies to ministerially approve qualifying subdivisions of up to 10 parcels and associated housing developments of up to 10 units on eligible multifamily-zoned or vacant single-family-zoned properties, subject to specified objective standards related to site eligibility, environmental constraints, and development standards. Notably, one of the requirements in the SHRA is that the lot is substantially surrounded by qualified urban uses, as defined. Unlike SB 9, the SHRA prohibits projects located within high and very high fire hazard severity zones and does not include a statutory fire hazard mitigation exception. The SHRA also coordinates subdivision approvals and vertical development under the Subdivision Map Act (SMA), allowing housing development to proceed on newly created lots through a streamlined approval process.

Eaton and Palisades Fires: On January 7, 2025, two devastating wildfires, the Eaton Fire and Palisades Fire, both ignited in Los Angeles County. The Eaton Fire ignited in Eaton Canyon near Altadena in Los Angeles County, burning more than 14,000 acres, destroying over 9,400 structures.⁷ The Palisades Fire began in the Santa Monica Mountains, rapidly spreading across more than 23,000 acres and destroying over 6,800 structures, primarily in the Pacific Palisades community of the City of Los Angeles.⁸ Both fires were fully contained by January 31, 2025. Of the more than 16,000 homes and other structures destroyed, placing these fires among the most destructive in California's history. The vast majority of the damage occurred in what is referred to as the wildland-urban interface, or WUI.⁹ The WUI is where human development meets or mixes with the undeveloped natural environment or wildlands.¹⁰

Governor's Executive Orders Following the Los Angeles Fires: Immediately following the Eaton and Palisades fires, Governor Newsom issued a series of executive orders intended to expedite rebuilding and housing recovery efforts in Los Angeles County. Collectively, these orders suspended or streamlined numerous state and local permitting requirements, including specified California Environmental Quality Act (CEQA) review and California Coastal Act permitting requirements for the reconstruction of damaged structures and related infrastructure, facilitated temporary housing and mobilehomes, extended permit timelines, directed state agencies to identify additional regulatory barriers to recovery, encouraged expedited local permitting processes and preapproved plans, and committed the Administration to pursuing longer-term statutory changes to support rebuilding efforts.

Executive Order Suspending SB 9: On July 30, 2025, Governor Newsom issued Executive Order N-32-25, which temporarily suspended the operation of SB 9's ministerial duplex and urban lot split provisions (GOV 65852.21 and 66411.7) within fire-affected areas located in very high fire hazard severity zones, as identified by the State Fire Marshal, in Los Angeles County. The order cited concerns raised by local officials and residents that widespread SB 9 development in neighborhoods recovering from catastrophic wildfire could complicate evacuation planning, strain infrastructure, and interfere with rebuilding efforts in areas already facing heightened wildfire risks. The order initially suspended SB 9 in affected very high fire hazard severity zones through August 6, 2025, and thereafter authorized local governments to exercise broader discretion over SB 9 projects in those areas.

Executive Order N-32-25 had different practical effects in the Pacific Palisades and Altadena. Because nearly all of the Pacific Palisades is located within designated very high fire hazard severity zones, the executive order effectively suspended SB 9 throughout the community. Similarly, because of the fire risk mapping in the Pacific Palisades, the SHRA largely did not apply in that community. By contrast, substantial portions of the Eaton Fire burn area in Altadena lie outside designated very high fire hazard severity zones. As a result, many fire-affected properties in Altadena remained eligible to utilize SB 9 and the SHRA, while similarly situated properties in the Pacific Palisades could not.

The differing effect of Executive Order N-32-25 also affected communities with distinct demographic and socioeconomic characteristics. Altadena has long been recognized for its racial

⁷ IBID.

⁸ <https://www.latimes.com/california/live/la-fire-updates-floods-mud-rain-closures-laguna-eaton-palisades>

⁹ <https://calmatters.org/environment/wildfires/2025/01/la-county-fires-wildland-urban-interface/>

¹⁰ IBID.

and economic diversity and as a historic center of Black homeownership. According to researchers at UCLA's Latino Policy and Politics Institute, drawing from U.S. Census data, approximately one-quarter of Altadena households earned less than \$65,000 annually before the Eaton Fire, despite a median household income of approximately \$129,000, reflecting significant economic diversity within the community.¹¹ By contrast, Pacific Palisades has a median household income exceeding \$200,000, substantially higher home values, and a less diverse population, with a predominantly white population according to Census data.¹² These differences have prompted concerns that rebuilding challenges and displacement pressures may differ significantly between the two communities.

According to testimony presented at the Altadena Town Council Meeting on June 16, 2026, community representatives requested that the Governor extend Executive Order N-32-25 to all fire-affected portions of Altadena so that the community would receive treatment comparable to the Pacific Palisades.¹³ According to testimony at that meeting and the author's office, representatives of the Administration declined that request.¹⁴

There were mixed reactions to Executive Order N-32-25. Los Angeles Mayor Karen Bass strongly supported the Governor's action and, on the same day the order was issued, signed Emergency Executive Order No. 9 declaring that the City of Los Angeles "will not accept or process applications under Government Code Sections 65852.21 and 66411.7 for any project within a Very High Fire Hazard Severity Zone within the boundaries of the Palisades Fire area."¹⁵ Mayor Bass argued that SB 9 "was never intended to be applied to communities recovering from a natural disaster of this scale" and expressed concern that additional SB 9 development could "drastically further challenge ingress and egress in a Very High Fire Hazard Severity Zone."¹⁶ As a result, the City elected not to permit new SB 9 projects within the affected portions of the Pacific Palisades in accordance with the Governor's executive order.

The Governor's executive order and subsequent local action generated opposition from housing advocates and pro-housing organizations. Critics argued that SB 9 could provide an important rebuilding tool for homeowners who were uninsured or underinsured by allowing them to generate rental income, create multigenerational housing, or sell a portion of their property to help finance reconstruction. In December 2025, the nonprofit organization YIMBY Law filed a lawsuit against Governor Newsom, Mayor Bass, Los Angeles County, and several affected local jurisdictions, alleging that the suspension of SB 9 exceeded the Governor's emergency authority and unlawfully restricted homeowners' ability to rebuild.¹⁷ According to the lawsuit, the Legislature had already considered wildfire risks when enacting SB 9 and chose to allow qualifying projects in fire-prone areas subject to applicable safety requirements.¹⁸ Supporters of the suspension, however, maintained that additional density in very high fire hazard severity zones could worsen future evacuation challenges and strain infrastructure in communities recovering from catastrophic wildfires.

¹¹ <https://latino.ucla.edu/research/underserved-and-overlooked/>

¹² U.S. Census Bureau release *2019–2023 American Community Survey (ACS) 5-year estimates*.

¹³ June 16 Altadena Town Council Meeting: https://www.youtube.com/live/ROy6FSHFP6o?si=_zXBtw3Geu-umr9Y&t=1852

¹⁴ IBID.

¹⁵ City of Los Angeles Emergency Executive Order No. 9, *Return and Rebuilds*, Issued July 30, 2025.

¹⁶ <https://mayor.lacity.gov/news/mayor-bass-issues-statement-impact-senate-bill-9-palisades-rebuilding>

¹⁷ <https://www.yimbylaw.org/sb-9-lawsuit>

¹⁸ <https://www.yimbylaw.org/sb-9-lawsuit>

Legislative Response to the Los Angeles Fires: Following the Eaton and Palisades fires, the Assembly, under the leadership of Speaker Robert Rivas, advanced and enacted a package of wildfire-related bills in 2025 intended to support recovery and rebuilding efforts in affected communities. These measures addressed a range of issues, including efforts to expedite rebuilding and permitting, facilitate temporary housing arrangements, provide mortgage and property tax relief, enhance wildfire resilience, promote home hardening and vegetation management, and provide additional support for emergency response personnel.¹⁹ Notably, these legislative efforts were primarily focused on helping homeowners rebuild more quickly and removing governmental barriers to reconstruction. In 2026, members of the Senate Republican Caucus introduced a separate legislative package focused on wildfire risk reduction, recovery, and housing affordability.²⁰ These efforts reflect an ongoing legislative focus on facilitating recovery in fire-affected communities while also addressing broader policies related to wildfire resilience, rebuilding, and housing supply and affordability.

Rebuilding in Altadena: Approximately 5,936 parcels and 6,746 housing units were damaged or destroyed in the Eaton Fire burn area. According to the Los Angeles County Permitting Progress Dashboard, as of June 19, 2026, the County had received 3,443 rebuild applications for properties impacted by the Eaton Fire. Of those applications, 3,172 zoning reviews had been cleared, 2,809 parcels had submitted full building plans, 3,177 building plans had been approved, and 2,845 building permits had been issued.²¹ The dashboard further reports that 1,665 new residential units are currently under construction, while 89 new residential units have completed construction.²² The County reports that the average rebuild permit took 125 business days from application to issuance, with applicants spending an average of 92 business days preparing and responding to requests, and County review accounting for an average of 33 business days.²³

Los Angeles County has implemented numerous rebuilding initiatives, including expedited like-for-like rebuilding, preapproved plans, AI-assisted plan review through its eCheck pilot, building plan self-certification, temporary housing permits, manufactured and factory-built housing, and a bundled projects pilot program intended to streamline review of multiple homes. The County also offers fee deferrals and refunds for qualifying owner-occupied rebuilds, technical assistance through One-Stop Permit Centers, disaster case management services, resiliency and rebuilding guides, contractor resources, and the creation of an infrastructure financing district to support recovery-related infrastructure improvements.

With regard to the use of SB 9 and the SHRA in Altadena, while the Committee does not have complete data on permits filed, some letters of support cite that these types of applications represent a small percentage of overall permits filed by property owners. According to testimony presented by Los Angeles County at the Altadena Town Council Meeting on June 16, 2026, the County determined that SHRA applications received after the Eaton Fire would be voided because, following the fire, the affected properties were no longer "substantially surrounded by qualified urban uses," one of the statutory eligibility requirements for the SHRA.²⁴ However,

¹⁹ <https://speaker.asmdc.org/news/20250917-these-are-wildfire-related-bills-california-legislature-okd-year>

²⁰ <https://sr32.senate.ca.gov/content/senate-republicans-introduce-wildfire-risk-reduction-and-affordability-legislation>

²¹ <https://recovery.lacounty.gov/rebuilding/permitting-progress-dashboard/>

²² IBID.

²³ IBID.

²⁴ https://www.youtube.com/live/ROy6FSHF6o?si=_zXBtw3Geu-umr9Y&t=1852

many community members maintain that the SHRA particularly poses a threat to neighborhood character once more properties in Altadena are rebuilt, potentially making more sites “substantially surrounded by qualified urban uses” and therefore eligible for the SHRA.

One opponent of this bill notes that Los Angeles County previously maintained a brochure on its recovery website titled *Housing Options for Eaton Fire Survivors* that identified both SB 9 and the SHRA as tools available to support homeowners rebuilding after the Eaton Fire, though that brochure has since been removed from the County's website. The brochure identified SB 9 as a tool to create additional housing units and subdivide lots and identified the SHRA as a tool that could allow eligible properties to be subdivided into up to ten lots, characterizing these laws as opportunities to "expand options for fire survivors looking to rebuild."

The opponent states that it relied on the County's promotion of the SHRA when acquiring fire-affected properties in Altadena and structured its partnerships, infrastructure plans, and affordability commitments around development authorized by the SHRA. According to the opponent, it paid premiums for affected properties based on the expectation that the SHRA would allow multiple homes to be developed on each site, including paying more than \$1 million above the estimated pre-fire single-family value of one parcel. The opponent contends that suspending the SHRA after developers have acquired properties in reliance on it could lower the prices that fire survivors are able to obtain when selling affected properties.

This Bill: This bill would temporarily exempt properties located within ZIP Codes 91001 and 91003, which encompass much of the Eaton Fire-affected area in Altadena, from two missing-middle housing streamlining laws, SB 9 and the SHRA. Specifically, for applications submitted on or after January 7, 2025, and before January 7, 2030, for which the property rights have not vested, this bill would suspend the applicability of SB 9’s ministerial duplex and urban lot split provisions, as well as the SHRA’s ministerial approval process for qualifying housing development projects and subdivisions of up to 10 units or parcels, within those ZIP codes. As a result, property owners in the affected area would not be entitled to utilize those streamlined approval pathways established by state legislation during the specified period. This bill would not apply to projects for which property rights have vested, though that term is not defined, and it is unclear which projects in the pipeline would benefit from this exemption, especially since this bill is retroactive to January 7, 2025. This could potentially mean SB 9 and SHRA projects that have received either entitlements (planning approval) or building permits from the LA County Planning Department could still proceed, but the term is undefined. It includes findings and declarations that a special statute is necessary to address a disparity in protections for portions of Altadena that were not covered by Executive Order N-32-25 following the Los Angeles fires.

Gutted. This bill was gutted and amended into a new policy in June of 2026.

Policy Considerations: The Committee may wish to consider the following:

- 1) **Equal Treatment of Fire-Affected Communities.** The stated purpose of this bill is to extend to Altadena restrictions similar to those imposed in the Pacific Palisades under Executive Order N-32-25. Supporters argue that homeowners whose properties were damaged by the Eaton Fire should receive the same treatment as those impacted by the Palisades fires, regardless of whether their property happened to fall within a state-designated very high fire hazard severity zone. The Committee may wish to consider whether equalizing treatment between the two communities is an appropriate legislative objective, or whether the distinctions drawn by Executive Order N-32-25 based on very

high fire hazard severity zones, and the existing statutory language governing the use of SB 9 and the SHRA in fire hazard severity zones, remain relevant following the fires.

- 2) **Consistency with Existing State Housing Policy.** The Committee may wish to consider how the bill aligns with the Legislature's prior policy decisions regarding housing production in fire-prone areas. When enacting SB 9 and later the SHRA, the Legislature established eligibility criteria and geographic limitations intended to account for wildfire hazards. The Committee may wish to consider whether the circumstances presented by the Eaton Fire justify departing from those statewide policy judgments by imposing additional restrictions on the use of those laws in Altadena.
- 3) **Impacts on Property Owners.** This bill has received vocal support from more than 650 Altadena residents, and one local elected official, representing a base of homeowners who would like to see Altadena rebuilt to its prior neighborhood character and to curb speculative investor pressures on Altadena residents who lost their homes and are navigating the rebuilding process. However, not all former Altadena residents may wish to rebuild due to a wide variety of factors, and some may wish to take advantage of state laws to build back with additional density to offset construction costs, sell the resulting lot(s), or generate rental income. The Committee may wish to consider the potential impacts of this bill on property owners who do not intend to rebuild their homes in Altadena or who may wish to use SB 9 or the SHRA to rebuild, as advertised by the LA County Planning Department. To the extent that SB 9 and SHRA development opportunities increase the value of affected parcels, temporarily suspending those laws could reduce redevelopment potential and affect the market value of properties owned by individuals who choose not to rebuild, and could preclude homeowners who may otherwise be interested in using these state housing tools in the rebuilding process from doing so.
- 4) **Vesting Considerations.** The Committee may wish to consider this bill's proposed effective dates and protections for projects already in the pipeline. This bill would exempt two zip codes in Altadena from SB 9 and the SHRA with a retroactivity date of January 7, 2025 (the date that the Eaton Fire began). While this bill does provide an exemption for proposed housing developments “for which the property rights have vested,” that term is undefined. It is unclear whether the intent was to allow projects with formal local approval (e.g., issued entitlements or building permits) to proceed to construction. If some sort of formal local approval is the threshold for vesting, then there is the potential that Los Angeles County could withhold approval from projects in the pipeline until this bill becomes law, in which case those applications for SB 9 and SHRA projects submitted under the regulations at the time, as publicized by the LA County Planning Department, could become nullified. To the extent the Legislature intends to extinguish development rights that property owners or applicants have already acquired under existing law, this bill may raise questions regarding vested rights and, in some circumstances, potential takings claims. Clarifying which projects are intended to proceed notwithstanding this bill could reduce uncertainty for local governments, property owners, and applicants.
- 5) **Length of the Moratorium.** The Committee may wish to consider whether the January 7, 2030 sunset appropriately balances the stated goals of preserving neighborhood character during recovery and restoring the statewide housing laws once rebuilding has

stabilized. It is unclear why the bill selects a five-year operative period from the date of the Eaton Fire, or whether a shorter sunset tied to rebuilding progress or another objective benchmark would accomplish the bill's stated purpose.

- 6) **Impacts on Community Efforts Underway.** The Committee may wish to consider whether this bill would inadvertently affect nonprofit and community-led rebuilding efforts that rely on SB 9. A coalition of Altadena-based organizations, including community land trusts, affordable housing developers, tenant advocates, and community organizations, argues that while SB 1090 is intended to curb speculative acquisition of fire-affected properties, it would also prevent survivor-led affordable housing projects that rely on SB 9 from moving forward unless the bill is amended. Organizations, including the Altadena Community Land Trust and Greenline Housing Foundation, are currently pursuing community-led rebuilding projects that utilize SB 9 to create permanently affordable (for those earning incomes up to 150% of the area median income) housing for returning fire survivors and displaced Altadena renters. The coalition contends these projects provide the type of "gentle density" that existed in Altadena before the Eaton Fire and differ substantially from the speculative acquisition of burned lots that this bill seeks to address. The coalition further argues that nonprofit and community land trust projects often require longer planning and financing timelines than market-rate developments and that suspending SB 9 without an exemption for qualifying community-led affordable housing projects could halt projects already in predevelopment before they have an opportunity to proceed.

Committee Amendments: The Committee may wish to consider the following amendments to address the aforementioned policy considerations:

- 1) Removing the retroactivity provisions and having the moratorium be effective from January 1, 2027, through January 7, 2030, to allow SB 9 and SHRA applications that were submitted under the existing law at the time and before January 1, 2027, to proceed.
- 2) Allowing development proponents who submit a preliminary application for an SB 9 or SHRA housing development project prior to January 1, 2027, to utilize SB 9 and the SHRA, so long as they submit a complete application within 180 days, pursuant to existing law regarding preliminary and complete applications.
- 3) Exempting deed-restricted 100% affordable housing development projects for lower and moderate income households, proposed by nonprofit housing developers or community land trusts, from the SB 9 and SHRA moratorium.

Arguments in Support: Supporters of this bill, including Los Angeles County Supervisor Kathryn Barger (bill sponsor), the California Association of Realtors, the Altadena Town Council, local nonprofit and community organizations, service providers, and hundreds of wildfire survivors and Altadena residents, argue that SB 1090 provides a temporary and narrowly tailored response to the unique circumstances facing Altadena following the Eaton Fire. They contend that thousands of residents remain displaced and continue to navigate insurance claims, financing challenges, permitting, and rebuilding efforts, and that allowing the use of SB 9 and the SHRA during this period could encourage speculative acquisition of fire-damaged properties and accelerate redevelopment before former residents have an opportunity to return.

Supporters argue that the bill would help prevent displacement, preserve community stability, and provide residents with additional time to recover and make long-term decisions about their properties. Several letters assert that laws intended to promote incremental infill housing are being used by outside investors to pursue higher-density projects in fire-impacted neighborhoods, potentially altering neighborhood character and increasing pressure on infrastructure, evacuation routes, and public services during recovery. Supporters further contend that Altadena did not receive the same protections from the Governor's post-fire executive orders as Pacific Palisades, despite experiencing similar devastation, and that SB 1090 would create parity between the two communities. They emphasize that the bill is temporary, does not prevent homeowners from rebuilding or adding ADUs, and is intended to balance the state's housing goals with the need to prioritize disaster recovery and the return of displaced residents.

Arguments in Opposition: Opponents, including housing advocacy organizations and housing industry groups such as the California Apartment Association, California YIMBY, Abundant Housing LA, YIMBY Action, the Casita Coalition, the Council of Infill Builders, BuildCasa, Southern California Obtainable Housing, as well as builders in LA County, argue that SB 1090 would slow Altadena's recovery by removing tools that many fire survivors can use to rebuild, finance reconstruction, or sell their properties. They contend that SB 9 and the SHRA provide homeowners with additional options to generate value from their lots, such as creating additional homes, subdividing property, or selling to buyers who can build more housing, which can help close insurance and financing gaps following the Eaton Fire.

Opponents argue that restricting these tools would reduce property values, limit housing production, and make it more difficult for displaced residents to return to Altadena. Several letters assert that the bill would disproportionately harm underinsured homeowners, seniors, and longtime Black homeowners whose primary asset is their property. Opponents further contend that SB 9 and the SHRA can facilitate the production of starter homes, deed-restricted affordable homes, and other "missing middle" housing types that would otherwise not be feasible. They argue that suspending ministerial housing approvals in a community already facing a severe housing shortage conflicts with the state's housing goals, creates uncertainty for property owners and builders, and establishes a precedent for exempting individual communities from statewide housing laws. Rather than restricting housing options, opponents argue that the Legislature should preserve flexibility for property owners and pursue policies that accelerate rebuilding and housing production in the fire-impacted area.

Related Legislation:

AB 2005 (Ahrens) of this legislative session would establish a new owner-occupancy pathway for SB 9 developments.

AB 2601 (Lee) of this legislative session would require local governments to concurrently process the entitlement and subdivision components of SB 9 and SHRA development projects.

SB 1116 (Caballero) of this legislative session further revises the streamlined and ministerial approval framework created by SB 684/1123, including replacing the requirement that SHRA projects are substantially surrounded by qualified urban uses with a new infill requirement.

SB 450 (Atkins), Chapter 286, Statutes of 2024. Amended the process established by SB 9 (Atkins), Chapter 162, Statutes of 2021 for the ministerial approval of a duplex in a single-family zone and the lot split of a parcel zoned for residential use into two parcels.

SB 9 (Atkins), Chapter 162, Statutes of 2021. Required the ministerial approval by a local agency of a duplex in a single-family zone and the lot split of a parcel zoned for residential use into two parcels.

SB 1123 (Caballero), Chapter 294, Statutes of 2024. Expanded SB 684 (Caballero) to vacant single-family sites and made other changes.

SB 684 (Caballero), Chapter 783, Statutes of 2023. Created a streamlined, ministerial approvals process for the construction of up to 10 residential units on multifamily parcels.

Double-Referred: This bill was also referred to the Committee on Local Government, where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Kathryn Barger, Supervisor, 5th District, Los Angeles County (Sponsor)
 Altadena Heritage
 Altadena Town Council
 California Association of Realtors
 Integrated Community Options
 Los Angeles County Board of Supervisors
 Pasadena-foothills Association of Realtors
 Sustainable Community Development Corporation
 Individuals (654)

Support If Amended

Altadena Community Land Trust
 Altadena Tenants Union
 Beacon Housing
 Beautiful Altadena
 California Community Land Trust Network
 Coalition for Humane Immigrant Rights
 Day One
 Greenline Housing Foundation

Opposition

Abundant Housing LA
 Abundant Housing Pasadena
 Alhambra Urbanists
 Bow West Capital
 BuildCasa
 California Apartment Association
 California YIMBY
 Casita Coalition
 Council of Infill Builders
 Home Ownership Made Easy
 Inner City Law Center

LISC San Diego
Nova Cottage Co.
South Pasadena Residents for Responsible Growth
Southern California Obtainable Housing
Southland HVAC & Construction
The Two Hundred for Homeownership
YIMBY Action

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