

SENATE THIRD READING

SB 1090 (Pérez)

As Amended July 02, 2026

Majority vote

SUMMARY

Exempts, from January 1, 2027 through January 7, 2030, the ZIP codes of 91001 and 91003 from new applications for housing development projects related to 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.

Major Provisions

- 1) Provides that, from January 1, 2027 through January 7, 2030, the streamlined, ministerial approval provisions for the following project types do not apply to applications submitted during that timeframe 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 either of the following:
 - a) A proposed SB 9 or SHRA housing development or subdivision for which a preliminary application was submitted before January 1, 2027, and a complete application follows within 180 days; or
 - b) 100% affordable housing development proposals for lower- or moderate-income households that are deed-restricted for 45 years (ownership) or 55 years (rental), and proposed by a nonprofit housing developer or a community land trust.
- 3) Makes findings and declarations that a special statute is necessary to address the disparity in protection from predatory development practices following the Los Angeles fires in Altadena, which is excluded from the scope of the Governor's Executive Order N-32-25.

COMMENTS

SB 9: SB 9 established a streamlined, 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 includes environmental and public safety siting criteria, including restrictions on development

within very high fire hazard severity zones unless specified fire hazard mitigation requirements are satisfied.

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 properties, subject to specified objective standards related to site eligibility, environmental constraints, and development standards. Among other requirements, projects must be located on sites that are substantially surrounded by qualified urban uses. Unlike SB 9, the SHRA prohibits projects in high and very high fire hazard severity zones, without exception.

Eaton and Palisades Fires: On January 7, 2025, two wildfires, the Eaton Fire and Palisades Fire, both ignited in Los Angeles County. The Eaton Fire started in Eaton Canyon near Altadena in Los Angeles County, burning more than 14,000 acres, destroying over 9,400 structures. The Palisades Fire began in the Santa Monica Mountains, 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. Both were fully contained by January 31, 2025. With more than 16,000 homes and structures destroyed, these fires were among the most destructive in California's history.

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. One of those was Executive Order N-32-25, issued on July 30, 2025, 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.

The Executive Order had different 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 once rebuilding commenced and there were qualifying surrounding urban uses, while similarly situated properties in the Pacific Palisades could not. According to testimony presented at the Altadena Town Council Meeting on June 16, 2026, community representatives requested that the Governor extend the Executive Order to all fire-affected portions of Altadena, but the Administration declined that request.¹

The Executive Order affected communities with distinct demographic and socioeconomic characteristics. Altadena has long been recognized for its racial and economic diversity and as a

¹ June 16 Altadena Town Council Meeting

historic center of Black homeownership. According to researchers at UCLA's Latino Policy and Politics Institute, drawing from United States 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.² 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.³ These differences have prompted concerns that rebuilding challenges and displacement pressures may differ significantly between the two communities.

Supporters of this bill argue that additional density could create future evacuation and infrastructure challenges, alter neighborhood character during the rebuilding process, and could help to protect Altadena homeowners from "disaster capitalism." Opponents argue that SB 9 and the SHRA are important rebuilding tools that may help property owners finance reconstruction, generate rental income, create multigenerational housing opportunities, or sell portions of their property to offset rebuilding costs. Opponents also maintain that SB 9 and the SHRA can help ensure that renters displaced from Altadena can return to affordable housing options.

Rebuilding in Altadena: Approximately 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.⁴ While the Committee does not have complete data on SB 9 and SHRA permits filed, information provided by LA County staff indicates that these types of applications represent a small percentage of overall permits filed by property owners, with less than 60 total applications for both SB 9 and the SHRA. With respect to the SHRA, Los Angeles County testified at the June 16, 2026, Altadena Town Council meeting that SHRA applications received after the Eaton Fire would not satisfy the law's requirement that a site be substantially surrounded by qualified urban uses because many surrounding structures had been destroyed. However, some community members remain concerned that additional properties could become eligible for SHRA projects as rebuilding progresses and surrounding development is restored.

Los Angeles County previously maintained a brochure on its Eaton Fire recovery website that identified both SB 9 and the SHRA as tools available to support rebuilding efforts. The brochure described SB 9 as a way to create additional housing units and subdivide lots and described the SHRA as a law that could allow eligible properties to be subdivided into as many as ten lots, characterizing both laws as opportunities to expand options for fire survivors seeking to rebuild. According to opponents of this bill, some property owners and developers relied on those representations when evaluating and acquiring fire-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 1, 2027, and before January 7, 2030, this bill would suspend the applicability

² <https://latino.ucla.edu/research/underserved-and-overlooked/>

³ U.S. Census Bureau release 2019–2023 American Community Survey (ACS) 5-year estimates.

⁴ <https://recovery.lacounty.gov/rebuilding/permitting-progress-dashboard/>

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 such, property owners in the affected area could not utilize those streamlined approval pathways established by state legislation during the specified period.

This bill would not apply to housing development projects or subdivisions pursuant to SB 9 or the SHRA if a preliminary application is submitted before January 1, 2027, and a complete application follows within 180 days. Deed-restricted 100% affordable housing development proposals for lower- and moderate-income households for which a nonprofit affordable housing developer or a community land trust is the project applicant are also exempt from the moratorium proposed in this bill.

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."

Arguments in Support

Supporters of this bill, including Los Angeles County Supervisor Kathryn Barger (the 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, financing, permitting, and rebuilding challenges, and that allowing the use of SB 9 and the SHRA during this period could encourage speculative acquisition of fire-damaged properties before former residents have an opportunity to return. Supporters argue that the bill would help prevent displacement, preserve community stability, and provide residents additional time to recover and make long-term decisions about their properties. They further contend that Altadena did not receive the same protections provided to Pacific Palisades under the Governor's post-fire executive orders despite experiencing similar devastation. Supporters emphasize that the bill is temporary, does not prevent homeowners from rebuilding or adding ADUs, and seeks to balance the state's housing goals with 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, Casita Coalition, the Council of Infill Builders, BuildCasa, Southern California Obtainable Housing, and builders in Los Angeles County, argue that SB 1090 would slow Altadena's recovery by eliminating tools that many fire survivors could 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, helping 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. They further contend that the bill would disproportionately affect underinsured homeowners, seniors, and long-time Black homeowners and could hinder the production of starter homes, deed-restricted affordable housing, and other missing-middle housing types. Opponents maintain that suspending statewide housing laws in a community 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 policies. They argue that the Legislature should preserve flexibility for property owners and pursue policies that accelerate rebuilding and housing production.

FISCAL COMMENTS

None.

VOTES

SENATE FLOOR: 30-9-1

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

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

ABS, ABST OR NV: Dahle

ASM HOUSING AND COMMUNITY DEVELOPMENT: 11-1-0

YES: Haney, Patterson, Caloza, Schultz, Kalra, Lee, Quirk-Silva, Ta, Tangipa, Wicks, Wilson

NO: Ávila Farías

ASM LOCAL GOVERNMENT: 10-0-0

YES: Carrillo, Ta, Johnson, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

UPDATED

VERSION: July 02, 2026

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