

UNFINISHED BUSINESS

Bill No: SB 1090
Author: Pérez (D), et al.
Amended: 8/20/26
Vote: 27 - Urgency

SENATE JUDICIARY COMMITTEE: 11-2, 4/28/26

AYES: Umberg, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern, Wahab,
Weber Pierson, Wiener

NOES: Niello, Alvarado-Gil

SENATE FLOOR: 30-9, 5/27/26

AYES: 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

NOES: Alvarado-Gil, Choi, Grove, Jones, Niello, Ochoa Bogh, Seyarto,
Strickland, Valladares

NO VOTE RECORDED: Dahle

ASSEMBLY FLOOR: 76-0, 8/28/26 - See last page for vote

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

SOURCE: Los Angeles County Supervisor Kathryn Barger

DIGEST: This bill places a three-year moratorium on the Starter Home
Revitalization Act (SHRA) in two zip codes in Altadena. The moratorium applies
to applications submitted after October 1, 2026.

Assembly Amendments replace the previous version of the bill with the proposed
moratorium on the SHRA.

ANALYSIS:

Existing law:

- 1) Establishes the Starter Home Revitalization Act (SHRA), pursuant to SB 684 (Caballero, Chapter 783, Statutes of 2023), and SB 1123 (Caballero, Chapter 294, Statutes of 2024), which creates a ministerial process for the subdivision of a lot zoned for multifamily development, or lots that are vacant and zoned for single-family residential development, to develop up to 10 residential units.
- 2) Requires, pursuant to SB 9 (Atkins, Chapter 161, Statutes of 2021), the streamlined and ministerial approval by a local agency of a duplex in a single-family zone, and the urban lot split of a parcel zoned for residential uses into two parcels.
- 3) Establishes, pursuant to state Accessory Dwelling Unit (ADU) Law, uniform statewide standards that compel every California jurisdiction to ministerially approve ADUs and Junior ADUs (JADUs) on residential lots, by establishing statewide planning standards and review shot clocks, and limiting local discretion. Single-family lots can now have up to three ADUs: one interior or conversion ADU, one detached ADU, and one JADU. Multifamily properties must allow at least one ADU within existing non-livable space (or up to 25 % of the number of existing units), two detached ADUs for new construction projects, and up to eight detached ADUs for existing multifamily buildings, so long as the total number of ADUs does not exceed the number of existing units.
- 4) Establishes the Permit Streamlining Act (PSA), which, among other things, establishes time limits within which state and local government agencies must either approve or disapprove permits to entitle a development.
- 5) Establishes standards and requirements for local agencies to review post-entitlement phase permits, including time limits within which local agencies must either approve or disapprove these permits.
- 6) Establishes the Housing Accountability Act (HAA), which establishes requirements for a local agency to approve or disapprove an application for a housing development project, as specified.
- 7) Establishes the Subdivision Map Act (SMA), which governs subdivisions of land, establishes requirements for the mapping of subdivided lands, and establishes requirements for recordation of land maps.
- 8) Establishes the California Emergency Services Act (CESA), which 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.

- 9) Establishes the California Environmental Quality Act (CEQA), which requires public agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or an environmental impact report (EIR) for this action, unless the project is exempt from CEQA.
- 10) Establishes the California Coastal Act (Coastal Act), which provides for the planning and regulation of development within the coastal zone. A person planning to perform or undertake any development in the coastal zone is required to obtain a coastal development permit (CDP) from the California Coastal Commission (CCC) or local government enforcing a local coastal program (LCP) certified by the CCC, as specified.

This bill:

- 1) Renders the SHRA inapplicable in two zip codes in Altadena, California for applications submitted between October 1, 2026 and January 1, 2030.
- 2) Exempts the following sites and applications from the moratorium on SHRA applications noted in 1):
 - a) A proposed housing development for which a development application or preliminary application was submitted before October 1, 2026, subject to the following:
 - i) Provides that the applicant must submit an application for a development project that includes information required to process an application as specified in the PSA within 180 days of October 1, 2026.
 - ii) Provides that if the public agency determines that an application pursuant to (i) is not complete, the applicant shall submit the specific information necessary to complete the application within 90 days of receiving the agency's notice.
 - iii) Prohibits a public agency from taking action that would preclude or impair a development proponent that submitted an application before October 1, 2026, from submitting an application as allowed in (i).

- b) A proposed housing development where one hundred percent of the units are affordable for a period of 55 years, as specified, and that is developed by a developer that is at least one of the following:
 - i) A community land trust, as defined.
 - ii) A qualified nonprofit corporation, as defined.
 - iii) A nonprofit housing sponsor or nonprofit corporation whose primary purpose is the development, ownership, or operation of affordable rental housing.
- 3) Incorporates chaptering amendments with AB 2601 (Lee) and SB 1116 (Caballero).

Background

Eaton and Palisades Fires. California continues to experience the impacts of climate change with disasters of increasing size 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 crisis 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 unincorporated portions of Los Angeles County to plan for 90,000 units of housing in order to satisfy unmet housing demand. Prior to the conflagration, and roughly halfway through the sixth cycle, the County of Los Angeles had issued 5,100 permits. The estimated 10,000 homes burned in the Eaton Fire alone exceed the number of permits the County of Los Angeles had issued for new housing developments in the current RHNA cycle prior to the fire.²

¹ CALFIRE, *Palisades Fire Incident Update*. (10 February 2025). Accessible here:

<https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire/updates/262ba0be-593a-463c-94b1-a15d1e7f2a1e>;

CALFIRE, *Eaton Fire Incident Update*. (27 January 2025). Accessible here:

<https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire/updates/fc673f28-0d66-402b-9ebe-2380a9bf3c26>

² Sommer, Lauren, *National Public Radio*. (17 January 2025). Accessible here:

<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%20untouched.>

Comments

- 1) *Author's statement.* “The people of Altadena are demanding protections from speculators purchasing property from distressed fire survivors and seeking to exploit laws not intended for communities recovering from a major disaster. While I have supported policies increasing California’s housing supply, those laws were designed to encourage gentle urban infill development under normal circumstances, not for a community that suffered a disaster like the Eaton Fire. For example, allowing up to ten homes on a lot that was previously zoned for a single-family residence will overwhelm Altadena’s existing infrastructure and destabilize the community’s long-term recovery. Previous legislation that provided for this development under specific circumstances, SB 684 (2023), included provisions that exempt very high fire severity zones. This exclusion captures the Palisades community, which was devastated by the 2025 Palisades Fire, but Altadena is not captured by this same provision because it is not designated a high fire severity zone, despite experiencing similar devastation from the 2025 Eaton Fire. SB 1090 addresses that discrepancy, by providing a temporary similar accountability for Altadena to help ensure that residents are not pressured into selling their property at a vulnerable moment and that the community can recover on its own terms moving into the future.”
- 2) *Governor's Executive Order Pausing SB 9.* Governor Newsom signed EO-32-25 suspending the application of SB 9 in very high fire hazard severity zones within the boundaries of the Eaton and Palisades Fires, essentially exempting the entirety of the Palisades burn scar and a portion of the area burned in the Eaton Fire.³ Contrary to prior EOs designed to remove permitting barriers and expedite the rebuilding process, EO-32-25 removed the ability to use a CEQA-exempt streamlined housing development process from the rebuilding toolkit.

YIMBY Law challenged the EO and the corresponding local ordinances suspending SB 9 applications in superior court. The cities of Malibu and Pasadena recently settled and agreed to rescind their ordinances and to begin processing SB 9 applications once more. The City of LA and the County of LA continue to defend their ordinances in court.⁴

³ Governor Gavin Newsom *Executive Order N-32-25*. (30 July 2025). Accessible here: https://www.gov.ca.gov/wp-content/uploads/2025/07/SB-9-EO_Formatted.FINAL_ATTENDED.pdf

⁴ Cato Hernández, "Housing Advocates Sued Over Local Duplex Bans After the LA Fires. Now, Two Cities Are Backing Down," *Southern California Public Radio (LAist)* (31 July 2026), Accessible here: <https://laist.com/news/housing-homelessness/california-sb-9-malibu-pasadena-lawsuit-settlement-yimby>.

- 3) *LA County's Mixed Messages on Housing Streamlining.* LA County's view of housing streamlining laws has fluctuated since the wildfire destroyed significant portions of the community. Initially, the county sought relief from nearly all housing streamlining laws as well as a bevy of other state housing laws. The county subsequently promoted some streamlining laws as rebuilding tools available to Eaton Fire survivors. The county then deemed streamlining measures it promoted as inapplicable to areas destroyed in the Eaton Fire. Finally, this bill, sponsored by LA County Supervisor Barger, seeks to put a moratorium on the SHRA in portions of Altadena.
- 4) *Barger-Horvath Resolution.* Before firefighters managed to extinguish the Eaton Fire, Supervisors Barger and Horvath sponsored a resolution calling on the Governor to exempt fire impacted areas of Los Angeles County from a multitude of state housing laws. The Barger-Horvath resolution was adopted by the LA County Board of Supervisors. The resolution petitioned the state for, among other items, a suspension or moratorium of the following housing laws in areas impacted by the fire:
- a) Streamlining for SB 9 duplexes and urban-lot splits in VHFHSZs.
 - b) Streamlining for SB 35 affordable and mixed-income infill housing developments and the suspension of every state housing streamlining law that cites to SB 35 in VHFHSZs.
 - c) Streamlining for affordable and mixed-income infill residential developments in commercial zones pursuant to the Affordable Housing and High Roads Jobs Act.
 - d) Requirements for expedited review of ADU applications.
 - e) Application of No-Net-Loss Housing Law.
 - f) Five-year moratorium on the ability of affordable housing developments to use State Density Bonus Law.
 - g) Five-year moratorium on the requirement to make housing an allowable use on commercial sites pursuant to the Middle-Class Housing Act.
 - h) Five-year suspension of the Housing Crisis Act.
 - i) Five-year suspension of the Housing Accountability Act (HAA), with specific reference to a suspension of the Builder's Remedy and the enforcement provisions of the HAA.
 - j) Five-year suspension of the statutory prohibitions on imposing parking requirements on developments located within ½ mile of transit.

- k) Five-year suspension of statutory provisions that prohibit the county from imposing a Floor-Area-Ratio (FAR) standard on multifamily parcels that reduce the buildable capacity and density of parcels.⁵

The county's initial "all of the above" approach appears to have been adopted with understandable haste. Unfortunately, it appears to lack specific justification explaining how waiving policies such as the HAA or the HCA, which relate to general fairness in review of housing applications, would aid wildfire victims seeking to rebuild. This bill takes a more focused approach by identifying one streamlining bill to waive rather than all of them.

- 5) *LA County: Streamlining Welcome.* With the initial housing law waivers requested in the Barger-Horvath Resolution during the emergency going ungranted, the county appeared to shift tack. In the aftermath of the fire, LA County published a brochure titled: *Housing Options for Eaton Fire Survivors*. The brochure noted the following:

"The County and State provide tools to increase affordable housing opportunities. These tools, which expand options for fire survivors looking to rebuild, can be characterized by the following:

- 1. Adding to your lot to rent out units*
- 2. Splitting up your lot to sell portions of land*

Whichever tool you decide to use, the county is here to help. Check out these five options!"

The brochure then lists five options, including ADU Law, SB 9, and the SHRA (SB 1123). In detailing the specific statutory pathways available to rebuild, the brochure noted, "Add **ONE** primary unit and up to **Three** ADUs on your lot with SB 9... Split Your Lot in up to **Ten** Lots with SB **1123**" (emphasis in original).

⁵ Kathryn Barger et al. to Gavin Newsom (5 February 2025), referencing motion adopted by the Los Angeles County Board of Supervisors, January 28, 2025, <https://file.lacounty.gov/SDSInter/bos/supdocs/199963.pdf>. See also: "Resolution of the Board of Supervisors of the County of Los Angeles Delegating Authority to Order Emergency Work Related to the Local Emergency for the January 2025 Windstorm and Critical Fire Events," item 30c (28 January 2025). Accessible here: <https://file.lacounty.gov/SDSInter/bos/supdocs/199811.pdf>.

- 6) *LA County: Streamlining Closed.* Despite the seeming encouragement from the county, applicants seeking to use the SHRA reported that the county's interpretation of the SHRA abruptly shifted earlier this year. One applicant indicated that they submitted an SHRA application in September 2025. The county provided comments identifying technical revisions necessary and met with the applicant on numerous occasions. According to the applicant, six months later, and days prior to the date to submit a revised application, the county decided that SHRA developments are not eligible on sites destroyed by wildfire. Specifically, the county argued that because the parcels adjoining the site of the proposed development were destroyed in the fire and vacant, the site is not eligible for SHRA development because the site is not currently substantially surrounded by urban uses.⁶

It is unclear why the county would invest staff resources encouraging and reviewing a type of development project that it believed was ineligible. The county indicates that it consulted with HCD before it determined that sites are not eligible. However, it remains unclear what prompted the sudden need for a revised interpretation. The HCA and the HAA are designed to protect home builders from the whims of local governments changing development standards to prevent or make projects impossible. In this case, the county is not altering a development requirement; rather, the county is apparently claiming that it only discovered the site was ineligible for the SHRA following six months of review. This bill would impose a moratorium on the application of the SHRA in two zip codes in Altadena. The Committee may wish to consider why prohibiting SHRA in these zip codes is necessary if LA County already determined that sites destroyed in the Eaton Fire are ineligible for SHRA development.

- 7) *Prospective.* LA County's sporadic treatment of SHRA applications leaves a handful of applicants in limbo. The Committee is aware of approximately a dozen properties that were purchased with plans to use the SHRA to place townhomes on destroyed single-family parcels in Altadena.⁷ These properties were purchased with a reasonable expectation that the county considered the SHRA to be one of several rebuilding options available to homeowners and developers. To ensure that planned projects are not denied, the Legislature generally ensures that laws that would disqualify planned projects do not apply retroactively.

⁶ Dillon, Liam, "'We Can Have Seven Homes or We Can Have 70.' In Wake of Los Angeles Wildfires, Homeowners and Developers Clash," *Politico*, (31 July 2026). Accessible here: <https://www.politico.com/news/2026/07/31/the-enemy-in-los-angeles-wildfire-recovery-developers-01015796>.

⁷ Dillon, "Seven Homes or 70."

Assembly Floor Amendments ensure that the moratorium proposed in this bill applies prospectively. This ensures that existing projects have an opportunity to revise their applications and benefit from the SHRA before the door on streamlining for medium-density developments in Altadena is closed for three years. The moratorium is inapplicable to sites with SHRA applications submitted prior to October 1, 2026; any site with an SHRA application submitted prior to that date will be entitled to the benefits of the SHRA as it reads today and as it may be amended during the pendency of the moratorium. This includes changes to the SHRA that will take effect January 1, 2027, if SB 1116 (Caballero), AB 2601 (Lee), or both bills are signed into law. This fact is further solidified in the bill's intent language; it is also established in the bill's substantive text, which expressly provides that applications submitted prior to October 1, 2026, are afforded the opportunity to submit a revised application within 180 days of the moratorium's October 1, 2026, effective date. Sites that do not have applications prior to October 1, 2026, will be temporarily disqualified from using the SHRA as it reads today or as it may be amended.

- 8) *Speculative.* The bill's urgency clause states that this bill, which places a moratorium on one type of housing streamlining, is necessary for "protection from predatory development practices." This implies that some housing streamlining statutes are predatory tools, while others are not. This premise misses an important aspect of the law that is embedded in the SHRA. The Legislature carefully crafted the SHRA to include model anti-displacement language that exists in nearly every other streamlining statute. The anti-displacement language in both the HCA and the SHRA is designed to protect low-income residents by prohibiting projects that require the demolition of deed-restricted or rent-controlled housing. Further, any homes that were occupied by tenants (rather than owner-occupied) are ineligible for SHRA development for five years from the date the last tenant occupant vacated the property. This means that, under current law, any properties that were tenant-occupied on the date of the Eaton Fire are ineligible for SHRA development until 2030. The existing anti-displacement parameters in the law are operating as intended and continue to ensure that developers cannot demolish homes and displace tenants and homeowners to make a profit.

Increasing density in Altadena may change the architectural character of the community, but will increasing the density of Altadena neighborhoods make it less affordable or less feasible for residents to return? The question before the Committee is not whether the SHRA should be amended to prevent displacement. The tragic displacement of Altadena residents already occurred. The question before the Committee is whether streamlined rebuilding options

for the community should be limited to exclusively low-density options: single-family homes, ADUs, and the occasional duplex for homeowners who can afford an urban-lot split.

- 9) *Streamlining For Me, But Not for Thee.* Following a major disaster, the speed of recovery tends to be uneven among affected residents. Naturally, residents with greater financial means and residents who carried higher levels of insurance coverage on their property tend to be able to recover faster than their less affluent neighbors. To help homeowners return to their property more expeditiously, AB 462 (Lowenthal, Chapter 491, Statutes of 2025) allows ADUs to be built on lots without a primary dwelling unit. This change in law allowed many property owners in Altadena to take advantage of streamlined approval processes in state law to build an ADU and reoccupy their property before they finish rebuilding. It is commendable that some residents with financial means or sufficient insurance coverage are able to access streamlined recovery options so they can rebuild their home and their community. However, this same recovery path is not accessible to all Altadena residents.

Altadena's lower-income homeowners and renters face a more difficult path to recovery. Some residents displaced by the wildfire indicate that underinsurance and a lack of resources make it difficult or impossible for them to return to their homes. Beyond selling their entire property to a developer and leaving the community entirely, some residents are exploring subdividing their single-family lot and selling a portion of the original lot to another individual or developer. SB 9 and SB 1123 currently provide homeowners with the ability to sell a portion of their property, rather than the entire property. Several residents opposed to this bill indicate that selling a portion of their lot will help them bridge the financial gap between their available insurance and savings, and the total cost to rebuild.⁸ Unfortunately, for some displaced homeowners, whose property is their primary remaining asset, the ability to sell a portion of that asset rather than their entire asset may be their only opportunity to return home.

- 10) *Something Similar.* AB 1751 (Quirk-Silva), which is currently pending on the Governor's desk, would codify the Missing Middle Townhome Ownership Act (MMTOA). That bill would allow for townhome developments of a similar size and density as those authorized by the SHRA on multifamily parcels and vacant single-family parcels (as defined). The MMTOA and the SHRA allow for the creation of a similar end-product (townhomes), and each law carries

⁸Post, Andrew. "Let Altadena's Fire Survivors Rebuild." *Orange County Register* (26 July 2026). Accessible here: <https://www.ocregister.com/2026/07/26/let-altadenas-fire-survivors-rebuild/>.

similar eligibility requirements for sites and developments. However, there are unique MMTOA eligibility requirements, such as inclusionary requirements. Many sites excluded from SHRA development by this bill's moratorium may still be eligible for townhome development if the sites satisfy the unique requirements of the MMTOA.

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

SUPPORT: (Verified 8/30/26)

Los Angeles County Supervisor Kathryn Barger (Sponsor)

Altadena Community Land Trust

Altadena Heritage

Altadena Recovery Watch

Altadena Tenants Union

Altadena Town Council

Beautiful Altadena

Eaton Fire Collaborative

Enterprise Community Partners, Inc.

Every Fire Survivor's Network

Greenline Housing Foundation

Los Angeles County

San Gabriel Valley Community Land Trust

Individuals (more than 650)

OPPOSITION: (Verified 8/30/26)

Abundant Housing Los Angeles

Abundant Housing Pasadena

Alhambra Urbanists

Bow West Capital

Buildcasa

California Apartment Association

California YIMBY

Casita Coalition

Council of Infill Builders

Fieldstead and Company, Inc.

Housing Action Coalition

Inner City Law Center

Lisc San Diego

Los Angeles Area Chamber of Commerce

South Pasadena Residents for Responsible Growth

Southern California Obtainable Housing
 Stone West GP, LLC
 The Two Hundred for Homeownership
 YIMBY Action

ARGUMENTS IN SUPPORT: This bill is sponsored by LA County Supervisor Kathryn Barger, supported by Los Angeles County, The Altadena Town Council, and hundreds of individual residents from Altadena. They argue that this bill will remove the incentive for speculators to take advantage of distressed wildfire survivors. They claim that these speculators will permanently alter the character of Altadena.

ARGUMENTS IN OPPOSITION: California YIMBY, The Council of Infill Builders, Inner City Law Center, and a coalition of home-building advocates write in opposition. They note that 18 months after the Eaton Fire, only 76 homes have been rebuilt. They argue that for those seeking to rebuild, the SHRA is a pathway to finance reconstruction by selling off land or adding additional homes to their property. They also argue that Eaton Fire survivors should have the flexibility to rebuild in a way that makes sense for them and that they should get help from the state, not additional barriers.

ASSEMBLY FLOOR: 76-0, 8/28/26

Ayes: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, 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

Noes:

No Vote Recorded: Gabriel, McKinnor, Wicks

Prepared by: Hank Brady / HOUSING / (916) 651-4124
 8/30/26 19:37:08

**** END ****