

Date of Hearing: March 12, 2025

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 462 (Lowenthal) – As Amended February 27, 2025

SUBJECT: Land use: coastal development permits: accessory dwelling units

SUMMARY: Exempts the construction of accessory dwelling units (ADUs) from the requirement to obtain a coastal development permit (CDP) 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. This bill includes an urgency clause.

EXISTING LAW:

- 1) Defines an ADU as an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. (Government Code (GC) 66313)
- 2) Authorizes a local agency to provide for the creation of ADUs in areas zoned for residential use, as specified. (GC 66314)
- 3) Authorizes a local agency to provide for the creation of junior accessory dwelling units (JADUs) in single-family residential zones, as specified. (GC 66333)
- 4) Establishes the Coastal Commission (Commission) in the Natural Resources Agency and requires the Commission to consist of 15 members (3 non-voting and 12 voting). (Public Resources Code (PRC) Section 31004)
- 5) Requires each local government within the Coastal Zone to prepare a local coastal program (LCP) for that portion of the Coastal Zone within its jurisdiction. Authorizes any local government to request, in writing, the Commission to prepare an LCP or a portion thereof, for the local government. Prohibits amendments to an LCP for the purpose of developing a certified LCP from constituting an amendment of a general plan. (Public Resources Code (PRC) 30500)
- 6) Provides the following for the planning and regulation of development within the coastal zone, generally:
 - a) A person planning to perform or undertake any development in the coastal zone is required to obtain a coastal development permit (CDP) from Commission or local government enforcing an LCP that is certified by the Commission; (PRC 30600)
 - b) An LCP cannot be required to include housing programs and policies; (PRC 30500.1)

- c) The coastal zone means the coastal land and waters of California, and includes the lands that extend inland generally 1,000 yards from the mean high tide line, as specified, with various exceptions including the San Francisco Bay; and (PRC 30103)
 - d) Development means, among other things, the placement or construction of any solid material or structure on land or in water. (PRC 30106)
- 7) Provides that the development of an ADU is still required to conform with the relevant provisions of the California Coastal Act, except that a local government is not required to hold public hearings for CDP applications for ADUs. (GC 66329)

FISCAL EFFECT: Unknown.

COMMENTS:

Author’s Statement: According to the Author, “AB 462 exempts the construction of Accessory Dwelling Units (ADUs) from Coastal Development Permit (CDP) requirements in Los Angeles County. This exemption will also be extended to coastal communities that may face destruction from wildfires in the future.

AB 462 allows homeowners in the coastal zone of Los Angeles County to simply obtain a ministerial building permit to construct an ADU, rather than going through the lengthy and costly CDP process. 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.”

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.¹ The Eaton Fire ignited in Eaton Canyon near Altadena, burning more than 14,000 acres, destroying over 9,400 structures.² Both fires were fully contained by January 31, 2025. Of the more than 16,000 homes and other structures destroyed, the vast majority were located in what is referred to as the wildland-urban interface, or WUI.³ The WUI is where human development meets or mixes with the undeveloped natural environment or wildlands.⁴

State and Local Housing Needs and Affordability: According to the Department of Housing and Community Development (HCD), California’s housing crisis is a half-century in the making.⁵ After decades of underproduction, supply is far behind need and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing

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

² IBID.

³ <https://calmatters.org/environment/wildfires/2025/01/la-county-fires-wildland-urban-interface/>

⁴ IBID.

⁵ California Department of Housing and Community Development, *A Home for Every Californian: 2022 Statewide Housing Plan*. March 2022, <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state. One in three households in the state doesn't earn enough money to meet their basic needs. In 2024, over 187,000 Californians experienced homelessness on a given night.⁶

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). 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.⁷ To keep pace with demand, Los Angeles County was tasked with building over 812,000 new homes by 2029. The destruction of homes caused by the Palisades and Eaton fires only exacerbated this housing shortage at the state, regional, and local level.

ADUs as a Solution: Increasing density and facilitating the construction of new housing can occur in multiple ways. This has often meant high-density housing near major transit stops. However, such housing is expensive to build and limited in geographic scope. In California, much of the land suitable for this type of housing has already been developed. The remaining vacant developable areas are typically far from job centers, in high-risk wildfire areas, or land that is environmentally sensitive or important for agriculture. Therefore, addressing the housing crisis in an environmentally responsible way will require increased density in already developed areas. This policy of incentivizing infill development is aligned with other state policy goals, such as reducing vehicle miles traveled and lowering greenhouse gas emissions.

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 JADUs on all single-family lots, these laws, among others, facilitated the construction of missing middle housing in exclusionary single-family neighborhoods.⁸ SB 9 (Atkins), Chapter 162, Statutes of 2021 furthered this trend by making duplexes by-right on single-family zoned properties. 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 2023.⁹ The number of ADUs is expected to continue growing as the ADU construction and financing industry matures, which will help meet the market

⁶ 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>

⁷ <https://www.hcd.ca.gov/policy-research/housing-challenges.shtml>

⁸ <https://www.hcd.ca.gov/sites/default/files/docs/policy-and-research/adu-handbook-update.pdf>

⁹ 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.

feasibility for ADUs that is estimated to be approximately 1.8 million units in California.¹⁰ With thousands of affordable ADUs being added every year, ADUs have already become an important part of the state's stock of new affordable housing, with a growth potential that is not subject to the state's funding allocations.

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 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. Additionally, they 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, as well as 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.

¹⁰ Monkonnien 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/>

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."¹¹

This bill would allow homeowners in the Coastal Zone of Los Angeles County to simply obtain a ministerial building permit to construct an ADU, rather than going through the lengthy and costly CDP process. This will ensure that those homeowners have 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 will relieve pressure on the rental market overall in a county that was already facing a severe housing shortage even before the loss of property caused by the Eaton and Palisades fires.

AB 462 also makes this exemption available to coastal communities where homes are damaged or destroyed in a state of emergency declared by the Governor in the future. This bill contains an urgency clause, so its provisions would become effective immediately in response to the dire affordability and homelessness crisis.

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 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

¹¹ 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>.

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.

This bill would go beyond the current requirements of the Governor's Executive Orders by waiving CDP requirements and expediting permitting not just for the rebuilding of existing ADUs, but for the new construction of ADUs in areas of the Coastal Zone where they did not previously exist. It would also apply to properties in a county that experienced a state of emergency, but were not necessarily damaged or destroyed by that emergency. Given that ADUs can be permitted and built much more quickly and cost effectively than standard homes, this could help to both provide temporary housing for those displaced by natural disasters, and to alleviate the pressure on an already constrained rental market in the Los Angeles region.

Arguments in Support: The American Planning Association, California Chapter, writes in support: “While the Legislature has passed several laws over the years to streamline housing production opportunities for various types of housing developments, including ADUs, these laws do not apply in the Coastal Zone. Instead, homeowners must obtain a coastal development permit for the construction of an ADU. AB 462 will simplify the permitting process for ADUs in the Coastal Zone, providing homeowners with more options to increase housing opportunities on their property and add additional housing resources that are desperately needed. Particularly in communities where recent fires have destroyed the existing housing stock.”

Arguments in Opposition: None on file.

Related Legislation:

SB 1077 (Blakespear), Chapter 454, Statutes of 2024, requires the Coastal Commission and HCD to develop and provide guidance for local governments to facilitate the preparation of amendments to a LCPs to clarify and simplify the permitting process for ADUs within the Coastal Zone by July 1, 2026.

REGISTERED SUPPORT / OPPOSITION:

Support

AARP
American Planning Association, California Chapter
California Apartment Association
East Bay Leadership Council

Opposition

None on file.

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