City of Carpinteria
City Council Agenda
Monday, March 16, 2026
Council Chamber, 5775 Carpinteria Avenue, Carpinteria, CA 93013

5:30 PM Special Joint City Council, Planning Commission & Architectural Review Board Meeting
In-Person and Virtual Participation Options

Attendance/Viewing Options:

- Attend the in-person meeting in City Council Chambers at City Hall (5775 Carpinteria Ave.)
- View the meeting live through the City's website (https://carpinteriaca.gov/city-hall/agendas-meetings/).
- View the meeting on Government Access Television Channel 21 (broadcast live and rebroadcast on the Wednesday and the Saturday following the meeting at 8:00 p.m.and 5:00 p.m., respectively).
- Call 669-900-9128 (and enter Webinar ID 849 5178 9727) to listen to the meeting.
- Join the City's Zoom webinar by **clicking here.** Alternatively, you can join the Zoom webinar by logging on to www.zoom.us, downloading the application, selecting "Join Meeting", and entering Webinar ID 849 5178 9727.

How to Provide Public Comments

- Provide a live public comment in City Council Chambers at City Hall (5775 Carpinteria Ave.).
- Provide a live comment through the City's Zoom webinar platform (through the link provided above). To make public comments through this platform please use the"raise your hand" feature to notify staff that you would like to make a public comment during designated public comment times. Once it is your turn to provide a public comment, staff will unmute your microphone and you will be given a designated amount of time to provide your comment. At the end of your comment, staff will once again mute your microphone.
- Submit a written comment (as either a general public comment or on a specific agenda item) to be distributed to City Council by 12:00 P.M. on the day of the meeting by either submitting your comment via (1) email to PublicComment@carpinteriaca.gov, or (2) follow this link (https://carpinteriaca.gov/city-hall/agendas-meetings), select the meeting you want to provide a comment on, and click the Submit Comments button located on the left hand side of the agenda portal. Please reference the agenda item to which your comment pertains. Although written comments become part of the record, they will not be read aloud at the meeting.

Please note that the City will make every effort to make the meeting accessible virtually; however, if one of the above virtual attendance/viewing or public comment options is unavailable due to technological issues, you are invited to take advantage of one of the other participation options outlined above (including attending and providing public comment in-person in the City Council Chambers). Additional options may be made available at the meeting.

Call to Order

Roll Call

Pledge of Allegiance

Public Comment Will Only Be Heard Concerning the Agendized Item Below

City Council Business

The City Council will meet to consider the following item:

1. Update on new 2025 state housing laws.
   Recommendation: Receive and file report on new 2025 state housing laws.

Adjournment

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerk's Office at 684-5405, extension 403 or the California Relay Service at (866) 735-2929. Notification 2 business days prior to the meeting will enable the City to make reasonable arrangements for accessibility to this meeting.

Materials related to an agenda item submitted to the City Council after distribution of the agenda packet are available for public review at the City Clerk's Office, located at 5775 Carpinteria Avenue, Carpinteria, CA 93013 or by going to the City's website at https://carpinteriaca.gov/city-hall/agendas-meeting.

Resources for the Public:

Code of Conduct: https://carpinteriaca.gov/wp-content/uploads/2025/03/Code-of-Conduct_FINAL.pdf%22

Levine Act Warning

Applicants and their agents before the City Council are subject to the campaign disclosure provisions detailed in Government Code Section 84308. No City Council member may accept, solicit, or direct a contribution of more than $500 from any party for 12 months following the date a final decision is rendered by the City. No City Council Member may accept, solicit, or direct any contribution from an agent of the party during the same time frame. This prohibition commences when an item involving the entitlement has been placed on the City Council's agenda for a public meeting, when the City Council Member knows the action is within the City Council's jurisdiction, and it is reasonably foreseeable that it will come before the City Council as a decisionmaker, or when the proceeding is before the City Council for its decision. A party to a City proceeding —which includes both applicants and agents—shall disclose on the record of the proceeding any contribution of more than $500 made to any City Council Member by the applicant, or any donations made by the agent, during the preceding 12 months. No party to a City proceeding, or agent, shall make a contribution to a City Council Member during the proceeding and for 12 months following the date a final decision is rendered by the City. Prior to rendering a decision on a City proceeding, any City Council Member who received contribution of more than $500 within the preceding 12 months from any party, or who received any donations from an agent, to a proceeding shall disclose that fact on the record of the proceeding, and shall be disqualified from participating in the proceeding. However, if any City Council Member receives a contribution that otherwise would require disqualification, and returns the contribution within 30 days of knowing about the contribution and the relevant proceeding, the City Council Member shall be permitted to participate in the proceeding. If you believe that these provisions apply to you or a City Council Member, please inform the City Clerk at the earliest possible opportunity. Failure to do so may affect the City's ability to process your application.

This agenda was posted on March 13, 2026 in the City Clerk's Office, on the City Hall Public Notices Board, and on the Internet.

City of Carpinteria

SPECIAL JOINT CITY COUNCIL, PLANNING COMMISSION, AND ARCHITECTURAL REVIEW BOARD MEETING
AGENDA STAFF REPORT
March 16, 2026

ITEM FOR COUNCIL CONSIDERATION

Update on new 2025 state housing laws.

STAFF RECOMMENDATION

Receive and file report on new 2025 state housing laws.

Motion: I move to receive and file the report on new 2025 state housing laws.

BACKGROUND

The California Legislature enacted a large volume of housing production laws in the 2025 session as part of ongoing efforts to address the statewide housing crisis. The Legislature views these new housing laws as a multi-pronged attempt to promote the development of new housing in general and increase the availability of affordable housing specifically.

The entire housing legislation package creates new, complex requirements for local agencies responsible for permitting housing. Implementation of these new housing laws is made even more complex for coastal cities, like the City of Carpinteria ("City"), due to the need to implement many of the new housing laws in a manner that is consistent with the California Coastal Act ("Coastal Act").

This agenda item summarizes key new state housing laws taking effect in 2026 and their potential impacts on the City. The accompanying staff report is organized around key legislative themes that update existing state laws affecting housing development within Carpinteria:

1. California Environmental Quality Act ("CEQA") and Housing Law Reform (2025 budget trailer bills)
2. Increasing Enforcement Authority over California Housing Laws
3. Incentivizing and Facilitating Housing Production

a. Streamlining the Permit Process
b. Focusing on Small-Scale Development
c. Other Specialty Housing Bills

The following discussion briefly describes existing state laws related to these issue areas, and explains the changes to existing law. Staff will be prepared to discuss how these laws may affect the City.

DISCUSSION

The 2025 housing legislation package reflects a continued statewide effort to streamline housing approvals, reduce local procedural barriers, strengthen enforcement of state housing laws, and expand opportunities for small scale and specialized housing development. The bills summarized below are organized by major topic area and are intended to highlight the changes most relevant to the City's land use authority, permit processing responsibilities, and coastal planning framework.

CEQA and Housing Law Reform (2025 budget trailer bills)

Assembly Bill ("AB") 130 and Senate Bill ("SB") 131 were budget trailer bills that together make major changes to the CEQA and California housing laws. Because these bills were passed as part of the budget, they took effect immediately on June 30, 2025.

AB 130 – Housing

AB 130 is a major California law signed by Governor Newsom on June 30, 2025. The bill primarily reforms environmental review and housing development rules. More specifically, this bill amended CEQA and State housing law in the following ways, among others:

- This bill amends the Permit Streamlining Act ("PSA") by, among other things, removing the public notice requirement. Previously, the PSA provided that a project application is deemed approved if a public agency does meet certain processing timelines *and* public notice was provided. This bill removes this requirement. Now, a project application is deemed approved if a public agency does not approve or disapprove a project within the deadlines laid out in the PSA[1], which range from 30 to 180 days from the completion of environmental review under CEQA. The bill also extends application of the PSA to ministerial housing development project applications.
- AB 130 creates a new CEQA exemption for qualifying infill housing projects. Projects must not exceed 20 acres (or 4 acres for builder's remedy projects[2]); must be located within a census-defined urban area or incorporated municipality; be

[1] Pursuant to the PSA, a local agency has 30 days after an application is submitted to determine whether it is complete. Additionally, projects exempt from CEQA must be acted upon within 60 days of the application being deemed complete. (Gov. Code, § 65920 et seq.)
[2] AB 130 originally established a five acre parcel size, however, SB 158 enacted on October 13, 2025 reduced the parcel size limit to four acres.

surrounded by at least 75% urban use or previously developed land; not be located on a site that contains one of eleven environmental criteria as defined in SB 35, be consistent with local plans; and meet a certain minimum housing density, which is 20 dwelling units per acre in the City.

- AB 130 implements a freeze on state and local building code updates until June 1, 2031, subject to limited exceptions.
- AB 130 further limits the California Coastal Commission's (the "Commission") appeals jurisdiction by exempting multifamily housing projects of four or more units that are exclusively residential from appeal to the Commission where the project is located in a sensitive coastal resource area, as defined in Public Resources Code Section 30116, or where the project was approved by a "coastal county". The Commission still retains authority to hear appeals over local coastal development permit ("CDP") decisions for projects within a certain distance of the shoreline or located closest to certain areas, such as tidelands, wetlands or coastal bluffs even when the CDP is for a "residential development project".

SB 131 – Public Resources

This bill was also signed by Governor Newsom on June 30, 2025 and amends CEQA and State housing law in significant ways. More specifically, the bill amends State law as follows:

- SB 131 creates a streamlined environmental review process for housing projects, not located on "natural and protected lands" that almost qualify for a CEQA exemption but for a single condition. In such scenarios, environmental review is limited to impacts caused solely by that single disqualifying condition and does not need to include analysis of alternatives or growth-inducing impacts.
- The bill also creates various new CEQA exemptions for socially beneficial projects including, for instance, qualifying childcare centers, rural health clinics, food banks, farmworker housing, parks, and clean water infrastructure projects.
- The bill narrows what documents must be included in the administrative record for lawsuits filed under CEQA with the goal of streamlining CEQA litigation.
- SB 131 provides further direction to the Office of Land Use and Climate Innovation ("LCI") (formerly the Office of Planning and Research) as the designated rulemaking entity to effectuate infill housing streamlining. The LCI is required to map eligible urban infill sites across the state (cities and counties will have an opportunity to submit comments on the draft map) and to update CEQA Guidelines developed to implement sections of the Public Resources Code designed to limit environmental review of infill projects at least once every two years.

Increasing Enforcement Authority over California Housing Laws

AB 712 – Housing reform laws: enforcement actions: fines and penalties

This bill provides that a housing development applicant that prevails against a public agency in an action to enforce the public agency's compliance with housing reform laws is entitled to reasonable attorneys' fees and costs. "Housing reform law" is defined broadly as any law that protects housing development applicants or limits local agency actions affecting housing development projects. The bill also requires the imposition of fines against a local agency if (1) the Attorney General or the Department of Housing and Community Development ("HCD") warned the agency before the lawsuit was filed that its actions would violate state housing law and (2) after the Attorney General or HCD gave written notice of the agency's violation, the applicant gave written notice of its intent to commence an action at least 60 days before filing the petition. In such scenarios, the court must impose a minimum fine of $50,000 per housing unit for projects consisting of 4 or fewer units, and $10,000 per housing unit for larger projects. There are enhanced penalties if the local agency previously violated the same housing law. These fines must be paid to a local housing trust fund or the statewide Building Homes and Jobs Trust Fund.

This bill also prevents public agencies from requiring developers to indemnify, defend, or hold harmless the agency if the developer sues the agency for violating housing reform laws.

AB 1308 – Residential building permits: inspections: Housing Accountability Act

This bill requires building departments to inspect applicable residential construction projects within 10 business days of receiving notice of completion of the permitted work. This bill applies to (1) new residential construction of no more than 10 units and (2) residential additions to existing residential buildings if the total number of units does not exceed 10 units. If a local agency fails to meet this deadline, an applicant may hire their own qualified private professional provider (e.g., licensed engineer or architect, certified inspector or building official) to complete the inspection at the applicant's own cost. The local jurisdiction must review the report prepared by the private professional provider within 14 days of receipt and either approve the report or issue a correction notice.

Under this bill, any failure to complete such an inspection constitutes a violation of the Housing Accountability Act.

AB 253 – California Residential Private Permitting Review Act: residential building permits

This bill allows residential building permit applicants to hire private professionals to perform plan checks under certain circumstances. First, the bill requires local agencies to provide an estimated timeframe within which completed applications for residential projects of 10 units or fewer will be reviewed. If the estimated timeframe exceeds 30 days or, if within 30 days of an application being deemed complete, the public agency fails to complete permit review, a licensed and certified third-party reviewer may provide plan checks at the expense of the applicant. The public agency must approve or deny the permit within 10 business days of receiving the third-party reviewer's report. Applicants that rely on a third-party to perform a plan check are required to indemnify the local agency from property damage or personal injury arising from construction in accordance with the plans.

Additionally, this bill requires local agencies to post their residential building permit fee schedule on their website.

The provisions of this bill sunset on January 1, 2036.

SB 786 – Planning and zoning: general plan: judicial challenges

This bill clarifies ambiguities in state housing element law by creating clearly defined rules and standards. This bill mandates that the most recently adopted housing element controls when there are conflicting development standards in different general plan elements. This bill also establishes additional consequences for local governments that commit to, but fail to meet the deadline for, removing constraints on housing development. Such consequences include authorizing HCD to review housing elements adopted by those agencies for decertification.

SB 786 also amends judicial procedures for housing element cases, including expediting temporary relief in certain scenarios and specifying that a court order to adopt a housing element is not stayed pending appeal.

SB 808 – Civil Actions: writs: housing development projects

This bill expedites enforcement actions brought by project applicants or the Attorney General challenging improper denial of, or failure to act on, a qualifying housing project application under state housing laws, including the Housing Accountability Act, ministerial approval laws, and accessory dwelling unit (“ADU”) laws. The bill adds sections 1094.9 and 46 to the California Code of Civil Procedure. Actions brought under 1094.9 are to be given preference over all other civil actions before the court when setting the matter for hearing or trial and holding the hearing or trial.

If a petitioner files and serves their petition within 90 days of the local agency’s denial, disapproval or conditioning of a project/permit, the bill requires:

- A local agency to prepare and certify the administrative record within 15 days of service of writ.
- A hearing must be set no later than 45 days after filing of the writ.
- A court decision must be issued within 30 days of the matter being submitted or 75 days after the writ is filed, whichever is earlier.

SB 346 – Transient Occupancy Taxes: short-term rental facilitator

This bill authorizes a local agency to enact an ordinance to require a short-term rental facilitator (e.g., online short-term rental platforms) to report the physical address of each short-term rental listing within the local agency’s jurisdiction during the reporting period. The bill also authorizes a local agency to request additional information, as provided, when the physical address is not sufficient for the local agency to identify a specific short-term rental. The bill further authorizes the local agency to impose an administrative fine or penalty for failure to file the report, and allows the local agency to initiate an audit of a short-term rental facilitator, as needed. Finally, the bill requires a short-term rental facilitator, in a jurisdiction that has adopted an ordinance, to include in the listing of a short-term rental any applicable local license number associated with the short-term rental and any transient occupancy tax certification issued by a local agency.

Incentivizing and Facilitating Housing Production: Streamlining the Permit Process

<u>AB 87 & SB 92 – Housing development: density bonuses</u>

The Density Bonus Law ("DBL") creates incentives, concessions, waivers, and reduced development standards for housing projects that include affordable housing. These bills specify that such provisions of the DBL do not apply to transient lodging (e.g., hotels, motels) even if such lodging is part of a housing project. However, an exception is made for residential hotels.

Additionally, in order for the residential portions of a mixed-use project to qualify for the DBL incentives, at least two-thirds of the total square footage of the project must be residential.

<u>AB 1007 – Land use: development project review</u>

Prior to AB 1007, the PSA required a public agency that is a responsible agency under the CEQA for a development project to approve or disapprove the project within 90 days of the lead agency approving the project or within 90 days of the completed application being received and accepted by the lead agency, whichever is longer. This bill reduces that time period to 45 days.

<u>AB 1050 – Unlawfully restrictive covenants: housing developments</u>

Under AB 721 (Bloom), which added section 714.6 to the California Civil Code, housing developers could seek to remove restrictive covenants from title on affordable housing projects proposing to redevelop existing commercial property. This bill expands that law by preventing private restrictive covenants that limit density, size, location, or number of persons/families from blocking any qualifying housing project, not just affordable projects, when an entity redevelops commercial land for residential use.

<u>SB 358 – Mitigation Fee Act: mitigating vehicular traffic impacts</u>

The Mitigation Fee Act allows local agencies to impose development fees where there is a nexus between the fee and the project's impact if the fee is proportional to the impact. This bill changes how traffic impact fees may be levied on qualifying housing projects by mandating a reduced fee if a housing development:

- Is located within a transit priority area;
- Provides no more than one parking space for 0–2-bedroom units and two spaces for 3+ bedroom units; and

- Is within a half-mile of three or more specified amenities, such as a "grocery store," "pharmacy," or "public library."

Additionally, this bill requires local agencies to support findings that a project will not reduce automobile trips with substantial evidence in order to adjust traffic impact fees.

Incentivizing and Facilitating Housing Production: Small-Scale Development

AB 1154 – Junior accessory dwelling units

This bill changes the requirements for junior accessory dwelling unit ("JADU") ordinances, specifying that (1) owner-occupancy of the primary dwelling is not required if there are separate sanitation facilities in the JADU and (2) any rental of a JADU must be for more than 30 days.

AB 462 – Land use: accessory dwelling units

Prior to AB 462, ADUs proposed in coastal areas were required to obtain a coastal development permit ("CDP"), which was not subject to the state ADU law's 60-day timeline to approve or deny a complete ADU application. Further, local permitting decisions on a CDP for an ADU could be appealed to the California Coastal Commission if the underlying property was subject to the Coastal Commission's appeals jurisdiction.

This bill requires local agencies with a certified local coastal program ("LCP") to approve or deny a completed CDP application for an ADU within 60 days and eliminates the ability to appeal a CDP for an ADU to the Coastal Commission.

Additionally, this bill facilitates construction of detached ADUs in areas affected by a proclaimed state of emergency by requiring a local agency to issue a certificate of occupancy for an ADU even if the primary dwelling has not yet been issued a certificate of occupancy, provided certain requirements are met. This provision of the bill was initially intended to help recovery efforts after the Eaton and Pacific Palisades Fires but it applies to any proclaimed state of emergency made on or after February 1, 2025.

SB 9 – Accessory Dwelling Units: ordinances

Under existing law, local agencies must submit a copy of their ADU ordinance to HCD within 60 days of adoption.

This bill invalidates a local agency's ADU ordinance if the agency fails to submit a copy of the ordinance to HCD within 60 days of adoption or fails to respond within 30 days to a finding that the ordinance is not in compliance.

SB 543 – Accessory dwelling units and junior accessory dwelling units

This bill clarifies and codifies existing HCD guidance regarding ADUs and JADUs in the following ways:

- Specifies that statutory references to the allowable square footage of an ADU or JADU refer to the square footage of "interior livable space;"
- Expands authority of HCD regarding JADUs to mirror authority over ADUs (i.e., HCD may adopt, amend, or repeal guidelines that apply to JADUs; local agencies must submit newly adopted JADU ordinances to HCD within 60 days);
- State ADU and JADU standards supersede conflicting local ordinances;
- JADU ordinances are void if the local agency fails to submit to HCD or fails to correct noncompliance identified by HCD;
- Development impact fees may not be imposed on ADUs with up to 750 square feet of interior livable space or on JADUs with up to 500 square feet of interior livable space. ADUs and JADUs with 500 square feet of interior livable space (or less) are also exempt from school impact fees;
- Existing law created four categories of ADUs and JADUs that must be approved by a building permit only if they comply with the standards provided in Government Code section 66323. This bill confirms that those four categories may be combined on a single lot and are not excusive (e.g., more than one category may be applied to a single lot);
- ADU permitting process requires local agencies to (1) determine whether an ADU application is complete within 15 business days of submittal, (2) if incomplete, provide a list of incomplete items and an explanation of how to address them within the same 15 days, (3) review a resubmitted application for completeness within 15 business days, (4) provide the applicant with an appeal process for an incompleteness determination or denial, (5) provide a final written determination on the appeal within 60 business days of receiving the appeal.

Based on guidance from the Commission and a Coastal Act savings clause in State ADU law, these amendments do not take effect in the City of Carpinteria until it amends its LCP to harmonize the LCP with these amendments relating to ADUs and JADUs.

<u>AB 1061 – Housing developments: urban lot splits: historical resources</u>

This bill expands the application of SB 9 (2021) by allowing lot splits and/or the development of duplexes on single-family-zoned parcels to be approved ministerially in historic districts, as long as the development does not alter or demolish existing historic structures.

Incentivizing and Facilitating Housing Production: Specialty Housing Bills

<u>AB 1021 – Housing: local educational agencies</u>

AB 2295 (2022), which was set to expire on January 1, 2033, allows local educational agencies, defined as a school district or county office of education, to develop affordable housing on school district property provided certain conditions are met.

This bill extends this sunset date to January 1, 2036 and revises existing law to further streamline the approval process. Most notably, this bill applies the Housing Accountability Act to qualifying projects, which limits a local jurisdiction's ability to deny or downsize compliant affordable housing projects. Affordable housing projects on school district property also now may qualify for applicable affordable housing CEQA exemptions.

AB 507 – Adaptive reuse: streamlining incentives

This bill requires local agencies to permit by-right adaptive reuse projects, allowing the conversion of existing commercial/industrial buildings to residential or mixed use, where qualifying projects meet certain affordability requirements and labor standards. Under the bill, adaptive reuse projects that meet certain statutory criteria qualify for ministerial review. For instance, qualifying buildings must be less than 50 years old or, if older, must comply with historic preservation standards. AB 507 also requires adaptive reuse housing projects to include a meaningful share of affordable units. For rental housing, developers must provide either 8% of units for very low-income households and 5% for extremely low-income households, or 15% of units for lower-income households. For owner-occupied housing, the project must offer either 30% of units at prices affordable to moderate-income households or 15% to lower-income households. Finally, this bill also allows local agencies to create Adaptive Reuse Investment Incentive Funds beginning in Fiscal Year 2026-27.

POLICY CONSISTENCY

Updating the City's Municipal Code and General Plan/Coastal Land Use Plan in response to changes in state law is consistent with the City's General Plan/Coastal Land Use Plan and Housing Element Policies.

FINANCIAL CONSIDERATIONS

While this item does not have an immediate fiscal impact, updates to the City's Municipal Code and LCP to comply with state law will require staff time and legal review, which may result in future costs.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

The City Attorney's Office prepared the report with the Community Development Department and is available to answer questions.

Noncompliance with state housing laws may expose the City to legal challenges, enforcement actions, and financial penalties as prescribed under state law.

OPTIONS

Council could direct staff to take actions in response to the new housing legislation, including directing staff to bring back agenda items to consider initiation of City Zoning Code and Local Coastal Program amendments.

PRINCIPAL PARTIES EXPECTED AT MEETING

General Public

Report Prepared by and Staff Contact:
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Update on New Housing Legislation

March 16, 2026

Outline

- CEQA and Housing Laws (2025 budget trailer bills)
- Increasing Enforcement Over California Housing Laws
- Incentivizing and Facilitating Housing Production
  - Streamlining the Permit Process
  - Focusing on Small-Scale Development
  - Other Specialty Housing Bills

CEQA and Housing Laws

AB 130 – Housing

- New CEQA exemption for qualifying infill housing projects.
- Site Eligibility Criteria:
  - **Project Site Size Limits -** Eligible infill projects must not exceed 20 acres, or 4 acres for builder's remedy projects.
  - **Urban Location Requirement -** Project must be located within a census-defined urban area or incorporated municipality.
  - **Surrounding Land Use -** Site must be surrounded by at least 75% urban use or previously developed land.
  - **SB 35 Criteria -** Site must not be located on a "sensitive site" as defined in SB 35 (see following slide).
- Project Eligibility Criteria:
  - **Consistency with Local Plans -** Project must align with local general plan and zoning regulations ensuring compatibility.
  - **Minimum Housing Density -** Housing density must be at least 50% of local density standards for lower-income households for the jurisdiction.
  - **Historic Structure -** Project must not involve demolition of a historic structure.
  - **No Hotel Uses -** Project must not contain hotel, motel, or transient lodging if submitted after 1/1/2025

CEQA and Housing Laws

<u>AB 130 – Housing</u>

- **SB 35 Site Eligibility Criteria -** The development must not be located on a site that is any of the following:
  - A specified portion of the Coastal Zone:
    - within the Coastal appeals jurisdiction
    - subject to five feet of sea level rise
    - not zoned for multifamily housing
    - within 100 feet of a wetland
    - on prime agricultural land
  - Prime farmland or farmland of statewide importance
  - Wetlands
  - Within a very high fire severity zone
  - A hazardous waste site
  - Within a delineated earthquake fault zone
  - Within a special flood hazard area
  - Within a regulated floodway
  - Lands identified for conservation in an adopted natural community conservation plan
  - Habitat for protected species
  - Lands under a conservation easement

CEQA and Housing Laws

AB 130 – Housing

- Amends the Permit Streamlining Act, including removal of the public notice requirement for a project to be "deemed approved."
- Implements a freeze on state and local building code updates until June 1, 2031, subject to limited exceptions.
- Limits the Coastal Commission's appeals jurisdiction by exempting multifamily housing projects of 4+ units that are exclusively residential from appeal to the Commission if project is located in a sensitive coastal resource area, as defined in Public Resources Code Section 30116, or where the project was approved by a "coastal county".

CEQA and Housing Laws

SB 131 – Public Resources

- **'Near Miss' Streamlining** - streamlined environmental review process for housing projects that almost qualify for a CEQA exemption, but for a single condition.
  - Environmental review is limited to impacts caused solely by that single disqualifying condition and does not need to include analysis of alternatives or growth-inducing impacts.
  - Speeds up housing project approvals while maintaining essential environmental oversight.
- **Limitations and Exclusions:**
  - Housing projects only
  - Excludes projects dissimilar to those in the missed exemption list and housing projects that include distribution centers and O&G facilities
  - Does not apply to projects on "natural and protected lands" (see following slide)
  - Requires further guidance and judicial interpretation to understand what constitutes a "single condition" and the scope of required environmental review

CEQA and Housing Laws

<u>SB 131 – Public Resources</u>

- **"Natural and Protected Land" Site Criteria -** The development must not be located on a site that is within any of the following:
  - Environmentally sensitive area within the coastal zone
  - Within 300 feet of a wetland
  - The state/national park system or a national recreation area or monument
  - A wilderness or marine protected area
  - The national wild and scenic rivers system
  - Any ecological reserve or wildlife management area
  - A hazardous waste site (subject to some exceptions)
  - Within a regulated floodway
  - Lands under conservation easement or protected as preserve areas
  - Within a very high fire severity zone
  - Prime farmland or farmland of statewide importance

CEQA and Housing Laws

<u>SB 131 – Public Resources</u>

- Creates CEQA exemptions for socially beneficial projects (childcare centers, rural health clinics, food banks, farmworker housing, parks, clean water infrastructure projects).
- Narrows what documents must be included in the administrative record for lawsuits filed under CEQA with the goal of streamlining CEQA litigation.
- Provides further direction to the Office of Land Use and Climate Innovation (formerly the Office of Planning and Research) as the designated rulemaking entity to effectuate infill housing streamlining.

Increasing Enforcement Authority Over California Housing Laws

AB 712 – Housing reform laws: enforcement actions: fines and penalties

- Entitles housing development applicants to reasonable attorney’s fees and costs if a public agency violates housing reform laws.
- Imposes more severe penalties and remedies if the agency was previously warned by the Attorney General or the Department of Housing and Community Development or if the agency previously violated the same housing reform law.
  - “Housing reform law” is defined broadly as any law that protects housing development applicants or limits local agency actions affecting housing development projects.
- Statute of limitations is extended by 60 days from the date the applicant provides written notice.
- Fines must be paid to a local housing trust fund or the statewide Building Homes and Jobs Trust Fund.
- Prevents public agencies from requiring developers to indemnify, defend or hold harmless the agency if the developer sues the agency for violating housing reform laws.

Increasing Enforcement Authority Over California Housing Laws

AB 1308 - Residential building permits: inspections: Housing Accountability Act

- Requires building departments to inspect applicable residential construction projects within 10 business days of receiving notice of completion of the permitted work.
  - Applies to:

    (1) new residential construction of no more than 10 units and

    (2) residential additions to an existing residential building if the total number of units does not exceed 10 units.
- Any failure to complete such an inspection is a violation of the Housing Accountability Act.

Streamlining the Permit Process

AB 253 – California Residential Private Permitting Review Act: residential building permits

- Requires local agencies to provide an estimated timeframe within which completed housing permit applications for 10 units or fewer will be reviewed.
- If the estimated timeframe exceeds 30 days or if within 30 days of an application being deemed complete the public agency fails to complete permit review, a licensed and certified third-party reviewer may provide plan checks at the expense of the applicant.
- The public agency must approve or deny the permit within 10 business days of receiving the third-party reviewer's report.

Increasing Enforcement Authority Over California Housing Laws

SB 786 – Planning and zoning: general plan: judicial challenges

- Clarifies that the most recently adopted element controls when there are conflicting development standards included in different general plan elements.
- Establishes additional consequences for local governments when they commit to, but fail to meet the deadline for, removing constraints on housing development, including authorizing the California Department of Housing and Community Development (HCD) to review housing elements adopted by those agencies for decertification.
- Amends judicial procedures for housing element cases, including expediting temporary relief in certain scenarios and specifying that a court order to adopt a housing element is not stayed pending appeal.

Increasing Enforcement Authority Over California Housing Laws

SB 808 – Civil Actions: writs: housing development projects

- Expedites enforcement actions brought by project applicants or the Attorney General challenging improper denial of a housing project application under state housing laws, including the Housing Accountability Act, ministerial approval laws, and ADU laws.
- If a petitioner files and serves their petition within 90 days of the local agency’s denial, disapproval or conditioning of a project/permit:
  - Within 15 days of service of writ, local agency must prepare and certify the administrative record.
  - A hearing must be set no later than 45 days after filing of the writ.
  - Court decision must be issued within 30 days of the matter being submitted or 75 days after the writ is filed, whichever is earlier.

Increasing Enforcement Authority Over California Housing Laws

<u>SB 346 – Transient Occupancy Taxes: short-term rental facilitator</u>

- Authorizes a local agency to:
  - enact an ordinance to require a short-term rental facilitator (e.g., online short-term rental platforms) to report the physical address of each short-term rental.
  - request additional information, as provided, when the physical address is not sufficient for the local agency to identify a specific short-term rental.
  - impose an administrative fine or penalty for failure to file the report, and allows the local agency to initiate an audit of a short-term rental facilitator, as needed.
- Requires a short-term rental facilitator, in a jurisdiction that has adopted an ordinance, to include in the listing of a short-term rental any applicable local license number associated with the short-term rental and any transient occupancy tax certification issued by a local agency.

Streamlining the Permit Process

<u>AB 87 – Housing development: density bonuses & SB 92 – Housing development: density bonuses</u>

- Specifies that certain provisions of the Density Bonus Law (e.g., incentives, concessions, waivers or reductions of development standards) **do not apply** to transient lodging (e.g., hotels, motels) that are part of a housing development, unless it is a residential hotel.
- In order for the residential portions of a mixed-use project to qualify for the Density Bonus Law incentives, at least two-thirds of the total square footage of the project must be residential.

Streamlining the Permit Process

<u>AB 1007 – Land use: development project review</u>

- Reduces the amount of time from 90 to 45 days that public agencies serving as responsible agencies pursuant to CEQA may take to approve an approved development project.

Streamlining the Permit Process

<u>AB 1050 – Unlawfully restrictive covenants: housing developments</u>

- Prevents private restrictive covenants limiting density, size and location from blocking housing projects when an entity is redeveloping commercial land for residential use.
- Prior to AB 1050, invalidating such restrictive covenants was limited to affordable housing developments.

Streamlining the Permit Process

<u>SB 358 – Mitigation Fee Act: mitigating vehicular traffic impacts</u>

- Mandates a reduced traffic impact fee if a housing development adheres to new criteria:
  - Is located within a transit priority area,
  - Provides no more than one parking space for 0-2 bedroom units and two spaces for 3+ bedroom units, <u>and</u>
  - Is within a half-mile of three or more specified amenities, such as a "grocery store," "pharmacy," or "public library."
- Requires local agencies to make certain findings supported by substantial evidence to adjust (increase) traffic impact fees.

Incentivizing and Facilitating Small-Scale Development

AB 1154 – Junior accessory dwelling units

- Changes the requirements for junior accessory dwelling unit (JADU) ordinances:
  - Owner-occupancy is not required if there are separate sanitation facilities
  - Clarifies that any rental of a JADU must be for more than 30 days.

Incentivizing and Facilitating Small-Scale Development

AB 462 – Land use: accessory dwelling units

- Requires local agencies with a certified LCP to approve or deny a completed CDP application for an ADU within 60 days.
- Eliminates the ability to appeal a CDP for an ADU to the Coastal Commission.
- Facilitates construction of ADUs in areas affected by a proclaimed state of emergency by requiring a local agency to issue a certificate of occupancy for an ADU even if the primary dwelling has not yet been issued a certificate of occupancy, provided certain requirements are met.
- [Initially intended to help recovery efforts after the Eaton and Pacific Palisades Fires but applies to any proclaimed state of emergency made on or after February 1, 2025.]

Incentivizing and Facilitating Small-Scale Development

SB 9 – Accessory Dwelling Units: ordinances

- Invalidates a local agency’s ADU ordinance if the agency fails to submit a copy of the ordinance to HCD within 60 days of adoption or fails to respond within 30 days to a finding that the ordinance is not in compliance.

Incentivizing and Facilitating Small-Scale Development

SB 543 – Accessory dwelling units and junior accessory dwelling units

- Clarifies and codifies existing HCD guidance regarding ADUs and JADUs:
  - Specifies that statutory references to the allowable square footage of an ADU or JADU refer to the square footage of "interior livable space."
  - Expands authority of HCD regarding JADUs to mirror authority over ADUs (i.e., HCD may adopt, amend, or repeal guidelines that apply to JADUs; local agencies must submit newly adopted JADU ordinances to HCD within 60 days).
  - State ADU and JADU standards supersede conflicting local ordinances.
  - JADU ordinances are void if the local agency fails to submit to HCD or fails to correct noncompliance identified by HCD.

Incentivizing and Facilitating Small-Scale Development

<u>SB 543 – Cont.</u>

- Clarifies and codifies existing HCD guidance regarding ADUs and JADUs:
  - Development impact fees may not be imposed on ADUs with up to 750 square feet of interior livable space or on JADUs with up to 500 square feet of interior livable space.
  - ADUs and JADUs with 500 square feet of interior livable space (or less) are also exempt from school impact fees.
  - The four categories of ADUs/JADUs in Gov. Code 66323 may be combined on a single lot and are not exclusive (e.g., more than one category may be applied to a single lot).
  - Outlines permitting process requirements for local agencies
- Amendments do not take effect in the City until it amends its LCP to harmonize the LCP with these amendments relating to ADUs and JADUs.

Incentivizing and Facilitating Small-Scale Development

AB 1061 – Housing developments: urban lot splits: historical resources

- Expands the application of SB 9 (2021) by allowing lot splits and/or the development of duplexes on single-family-zoned parcels to be approved ministerially in historic districts, as long as the development does not alter or demolish existing historic structures.

Specialty Housing Bills

<u>AB 1021 – Housing: local educational agencies</u>

- AB 2295 (2022), set to expire on January 1, 2033, allows local educational agencies, defined as a school district or county office of education, to develop affordable housing on school district property provided certain conditions are met.
- Extends the sunset date to January 1, 2036 and revises existing law to further streamline the approval process:
  - Applies the Housing Accountability Act to qualifying projects, which limits a local jurisdiction’s ability to deny or downsize compliant affordable housing projects.
  - Affordable housing projects on school district property also now may qualify for applicable affordable housing CEQA exemptions.

Specialty Housing Bills

AB 507 – Adaptive reuse: streamlining incentives

- Requires local agencies to permit by-right adaptive reuse projects, allowing the conversion of existing commercial/industrial buildings to residential or mixed use, where qualifying projects meet certain affordability requirements and labor standards.
  - Rental Housing: 8% low-income units + 5% extremely low-income units or 15% lower-income units
  - Owner-Occupied: 30% affordable to moderate-income or 15% lower-income units
- Adaptive reuse projects in buildings that are less than 50 years old or, if older, comply with historic preservation standards qualify for ministerial review.
- Local agencies may create Adaptive Reuse Investment Incentive Funds beginning in Fiscal Year 2026-27

Questions