

SB 1092: Promoting Coastal Housing

SUMMARY

SB 1092 will reform the <u>Coastal</u> <u>Development Permit</u> (CDP) appeals process for priority housing development projects. This reform will maintain strong protections for our coastal resources and enhance accountability and clarity in the process.

BACKGROUND

California remains mired in an unprecedented housing shortage that has raised housing costs for all, pushed almost half the population into housing instability, and led to a dramatic 47% increase in homelessness between 2010 and 2023. This shortage is <u>fueled</u> by decades of exclusionary and overlyrestrictive zoning. In light of this, the Legislature has enacted laws to ensure zoning practices balance social and environmental protections with the need for housing production.

Catalyzed by a horrific oil spill off the coast of Santa Barbara, Californians rallied in 1972 under the "Save Our Coast" campaign and passed the Coastal Conservation Initiative. This initiative created the Coastal Commission.

In 1976, the Legislature <u>passed</u> the landmark California Coastal Act, which made the commission a permanent state agency, defined the coastal zone, and directed the Coastal Commission to conserve California's coastal natural resources and promote public access.

To that end, the commission regulates real estate development in the coastal zone to ensure consistency with the Coastal Act's priorities. This occurs through the issuance of CDPs. The Coastal Act enables the Commission to give coastal cities and counties permitting authority by certifying their Local Coastal Programs (LCPs).

According to the commission. approximately 88% of the geographic area of the coastal zone are within the jurisdictions of certified LCPs. In areas not covered by certified LCPs, local governments may review and take action on CDP applications, but any action they take can be appealed to the commission. In areas with certified LCPs, appeals are allowed for CDP approvals of projects near sensitive coastal resources.

Problem

While successful at mitigating environmental degradation, the current CDP process has created challenges for coastal communities trying to meet their housing production obligations.

CDP applications filed directly with the commission are subject to deadlines established in the Permit Streamlining Act. However, no deadlines currently apply to the commission's review of appeals that it decides to hear. Many housing developers have reported experiencing long wait times and unexpected delays due to the CDP appeals process. Currently, the Commission has substantial flexibility on timelines and scope of review. This

deference has led to a process that can take more than two years for multifamily projects.

Delays during predevelopment and construction are not uncommon for housing developments, but the CDP appeals process systematically adds uncertainties and project delays at levels that are unparalleled by any other development review process in the state. This has stalled many housing projects and discouraged housing developers from building in the coastal zone altogether.

With the state's <u>estimated</u> need for 2.5 million new homes by 2030, there is an urgent need to address systemic delays in the CDP appeals process.

SOLUTION

Standardize and apply timelines to the CDP appeals process for priority housing projects. Consistent with the state's sustainable land use policies, SB 1092 will streamline moderate to high density housing projects proposed on urban, infill sites.

Specifically, SB 1092 will:

- Tighten timelines
- Apply an abuse of discretion standard to the commission's initial determination
- Limit the number of times the commission can request additional information
- Limit the scope of <u>de novo</u> reviews to topics germane to the abuses of discretion raised by appeals.

This bill will make the appeals process practicable while maintaining strong protections for coastal resources.

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