# CALIFORNIA COASTAL COMMISSION

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To: Planning Directors of Coastal Cities and Counties

From: Dr. Kate Huckelbridge, Executive Director, California Coastal Commission

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# Memorandum on Streamlined Ministerial Approval Process in the Coastal Zone (Government Code Section 65913.4)

# I. Introduction

This memorandum provides information on how Government Code Section 65913.4 applies in the coastal zone. This provision creates a streamlined ministerial approval process for eligible affordable housing development projects located in jurisdictions that have not met their housing element targets related to regional housing needs or that have not adopted a compliant housing element. The streamlined ministerial approval process applies to eligible sites in the coastal zone beginning January 1, 2025 (Gov. Code § 65913.4(t); Senate Bill (S.B.) 423, Wiener, 2023). The law remains in effect until January 1, 2036, unless it is otherwise amended or extended.

Among other criteria, eligible housing development projects<sup>2</sup> must:

- Be a multifamily housing development that contains two or more residential units;
- Provide at least 10%, 20%, or 50% of units as affordable for lower-income households, depending on whether the jurisdiction has adopted a compliant housing element, the progress it has made on its portion of the regional housing needs allocation (RHNA), and whether the jurisdiction is located in the San Francisco Bay Area:
- Be located on a site where at least 75% of the perimeter of the site adjoins parcels developed with "urban uses"; and
- Meet certain labor and wage requirements.

For additional requirements, refer to Government Code Section 65913.4 (hereafter "Section 65913.4") and the <u>Streamlined Ministerial Approval Process Guidelines</u> currently

<sup>1</sup> This memo is intended for informational purposes only. It is not legal advice, nor does it provide any generally applicable standards meant to implement, interpret, or make specific the Coastal Act or Government Code Section 65913.4. Each situation involving the application of Government Code Section 65913.4 and the Coastal Act will need to be reviewed on a case-by-case basis, and readers should not act on the information provided in this memo without seeking professional legal counsel.

<sup>&</sup>lt;sup>2</sup> "Housing development project" means a use consisting of any of the following: (A) Residential units only; (B) mixed-use developments consisting of residential and nonresidential uses with at least two-thirds of the square footage designated for residential use; or (C) transitional housing or supportive housing (Gov. Code §§ 65913.4(m)(7), 65589.5(h)(2)).

being updated by the Department of Housing and Community Development (HCD), or contact HCD's <u>Housing Accountability Unit</u>.

Section 65913.4 projects in the coastal zone must be located in an eligible area and require Coastal Development Permits (CDPs).<sup>3</sup> Local governments and the Coastal Commission must approve qualifying Section 65913.4 projects that are consistent with the objective standards of the certified local coastal program (LCP) or, for areas that are not subject to a fully certified LCP, the certified land use plan (LUP) of that area. The law does not apply to areas in the coastal zone without either a certified LCP or LUP. The Commission strongly recommends that all local governments in the coastal zone with certified LCPs or LUPs amend those documents to incorporate Section 65913.4 requirements and to ensure objective standards that protect coastal resources apply in areas eligible for the streamlined ministerial approval process. In addition, local governments without certified LCPs or LUPs should consider adopting and obtaining certification of such documents with incorporated objective standards.

Local governments should consider taking the following steps to update their LCPs or LUPs:

- 1. Map out areas where Section 65913.4 applies in the coastal zone to better understand what policies apply to projects in these areas.
- 2. Identify whether each applicable policy contains objective or subjective standards.
- 3. Develop objective standards that protect coastal resources and minimize risks from hazards to ensure that Section 65913.4 projects are consistent with the Coastal Act.

Although Section 65913.4 projects require CDPs, some of the permitting processes associated with obtaining a CDP, such as local government deadlines for issuing a permit and the expiration term for local CDPs, differ for Section 65913.4 projects. To provide clarity for applicants and the public, local governments may also want to update their LCPs to reflect these unique requirements for Section 65913.4 projects. Local governments are encouraged to coordinate with Commission staff in developing objective standards to protect coastal resources and in updating their LCPs or LUPs to implement Section 65913.4.

# II. Where Section 65913.4 Applies in the Coastal Zone

The streamlined ministerial approval process in Section 65913.4 applies in jurisdictions that have not adopted a housing element that has been found in substantial compliance with housing element law, or that have not yet made sufficient progress towards their portion of the regional housing needs allocation (Gov. Code § 65913.4(a)(4)(A)). Jurisdictions should consult HCD's SB 423 Streamlined Ministerial Approval Process (SMAP) webpage for additional guidance. HCD also maintains an open data map reflecting current eligibility. The vast majority of jurisdictions in the coastal zone,

<sup>&</sup>lt;sup>3</sup> Unless they are excluded from a needing a permit – e.g., if they are subject to an applicable Categorical Exclusion Order (See Coastal Act § 30610(e)).

approximately 68 at the time of this memorandum, are currently subject to this streamlined ministerial approval process.

The Commission strongly recommends that all local governments in the coastal zone update their LCPs or LUPs to incorporate Section 65913.4 requirements and to ensure objective standards that protect coastal resources apply in areas where this law applies.

As a first step, local governments should identify and map where Section 65913.4 applies in their jurisdiction.<sup>4</sup> This will help local governments identify what coastal resources could be impacted by Section 65913.4 projects, which LCP policies apply to these types of projects, and of those policies, which are objective and which are subjective and need to be made objective. Section 65913.4 contains site and eligibility criteria, including exclusions for certain areas in the coastal zone. The location of eligible areas may change over time due to a variety of factors, and therefore, any maps depicting Section 65913.4 eligible areas may need to be periodically updated. Among other criteria, project sites must be located:

- In an urban area
- Outside of the Commission's geographic appeal jurisdiction
- In an area subject to a certified LCP or certified LUP
- Outside of areas vulnerable to five feet of sea level rise
- In an area zoned for multifamily housing
- Not within 100 feet of a wetland
- Not on prime agricultural land
- Outside of other statewide exclusion areas

Additional information on each of these site criteria is provided below.

#### A. Urban areas

To be eligible for the streamlined ministerial approval process, projects must meet certain criteria regarding the urban nature of the property, including that they must be located on a legal parcel or parcels in either: (i) a city whose boundaries include some portion of either an urbanized area or urban cluster, as designated by the U.S. Census Bureau, or (ii) an unincorporated area and on a parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the U.S. Census Bureau (Gov. Code § 65913.4(a)(2)(A)).

<sup>&</sup>lt;sup>4</sup> Mapping can be helpful to understand where Section 65913.4 generally applies in a jurisdiction and how to apply certain criteria of the statute. However, the criteria of Section 65913.4, and not LCP amendment mapping or policies, determine whether a project site is eligible for the streamlined ministerial approval process.

## B. Coastal zone eligibility areas

Certain areas of the coastal zone are not eligible for the streamlined ministerial approval process, including sites that are: in the Commission's geographic appeal jurisdiction, not subject to a certified LCP or LUP, vulnerable to five feet of sea level rise, not zoned for multifamily housing, within 100 feet of a wetland, or on prime agricultural land (Gov. Code § 65913.4(a)(6)(A)). In areas ineligible for the streamlined ministerial approval process, the typical CDP process and standards remain unchanged.

## 1. Sites in the Coastal Commission's geographic appeal jurisdiction

Areas within the Commission's geographic appeal jurisdiction, as defined in subdivisions (a)(1) & (a)(2) of Coastal Act Section 30603, are not eligible for the streamlined ministerial review process (Gov. Code § 65913.4(a)(6)(A)(i)). This includes developments approved by the local government: (1) between the sea and the first public road paralleling the sea or within 300 feet of the inland extent of any beach or of the mean high tideline of the sea where there is no beach, whichever is the greater distance, or (2) located on tidelands, submerged lands, public trust lands, within 100 feet of any wetland, estuary, or stream, or within 300 feet of the top of the seaward face of any coastal bluff.<sup>5</sup> The Commission's appeal jurisdiction is determined based on physical conditions on the ground (e.g., the location of wetlands or the mean high tide line) and may change over time. Where there are questions about this boundary, local governments should work with the Commission's Mapping Unit to determine the Commission's geographic appeal area within their jurisdiction.<sup>6</sup>

## 2. Sites in areas without a certified LCP or LUP

Areas in the coastal zone not subject to a certified LCP or certified LUP are not eligible for the streamlined ministerial approval process (Gov. Code § 65913.4(a)(6)(A)(ii)), including:

- Areas where the Commission retains its original permitting jurisdiction for development, including on tidelands, submerged lands, and public trust lands (Coastal Act §§ 30519(b), 30600.5(b));
- Areas of deferred certification;
- In jurisdictions without a certified LCP or certified LUP; and
- Ports and state universities and colleges not subject to a certified LCP or certified LUP.

Where there are questions about these boundaries, local governments should work with the Commission's Mapping Unit to determine the Commission's retained jurisdiction and LCP segment areas within their jurisdiction.

#### 3. Areas vulnerable to five feet of sea level rise

Areas of the coastal zone that are vulnerable to five feet of sea level rise are not eligible for the streamlined ministerial approval process (Gov. Code § 65913.4(a)(6)(A)(iii)). This

<sup>&</sup>lt;sup>5</sup> Many of the terms in Coastal Act Section 30603(a)(1) and (a)(2) are defined in the Commission's regulations at Title 14 of the California Code of Regulations (CCR), Division 5.5, Section 13577.

<sup>&</sup>lt;sup>6</sup> See the Commission's Contact webpage for Mapping Unit staff contact information.

eligibility criteria excludes many, but not all, areas subject to coastal hazards such as flooding, wave impacts, groundwater rise, coastal erosion, and tsunamis.

Whether a site is vulnerable to five feet of sea level rise can be determined using tools and guidance provided by the National Oceanic and Atmospheric Administration (NOAA), the Ocean Protection Council (OPC), the United States Geological Survey (USGS), the University of California, **or** a local government's coastal hazards vulnerability assessment (Gov. Code § 65913.4(a)(6)(A)(iii)). The vulnerability of a site may change over time due to changing conditions, updates to the best available science, and/or improved mapping tools. NOAA, OPC, USGS, and the University of California have a variety of models, research, and guidance that can be used to determine whether a site is vulnerable to five feet of sea level rise, as described below.

Resource	Description	Link
Our Coast	The USGS's Coastal Storm Modeling System	Access the online
Our Future	(CoSMoS) provides maps of various sea level	viewer at
(CoSMoS)	rise-related hazards under half-meter	ourcoastourfuture.org
	incremental sea level rise scenarios. CoSMoS	
	provides more detailed predictions of coastal	Download GIS data
	flooding due to both future sea level rise and	layers at the USGS
	storms integrated with long-term coastal	<u>website</u>
	evolution (i.e., beach changes and cliff/bluff	
	retreat) over large geographic areas (100s of	(Data is also hosted
	kilometers). While projections of groundwater	on the <u>30x30</u>
	rise are available statewide, other hazards are	<u>California Climate</u>
	only available from Point Arena to the Mexico	Explorer)
	border and will be available statewide in the	
110110	coming years.	NOAA OLDAG
NOAA Sea	An example of a "bathtub model," this viewer	NOAA SLR Viewer
Level Rise	shows areas that are hydrologically connected	01.1.1.1.0.1.1.1
Viewer and	to the ocean that would become inundated with	Global and Regional
Scenarios	1-foot increments of sea level rise up to 10 feet.	Sea Level Rise
	Storms, waves, erosion, and other coastal	Scenarios for the
	processes are not represented. NOAA's	<u>United States</u> (2022)
	national report <u>Global and Regional Sea Level</u> Rise Scenarios for the United States and	
	accompanying datasets contain sea level rise	
	scenarios to 2150 by decade and extreme	
	water level probabilities for various heights	
	along the U.S. coastline.	
OPC Sea	OPC's updated State of California Sea Level	State of California
Level Rise	Rise Guidance (2024) reflects the previous five	Sea Level Rise
Guidance	years of scientific research on sea level rise	Guidance (2024)
	projections, including the Intergovernmental	
	Panel on Climate Change's (IPCC's) Sixth	
	Assessment Report (2021) and NOAA's Global	

	and Regional Sea Level Rise Scenarios for the United States (2022)	
University of California Research	The University of California (UC) conducts a variety of research on coastal processes and sea level rise. For example, UC San Diego Scripps Institution of Oceanography Center for Coastal Studies, and the UC Santa Barbara Ocean Coastal Policy Center have a variety of	Scripps Institution of Oceanography, Coastal Processes Group at the Center for Coastal Studies
	relevant studies, mapping, and modelling work.	UC Santa Barbara Ocean Coastal Policy Center
Local government vulnerability assessments	Many local governments have completed sea level rise vulnerability assessments that can be used to determine a site's vulnerability.  Additionally, under SB 272 (Laird, 2023), local governments in the coastal zone are required to develop a vulnerability assessment by January 1, 2034. The Commission's LCP Local Assistance Grant Program provides funding for local governments to update their LCPs to address climate resilience, including by completing sea level rise vulnerability assessments.	Hosted on individual local government webpages and other webpages such as the Cal Poly Humboldt Sea Level Rise Institute Reports and Publications webpage

Sea level rise will have many physical effects that may impact coastal development, such as coastal erosion, flooding, groundwater rise, wetland change, fluvial or riverine flooding, and pluvial or stormwater flooding. New residential development may be vulnerable to one or more of these effects as sea levels rise. A new beachfront housing development project could, for example, be vulnerable to coastal erosion, wave impacts, flooding, and groundwater rise that threaten the structure, while a new housing development project in a low-lying area behind the first line of development might be primarily vulnerable to intermittent flooding at high tides or during storms. Still other areas may, for example, be primarily vulnerable to rising groundwater, which can impact building foundations, mobilize contaminants, infiltrate sewers and stormwater pipes, and corrode underground utilities that were not designed to be submerged in saltwater, among other impacts. Local governments will need to consider all of these factors when determining whether a project is vulnerable to five feet of sea level rise. For additional guidance on determinations of whether a site is in an area vulnerable to five feet of sea level rise, see the resources above, including OPC's State of California Sea Level Rise Guidance (2024), which provides guidance on the best available science, the physical effects of sea level rise, considerations for determining vulnerability for a particular site, and other information and guidance.

In past practice, the Commission has sometimes analyzed whether proposed development is vulnerable to more than five feet of sea level rise, and the Commission's <u>Sea Level Rise</u> Policy Guidance also recommends that approach in certain situations. However, a

development project may be eligible for streamlined approval under Section 65913.4 so long as it is not vulnerable to five feet of sea level rise, even if evidence suggests that it may be vulnerable when sea levels rise more than five feet. For example, the Humboldt Bay area could experience 5.5 feet of sea level rise by 2100 under the Intermediate-High scenario from OPC's <u>State Sea Level Rise Guidance</u>. To address areas such as this that are at longer-term risk of sea level rise, local governments should amend their LCPs to create objective standards for Section 65913.4 projects that address coastal hazards and minimize risks from sea level rise, as discussed in <u>Section IV</u>. For additional information on considering sea level rise in planning and permitting, see the Commission's <u>Sea Level Rise Guidance</u>.

Sea level rise is measured against water levels existing at a baseline year; however, Section 65913.4 does not identify a baseline date from which to measure five feet of sea level rise. Many sea level rise scenarios, including NOAA's <u>Global and Regional Sea Level Rise Scenarios for the United States</u> (2022), currently use a baseline year of 2000 from which to measure sea level rise. This baseline year is subject to change in the future, which would change what areas could be considered vulnerable to five feet of sea level rise. In choosing a baseline against which to measure sea level rise, local governments must consider Section 65913.4(a)(6)(A)(iii) and its requirement to assess vulnerability based on determinations from NOAA, OPC, USGS, the University of California, or a local government's coastal hazards vulnerability assessment. Local governments should <u>contact</u> Commission staff for assistance in determining, either on a case-by-case basis for projects or as part of an LUP or LCP amendment, their options for how to measure five feet of sea level rise.

## 4. Parcels not zoned for multifamily housing

Parcels in the coastal zone that are not specifically zoned for multifamily housing are not eligible for the streamlined ministerial approval process (Gov. Code § 65913.4(a)(6)(A)(iv)).<sup>7</sup> Areas in the coastal zone that are zoned by the local government in a zoning ordinance and zoning map to allow multifamily housing as a permitted or conditional use, including mixed use zones, may be eligible for the streamlined ministerial approval process.

#### 5. Sites within 100 feet of wetlands

The streamlined ministerial approval process does not apply to sites located on or within a 100-foot radius of a wetland, as defined in Section 30121 of the Coastal Act (Gov. Code § 65913.4(a)(6)(A)(v)). This exclusion area is in addition to a statewide exclusion from Section 65913.4 of sites that are wetlands as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993) (Gov. Code § 65913.4(a)(6)(C)).

The Coastal Act contains a variety of policies protecting wetlands, such as policies protecting their biological productivity and quality (Section 30231), limiting the diking, filling, or dredging of wetlands (Section 30233), and protecting environmentally sensitive habitat

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<sup>&</sup>lt;sup>7</sup> This exclusion differs from the site eligibility criteria of Section 65913.4, which requires eligible projects to be located on sites zoned for residential use, where the land use designation allows residential uses, or on sites that meet the requirements of the Middle Class Housing Act of 2022 (Gov. Code § 65852.24).

areas (Section 30240). Local governments may need to develop objective LCP policies for projects located outside of a 100-foot radius of a wetland but still near a wetland or other environmentally sensitive habitat area to avoid or mitigate foreseeable impacts, as discussed in Section IV below.

## 6. Sites on prime agricultural lands

Sites on prime agricultural land, as defined in Sections 30113 and 30241 of the Coastal Act, are excluded from the streamlined ministerial approval process (Gov. Code § 65913.4(a)(6)(A)(v)). This aligns with Coastal Act policies that protect the ongoing viability of agricultural production in the coastal zone. Section 30241 of the Coastal Act requires that the maximum amount of prime agricultural land shall be maintained in agricultural production to assure the protection of an areas' agricultural economy, and that conflicts between agricultural and urban land uses must be minimized. Coastal Act Section 30113 defines "prime agricultural lands" by reference to Government Code Section 51201(c)(1)-(4).

In addition to the coastal zone exclusion of sites on prime agricultural land, sites that are either of the following are also excluded statewide from the streamlined ministerial approval process: (1) land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction, or (2) prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation (Gov. Code § 65913.4(a)(6)(B)).8

# C. Other ineligible areas

In addition to the ineligible areas discussed above, Section 65913.4 includes a variety of other statewide exclusion areas which apply both in and outside of the coastal zone. Eligible projects generally cannot be located on a site that is any of the following:

- Within a very high fire hazard severity zone
- A hazardous waste site
- Within a delineated earthquake fault zone
- Within a FEMA special flood hazard area or regulatory floodway
- Lands identified for conservation in an adopted natural resource protection plan
- Habitat for species protected under various provisions of federal or state law
- Lands under conservation easement

For additional details on these ineligible areas, see Section 65913.4(a)(6)(B)-(K), (a)(7).

## III. Section 65913.4 Standard of Review for CDPs

For eligible areas of the coastal zone, Section 65913.4(t)(2) requires a public agency with coastal development permitting authority to approve a CDP for a qualifying project if it

<sup>&</sup>lt;sup>8</sup> See the California Department of Conservation <u>website</u> for more information.

determines that the development is consistent with all objective standards of the local government's certified LCP or, for areas that are not subject to a fully certified LCP, the certified LUP of that area. This standard of review applies to both local government and Commission determinations on qualifying projects and differs from the Coastal Act standard of review. Local governments and the Commission cannot deny or condition a qualifying project based on inconsistency with the subjective standards of the applicable certified LCP or LUP. If a local government or the Commission finds that substantial evidence does not support a finding that a project is consistent with the objective standards of the certified LCP or LUP, it can condition the project to achieve consistency or deny the project.

A table showing the difference between the Coastal Act standard of review and the standard of review for qualifying Section 65913.4 projects is below.

Section 65913.4 Changes to Coastal Act Standards of Review					
Determination Type	Coastal Act Standard of Review	Section 65913.4 Standard of Review			
Local CDPs and appeals to the Commission in areas with fully certified LCPs	Consistency with the certified LCP and in certain circumstances also the Coastal Act's public access policies	Consistency with all objective standards of the certified LCP			
Local CDPs, Commission dual jurisdiction CDPs, and appeals to the Commission in areas with a certified LUP and local permitting authority (portions of the City of Los Angeles)	Consistency with Chapter 3 of the Coastal Act, with the certified LUP considered as guidance, and that the permitted development will not prejudice the ability of the local government to prepare an LCP that is in conformity with these policies	Consistency with all objective standards of the certified LUP			
Commission CDPs in areas with a certified LUP and no local permitting authority	Consistency with Chapter 3 of the Coastal Act, with the certified LUP considered as guidance, and that the permitted development will not prejudice the ability of the local government to prepare an LCP that is in conformity with these policies	Consistency with all objective standards of the certified LUP			

Commission review of qualifying Section 65913.4 projects may be somewhat limited, as areas without a certified LCP or LUP and areas within the Commission's geographic appeal jurisdiction are excluded from the streamlined ministerial review process (Gov. Code § 65913.4(a)(6)(A)). The Commission is the agency that acts on a permit application in situations where there is a certified LUP, but not LCP, and where the local government has not been delegated permit-issuing authority. Although Section 65913.4's streamlining procedures do not apply in the Commission's geographic appeals jurisdiction, the Commission could still hear appeals of projects in limited cases. Specifically, it could be

the decisionmaker on an appeal of a permit approved by a coastal county with a certified LCP where the project is not designated as the principal permitted use under the certified zoning ordinance or zoning district map (Coastal Act § 30603(a)(4)), and within the City of Los Angeles in areas subject to a certified LUP where the City has been delegated local CDP authority pursuant to Coastal Act Section 30600(b). If the Commission took jurisdiction over such an appeal, its review would be limited to determining whether the project was consistent with the objective standards of the certified LCP or LUP, as required by Section 65913.4(t)(2). Additionally, the Commission is not required to take jurisdiction over every appeal in the first place. Rather, if the Commission finds that an appeal does not raise a *substantial* issue as to conformity with the objective standards of the certified LCP or LUP, due to the relative insignificance of the coastal resources affected by the decision or other factors, then it will not take jurisdiction over the appeal (Coastal Act § 30625(b); 14 CCR § 13115).

# **Density Bonus Law**

The receipt of any density bonus, concessions, incentives, waivers or reductions of development standards, and parking ratios to which an applicant is entitled under Density Bonus Law (Government Code Section 65915) shall not constitute a basis for the local government or Commission to find a qualifying affordable housing project inconsistent with the LCP (Gov. Code § 65913.4(t)(3)).

# IV. Objective LCP Policies

Local governments must ensure that any LCP or LUP policies applied to Section 65913.4 projects are objective. The Commission strongly recommends that local governments take the following steps to update their LCPs and LUPs:

- Map out areas where Section 65913.4 applies in the coastal zone, as discussed in <u>Section II</u>, to better understand what LCP or LUP policies apply and the potential coastal resource impacts of Section 65913.4 projects.<sup>9</sup>
- 2. Identify whether each applicable LCP or LUP policy is an objective or subjective standard and develop objective standards based on applicable subjective standards.

This will ensure that the objective standards of the certified LCP or LUP that are applicable to Section 65913.4 projects are sufficient to protect coastal resources and minimize risks from hazards, consistent with the Coastal Act. The Commission does not recommend that local governments create objective standards that solely apply to Section 65913.4 projects (see Gov. Code § 65913.4(i)(1)). Rather, the Commission recommends that local governments develop objective standards that apply generally to multifamily and affordable housing projects in particular areas, or that apply in areas where Section 65913.4 applies

<sup>&</sup>lt;sup>9</sup> As noted above, the criteria of Section 65913.4, and not mapping in an LCP, determine whether a project is eligible for the streamlined ministerial approval process.

and where other state housing laws only allow local governments to apply objective standards.

Objective standards generally mean "standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal" (Gov. Code § 65913.4(a)(5)). Standards that identify specific height limitations, setbacks, floor area ratios (FAR), minimum and maximum density, and maximum lot coverage, are all examples of objective standards. Many Implementation Plans (IPs) and some LUPs contain these types of standards.

In contrast, policies with terms such as "minimize," "consider," "reduce," etc. that are not accompanied by objective criteria are typically subjective standards. These types of standards should generally be translated into objective standards to ensure that coastal resources are protected and risks from hazards are minimized, consistent with the Coastal Act.

For example, Coastal Act Section 30253 requires new development to minimize risks to life and property in areas of high geologic, flood, and fire hazard, and assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area. This is not an objective standard. However, in certain areas and circumstances, this policy can be translated into objective standards that, for example, map and identify hazardous areas, require an acknowledgement that development in these areas may be subject to hazards, and require appropriate design, siting, and other requirements to minimize risks. A few examples include:

- The City of Morro Bay's Land Use Plan identifies potential sea level rise hazards areas (Figures PS-7 & PS-8) and commits to developing a Sea Level Rise Hazard Overlay Zone (Policy PS-3.4). This type of mapping is one way to help identify areas where objective hazards standards should apply and to inform what type of objective standards are needed to minimize risks. 10 For example, Policy PS-3.6 requires the City to determine if any structures meant for human habitation are to be constructed within the 100-year floodplain or in the Sea Level Rise Hazard Overlay Zone depicted in Figure PS-8 of the LUP, which can be determined objectively.
- The City of San Diego's <u>Implementation Plan</u> requires dwelling units outside of Special Flood Hazard Areas and within an area of future sea level rise within the next 75 years, as determined by the city manager, to meet certain requirements of

<sup>&</sup>lt;sup>10</sup> Mapping can also sometimes help to identify the location of other known coastal resources and to trigger the application of objective development standards intended to protect these resources. See the Coastal Resource Protection-Cultural Resource Overlay District in Section 17.14.070 in the City of Morro Bay's <a href="Implementation Plan">Implementation Plan</a>, for example, which requires development within the Overlay District and any other parcel containing a known archaeological site recorded by the Archaeological Site Survey Office to conform to particular development standards.

the City's floodplain ordinance, including in certain cases that dwelling units "shall have the lowest floor, including basement, elevated at least 2 feet above the base flood elevation" (Section 132.0404(a)(1), cross referencing Section 143.0146(c)). The base flood elevation in these areas "shall be based on the FIRM Zone of the Special Flood Hazard Area in closest proximity to the premises on which the dwelling unit is proposed" (*Id*). The applicable base flood elevation and elevation of the lowest floor are examples of objective standards that can be determined by reference to FEMA Flood Insurance Rate Map (FIRM) Zones and elevation of the site.

As another example, Coastal Act Section 30240 requires that environmentally sensitive habitat areas (ESHA) be protected against any significant disruption of habitat values; that only uses dependent on ESHA resources be allowed within those areas; and that development in areas adjacent to ESHA be sited and designed to prevent impacts which would significantly degrade those areas and be compatible with the continuance of those habitat and recreation areas. This policy is not an objective standard. Section 20.458.045 of the **County of Mendocino** Implementation Plan relating to accessory dwelling units (ADUs) translates a portion of this requirement into an objective standard by requiring in relevant part:

ADUs and JADUs may not be located within 100 feet of the boundary of an Environmentally Sensitive Habitat Area unless contained entirely within a legally-authorized existing or approved residential structure that will not be repaired or improved to the extent that it constitutes a replacement structure under section 13252 of Title 14, California Administrative Code. All new development associated with an ADU (well, water storage, septic improvements, parking and driveways, vegetation removal for fire safety, etc.) must also be located more than 100 feet from the boundary of an Environmentally Sensitive Habitat Area.

The general prohibition on locating ADUs, Junior ADUs (JADUs), and all new development associated with them within 100 feet of ESHA is an objective standard that can be determined by reference to mapping and site-specific reports determining the location of ESHA on or adjacent to the site and a 100-foot buffer from that ESHA.

The Commission has certified a number of LCP Amendments that apply objective design standards to certain multifamily housing projects in certain areas, such as:

- City of Santa Cruz LCP Amendment No. LCP-3-STC-23-0006-1-Part B
- City of Encinitas LCP Amendment No. LCP-6-ENC-22-0013-1
- City of Capitola LCP Amendment No. LCP-3-CAP-22-0036-2 Part A

These example LCP amendments are a helpful starting point for local governments when developing objective LCP and LUP policies. However, these example LCP amendments

<sup>&</sup>lt;sup>11</sup> This LCP Amendment (No. LCP-6-SAN-24-0025-2) was approved by the Commission with suggested modifications on August 8, 2024. As of the date of publication of this memo, the Commission's Executive Director has not yet reported the City's action accepting the suggested modifications to the Commission.

generally do not translate all coastal resource protection and hazards policies into objective standards, which local governments will need to do in order to ensure Coastal Act compliance for Section 65913.4 projects. In addition to these example LCP amendments, a variety of general resources exist on objective design standards, including HCD's Approaches & Considerations for Objective Design Standards (2021), and the Association of Bay Area Governments Objective Design Standards Handbook for Residential and Mixed-Use Projects (2024).

# **Parking**

Section 65913.4(e) restricts the amount of parking that local governments can impose on projects approved under the streamlined ministerial approval process. Notwithstanding any other law, including the Coastal Act, local governments shall not impose automobile parking requirements that exceed one parking space per unit for projects approved pursuant to Section 65913.4, and shall not impose any automobile parking requirements for approved projects: located within one-half mile of public transit, located within an architecturally and historically significant historic district, when on-street parking permits are required but not offered to the occupants of the development, or when there is a car share vehicle located within one block of the development (Gov. Code § 65913.4(e)). In cases where the certified LCP or LUP incorporates Section 65913.4 requirements related to parking, and these are the only applicable objective standards related to parking in the LCP or LUP, the Commission and local governments would only be able to apply those parking standards.

# V. Permitting Process in the Coastal Zone

Section 65913.4 projects generally require a CDP pursuant to Chapter 7 of the Coastal Act (Gov. Code § 65913.4(t)(2)). 12 However, some of the timelines and processes associated with obtaining a CDP are different for these types of projects than for typical CDPs, as is discussed below. Local governments should reference the statute and consult their counsel for additional permitting and review requirements.

**Notice of intent.** Applicants must submit a notice of intent to submit an application to the local government before submitting an application for a Section 65913.4 project (Gov. Code § 65913.4(b)(1)(A)(i)).

**Tribal consultation.** Upon receipt of the notice of intent, local governments are required to fulfill tribal consultation and scoping requirements (Gov. Code § 65913.4(b)).

<sup>&</sup>lt;sup>12</sup> In some circumstances, a Section 65913.4 project may qualify for streamlined permit processes, such as administrative permits or de minimis waivers, under the certified LCP or LUP and Chapter 7 of the Coastal Act (See Gov. Code § 65913.4(j)(1)). Local governments should coordinate with Commission staff if they intend to apply these permit processes to Section 65913.4 projects.

**Filing requirements.** Notwithstanding any law, including the Coastal Act or local requirements, local governments shall not require any of the following prior to approving a qualifying Section 65913.4 project:

- (1) Studies, information, or other materials that do not pertain directly to determining whether the development is consistent with the objective planning standards applicable to the development, which would include objective LCP or LUP standards; or
- (2) Compliance with any standards necessary to receive a post-entitlement permit such as a building permit.<sup>13</sup>

(Gov. Code § 65913.4(f)). Accordingly, local governments should ensure that any studies, information, or other materials requested during review of a Section 65913.4 application directly relate to whether the project is consistent with the objective standards of the certified LCP or LUP.

Hearings. The Coastal Act does not require local governments to hold hearings on CDPs that are not appealable to the Commission. Section 65913.4(a)(6)(A)(i) excludes projects within the Commission's geographic appeals jurisdiction, so in most cases, the Coastal Act does not require local governments to hold hearings for qualifying Section 65913.4 projects. This aligns with the requirement in Section 65913.4(c)(1) that local governments make a staff level determination of consistency with the objective standards of Section 65913.4(a), including applicable local objective standards. Local governments should review the hearing requirements in their LCP and amend their LCP to not require hearings for non-appealable Section 65913.4 projects, as needed. Local governments should coordinate with Commission and HCD staff on questions about whether a hearing is required for a particular Section 65913.4 project. <sup>14</sup> Section 65913.4 does not say that state agencies like the Commission must make staff level determinations or that they are prohibited from holding hearings; thus, Coastal Act requirements for the Commission to take action at a hearing continue to apply (See e.g., Coastal Act §§ 30315, 30315.1, 30600(c)).

Pursuant to Section 65913.4(q), in moderate and low resource areas and areas of high segregation and poverty, local governments must hold a public meeting after the notice of intent is received and before a development application is submitted to provide an opportunity for the public and the local government to comment on the development.<sup>15</sup>

<sup>&</sup>lt;sup>13</sup> Post-entitlement permits are defined by reference to Government Code Section 65913.3(j)(3)(A). Local governments can require compliance with any standards necessary to receive a post-entitlement permit after a permit has been issued pursuant to Section 65913.4 (Gov. Code § 65913.4(f)).

<sup>&</sup>lt;sup>14</sup> Coastal counties with certified LCPs and the City of Los Angeles are encouraged to coordinate with Commission and HCD staff on qualifying Section 65913.4 projects that could be appealed to the Commission.

<sup>&</sup>lt;sup>15</sup> See the California Tax Credit Allocation Committee, CTCAC/HCD Opportunity Area Maps <u>website</u> for more information on these areas.

Local governments should ensure these hearings are provided for, even if other hearing requirements are waived for Section 65913.4 projects.

**Review deadlines.** Local governments must issue a CDP and any other required approval for qualifying projects that are consistent with the objective standards of the certified LCP or LUP by the following deadlines:

- Projects with 150 or fewer housing units: Within 60 days of application submittal
- Projects with more than 150 units: Within 90 days of application submittal

(Gov. Code § 65913.4(c)(1), (c)(4)). Local governments can conduct design review of Section 65913.4 projects. Any design review must be objective and strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable local objective design standards, and must be broadly applicable to development within the jurisdiction (Gov. Code § 65913.4(d)). Design review is recommended to be completed concurrently with the 60- or 90-day review deadlines above. It must be completed by the following deadlines:

- Projects with 150 or fewer housing units: Within 90 days of application submittal
- Projects with more than 150 units: Within 180 days of application submittal

(Gov. Code § 65913.4(d)). The statute provides specific timelines for local governments to process Section 65913.4 projects and does not speak to review timelines for other public agencies, such as the Commission. Accordingly, applicable Coastal Act and Permit Streamlining Act provisions relating to the Commission's processing of CDP applications—both for direct applications to the Commission and for appeals—continue to apply to Section 65913.4 projects. However, the Commission will aim to meet Section 65913.4 deadlines, as staff resources allow.

**Permit expiration.** Notwithstanding any other law, including the Coastal Act, local approvals, including local CDPs, for Section 65913.4 projects shall not expire if the project satisfies both of the following requirements: (A) The project includes public investment in housing affordability, beyond tax credits; and (B) At least 50 percent of the units are affordable to households making at or below 80 percent of the area median income (Gov. Code § 65913.4(g)(1)). Local CDPs for Section 65913.4 projects that do not meet the above criteria must remain valid for three years from the date of the final action establishing that approval, or if litigation is filed challenging that approval, from the date of the final judgment upholding that approval (Gov. Code § 65913.4(g)(2)). Approval must remain valid for a project provided that construction activity, including demolition and grading activity, on the development site has begun pursuant to a permit issued by the local jurisdiction and is in progress (Id.) Section 65913.4 does not state that the permit expiration timelines in the statute apply to CDPs issued by a state agency such as the Commission. The Coastal Act and Commission regulations give the Commission discretion to set CDP expiration dates and deadlines for the time of commencement of the approved development (e.g., 14 CCR § 13156(a), (g)). The Commission will seek to align permit expiration dates and deadlines for the commencement of the approved development for qualifying projects with the timelines of Section 65913.4(g) when appropriate.

# VI. Conclusion

In order to ensure that Section 65913.4 projects do not harm coastal resources and can be approved consistent with the Coastal Act, it is imperative that local governments in the coastal zone amend their LCPs or LUPs to create objective development standards. Local governments should reach out to <u>Commission staff</u> with questions about where Section 65913.4 applies in their jurisdiction, how to develop objective LCP or LUP policies, or other questions regarding application of Section 65913.4 in the coastal zone.