

NOTICE PUBLICATION/REGULATIONS SUBMISSION

For use by Secretary of State only

STD. 400 (REV. 10/2019)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-2025-0909-06	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
OFFICE OF ADMINISTRATIVE LAW Electronic Submission			
RECVD DATE 09/09/2025		PUBLICATION DATE 09/19/2025	
NOTICE		REGULATIONS	
AGENCY WITH RULEMAKING AUTHORITY California Coastal Commission			AGENCY FILE NUMBER (If any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE Affordable housing projects vesting		TITLE(S) 14	FIRST SECTION AFFECTED 13156	2. REQUESTED PUBLICATION DATE Sept. 19, 2025
3. NOTICE TYPE <input checked="" type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON Robin Mayer		TELEPHONE NUMBER (415) 505-5908
FAX NUMBER (Optional)		NOTICE REGISTER NUMBER		PUBLICATION DATE
OAL USE ONLY		ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S)		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)	
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)		ADOPT	
TITLE(S)		AMEND	
		REPEAL	
3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346) <input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) <input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4) <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1) <input type="checkbox"/> File & Print <input type="checkbox"/> Print Only			
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b)) <input type="checkbox"/> Other (Specify) _____			
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) <input type="checkbox"/> Effective on filing with Secretary of State <input type="checkbox"/> \$100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify) _____			
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) <input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal			
<input type="checkbox"/> Other (Specify) _____			
7. CONTACT PERSON		TELEPHONE NUMBER	FAX NUMBER (Optional)
			E-MAIL ADDRESS (Optional)

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

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SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

TYPED NAME AND TITLE OF SIGNATORY

NOTICE OF PROPOSED APA RULEMAKING

CALIFORNIA COASTAL COMMISSION

Title 14, Division 5.5, California Code of Regulations

NOTICE IS HEREBY GIVEN that the California Coastal Commission (Commission), as authorized by Section 30333 of the Public Resources Code, proposes to make changes to its regulations as described below after considering all comments, objections, and recommendations regarding the proposed action (Proposal).

A PUBLIC HEARING IS SCHEDULED FOR November 5, 2025. The hearing will be part of the Commission's regularly scheduled meeting, which will take place in Sacramento and virtually over the Internet. Any interested person may present comments regarding the Proposal at this hearing. Any interested person may also present written comments regarding the Proposal to the attention of the agency contact as listed in this Notice, no later than November 3, 2025. More information about the hearing and how to participate is available at the end of this Notice.

INTRODUCTION

The Proposal extends the time that 100% affordable multiple-dwelling unit projects may take to vest after Commission approval and increases the length of approved extensions. The Proposal will help further the Commission's mission to encourage affordable housing in the coastal zone. The following sections are affected:

Amend: Sections 13156(g) and 13169(a).

AUTHORITY AND REFERENCE

Authority: Section 30333 of the Public Resources Code provides that the Commission may adopt or amend rules and regulations to carry out the purposes and provisions of the Coastal Act (Div. 20, Section 30000 et seq.), as well as to govern procedures of the Commission. Rules and regulations shall be consistent with the Coastal Act and other applicable law.

Reference: The Proposal implements the Commission's mandate to encourage affordable housing in the coastal zone. (Pub. Resources Code, § 30604(f).)

BACKGROUND

The Legislature enacted the California Coastal Act in 1976, following the passage of Proposition 20, a referendum expressing the desire of the people of California to protect its most valuable resource: 1100 miles of coastline. Division 20 of the Public Resources Code, Section 30000 et seq. (the Coastal Act) established a comprehensive coastal

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protection program and made permanent the California Coastal Commission as a state agency. The first goal of the Coastal Act is to “[p]rotect, maintain, and, where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources.” (§ 30001.5, subd. (a).) Key provisions related to this rulemaking are Public Resources Code Section 30604, subdivisions (f), (g), and (h), concerning the encouragement of affordable housing and the consideration of environmental justice for coastal development permits.

The Commission considers applications for coastal development permits in its jurisdiction; certifies long term plans, including local coastal programs that allow local governments to issue coastal development permits; considers appeals of certain local approvals; sets policy in coastal matters; conducts enforcement; and ensures the consistency of federally-approved development in the Coastal Zone. In particular, the Proposal affects the length of time required for an approval of a coastal development permit to vest, or to be extended, for projects that qualify as 100% affordable housing.

Existing regulations are located in Title 14, Division 5.5, Section 13001 et seq. Shortly after passage of the Coastal Act, the Commission adopted a full set of procedural regulations. Several rulemakings thereafter improved and expanded the original set, most recently in 2019. (See OAL Nos. 2019-0619-055 and 2019-1016-3.) Amended regulation sections 13156 and 13169 would implement, interpret and make specific statutory clauses related to affordable housing in Section 30604 of the Coastal Act.

INFORMATIVE DIGEST

Existing law: The Coastal Act empowers the Commission to approve permits for development in the coastal zone (see Pub. Resources Code, § 30600) and requires the Commission to encourage affordable housing (§ 30604(f)). Current regulations set the default time for the vesting of all approved development, regardless of type or affordability, at two years (Cal. Code of Regs., tit. 14, § 13156(g)) and allow extension of approvals or permits that haven’t vested one additional year from the two-year approval date (§ 13169(a)).

The Proposal: The Proposal would allow projects that consist of 100% affordable housing units to take five years to vest instead of two years, and for those applicants to apply for a two-year extension of the time to vest rather than a one-year extension. The Proposal makes other clarifying changes and updates to the two subsections.

The effect will be increased efficiency, certainty, and finality for those applicants, who often must receive a coastal development permit approval before they can pursue funding, which can then take many years to receive and by nature delays vesting of the project. The regulations also support the promotion of affordable housing in the state.

There is no comparable federal regulation or statute.

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POLICY STATEMENT OVERVIEW

Broad objectives: The broad objectives of the Proposal are to aid the development of affordable housing in the state by relaxing the requirement to vest 100% affordable projects to a more feasible time frame.

Anticipated Benefits:

The Proposal is expected to save time and resources for both the applicants of 100% affordable housing projects and the Commission. With a longer time for their projects to vest, the applicants need not apply for extensions that are too short to be useful (essentially requiring a cycle of extensions until the project can vest), saving the Commission from having to process those applications.

Due to the encouragement of affordable housing in California, the Proposal generally benefits social equity and supports the protection of the environment via the encouragement of environmental justice, as further explained below. The Proposal does not directly affect public health and safety or worker safety.

EVALUATION OF INCONSISTENCY/INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

The Commission has determined that this proposed regulation is not inconsistent or incompatible with existing regulations. After conducting a review for any regulations that would relate to or affect this subject matter, the Commission has concluded that the Commission is the only state agency with regulations that govern the vesting of affordable housing projects in the coastal zone.

FORMS INCORPORATED BY REFERENCE

The Proposal does not incorporate any forms by reference.

MANDATED BY FEDERAL LAW OR REGULATIONS

The Proposal is not mandated by federal law or regulations.

OTHER STATUTORY REQUIREMENTS

No other requirements are specific to the Commission, to any specific regulation, or class of regulations.

LOCAL MANDATE

The Commission has determined that the proposed changes do not impose a mandate on local agencies or school districts.

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FISCAL IMPACT

There is no cost to any local agency or school district requiring reimbursement pursuant to Government Code, Section 17500 et seq.

No other state agencies are affected other than savings to the Commission. The Proposal does not impose any non-discretionary cost or savings upon local agencies. The Proposal will not affect any cost or savings in federal funding to the State.

HOUSING COSTS

The Proposal has no significant effect on housing costs. Over the long term, applicants would save minor costs of applying for short-lived extensions, such as the application fee, working with staff on the filing of the application, and attending or being represented at the Commission hearing for an extension.

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS, INCLUDING ABILITY TO COMPETE

The Commission has made an initial determination that the Proposal will not have any significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT

The Commission has determined, pursuant to Government Code Section 11346.3(b)(1)(A)–(D), that the proposed changes will not have an effect on: the creation or elimination of jobs within the state; the creation of new businesses or elimination of existing businesses within the state; or the expansion of business currently doing business within the state. The Proposal does not affect the health and welfare of California residents and does not affect worker safety.

The primary benefits of the proposal include promoting affordable housing statewide by extending the time for 100% affordable housing projects to vest. The saved efficiency helps such projects get built, supporting social equity.

Furthermore, the proposal advances the commission's mandate to promote environmental justice and align to the governor's objectives to address homelessness, increase housing availability, and improve affordability. The Commission ties the ability to live near the coast to the state Constitutional duty to maximize public access for all (Pub. Resources Code, § 30210), to cluster development (§ 30250), and, via clustering and allowing increased density, to minimize emissions (§ 30253(d)). Those benefits in turn can promote environmental benefits including the protection of open space, the use of public transit, and the promotion of environmental justice.

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COST IMPACTS ON REPRESENTATIVE PERSON OR BUSINESS

The Commission is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

BUSINESS REPORT

No business reports are required.

SMALL BUSINESS

The Commission has determined the Proposal does not affect small business in terms of cost impacts. Small businesses chiefly interact with the Commission as applicants for coastal development permits. The Proposal does not create any affirmative requirements for applicants.

ALTERNATIVES STATEMENT

In accordance with Government Code Section 11346.5(a)(13), the Commission must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency would be:

- more effective in carrying out the purpose for which the action is proposed;
- as effective and less burdensome to affected private persons than the proposed action; or
- more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The Commission invites interested persons to present statements with respect to alternatives to the Proposal during the written comment period.

CONTACT PERSON

Written comments and inquiries regarding the Proposal may be submitted to rulemaking@coastal.ca.gov, or directed to:

Ms. Robin M. Mayer
Senior Attorney
California Coastal Commission
455 Market St., Suite 300
San Francisco, CA 94105
(415) 904-5220
robin.mayer@coastal.ca.gov

BACKUP ONLY, contact:
Ms. Claire Wilkens

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Attorney
California Coastal Commission
455 Market St., Suite 300
San Francisco, CA 94105
(415) 729-1227
Claire.wilkens@coastal.ca.gov

AVAILABILITY STATEMENTS

The Commission has established a rulemaking file for this regulatory action, which contains those items required by law.

As of the date this Notice is published, the rulemaking file consists of the Notice, the Proposed Text (amending two existing regulations), the Initial Statement of Reasons, and all information upon which the proposed rulemaking is based. The Proposed Text, Initial Statement of Reasons, and supporting materials may be viewed or downloaded from the Commission's rulemaking page at <https://coastal.ca.gov/rulemaking/>.

Additionally, the documents are available on request from the agency contact listed in this Notice. The file is available for inspection at the Commission's office at 455 Market St., Suite 300, San Francisco, California. Please contact robin.mayer@coastal.ca.gov in advance to make arrangements.

AVAILABILITY OF SUBSTANTIAL (15-DAY) CHANGES

After the written comment period ends and following the close of the November 5, 2025 hearing, the Commission may adopt the Proposal as described in this Notice, without further notice of nonsubstantive changes. However, the Commission may modify the Proposal prior to the vote, if substantial changes are sufficiently related to the original Proposed Text (the text of the proposed changes to the regulations). While not anticipated at this time, if sufficiently-related changes are proposed for Commission consideration, the Proposed Text with the additional changes in double-underline and ~~double-strikeout~~ will be posted to the Commission's rulemaking page, transmitted to interested persons, and made available from the agency contact listed in this Notice. The changes will be made available at least 15 days in advance of the hearing. (See Cal. Code of Regs., tit. 1, § 44.)

MORE INFORMATION ON THE PUBLIC HEARING

A public hearing regarding the Proposal is scheduled for 9AM, Wednesday, November 5, 2025 as part of the Executive Director's Report at the Commission's regular meeting. To view the hearing, go to the Commission's website at <https://coastal.ca.gov/>, and click on Meetings/Live Stream.

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The meeting will take place at:

Holiday Inn Sacramento Downtown
300 J. St.
Sacramento, CA 95814

MORE INFORMATION ON WRITTEN COMMENTS AND LIVE TESTIMONY

Any interested person may submit written comments relevant to the Proposal to the Commission. Send written comments to rulemaking@coastal.ca.gov, preferably as a .pdf attachment; however, no particular format is necessary for e-mailed comments. Alternatively, mail comments to: Rulemaking, Legal Division, 455 Market St., #300, San Francisco, CA 94105. To be considered by the Commission during the public hearing on November 5, 2025, written comments should be received by the close of business on Monday, November 3, 2025. Late comments cannot be posted to the Commission website in time for Commission consideration. It is not possible to distribute written comments at the hearing, as it is a hybrid hearing involving virtual attendance by staff and the public. However, staff will summarize any late comments during its oral presentation.

Commenters may testify live and present materials (such as videos or slideshows) at the hearing. To comment live at the hearing or to present materials, see the virtual hearing procedures at <https://documents.coastal.ca.gov/assets/virtual-hearing/VIRTUAL-HEARING-PROCEDURES.pdf>. See also, general meeting procedures at <https://www.coastal.ca.gov/meetings/rules-procedures/>.

FINAL STATEMENT OF REASONS

The Commission is required to prepare a Final Statement of Reasons before submitting the Proposal to the Office of Administrative Law. Once prepared, the Final Statement of Reasons will be made available to anyone who requests a copy and will be available on the Commission's rulemaking page, at <https://coastal.ca.gov/rulemaking/>. Written requests for copies should be addressed to the agency contact identified in this Notice.

INTERNET ACCESS

All rulemaking documents and materials may be viewed and downloaded from the Commission's rulemaking page at <https://coastal.ca.gov/rulemaking/>.

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
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PROPOSED TEXT
AFFORDABLE HOUSING VESTING REGULATIONS
§§ 13156, 13169

§ 13156. Contents of Permits.

...

(g) ~~The time for commencement of the approved development, except that where the commission on original hearing or on appeal has not imposed any specific time for commencement of development pursuant to a permit~~ The time for commencement for all approved development other than 100% affordable housing projects shall be two years from the date of the commission vote upon the application, unless the Commission imposes a different time limit. For 100% affordable housing projects, which may include manager units, the time for commencement of development shall be five (5) years. Each Notice of Intent to issue a permit shall contain a statement that any request for an extension of the time of commencement must be applied for prior to expiration of the approval ~~permit.~~

Note: Authority cited: [Section 30333, Public Resources Code](#). Reference: [Section 30600 and 30604\(f\), Public Resources Code](#).

§ 13169. Extension of Permits.

(a) Prior to the time that commencement of development under a permit granted by ~~either the regional commission or the eCommission~~ must occur under the terms of the permit or [Section 13156](#), ~~the a permittee applicant~~ may apply to the executive director of the commission for an extension of time not to exceed an additional one-year period. For 100% affordable housing projects, which may include manager units, the Commission may approve an extension of time not to exceed an additional two-year period. The executive director shall not accept the application unless it is accompanied by all of the following:...

Note: Authority cited: [Section 30333, Public Resources Code](#). Reference: [Sections 30600, 30604, 30620 and 30620.6, Public Resources Code](#).

INITIAL STATEMENT OF REASONS

California Coastal Commission Regulation Amendments Title 14, Sections 13156 and 13169

PROBLEM STATEMENT

Housing developers have expressed to Commission staff, and independent research supports, that compiling sufficient public funding to build affordable housing is particularly onerous in California. Developers must navigate multiple agencies and departments at both the state and local level.

According to analysis from UC Berkeley, “Projects with three to five additional public funding sources take nearly two years (on average) between the first funding application and their award.”¹ Projects with six or more public funding sources, which may be necessary for complex projects serving the unhoused, for example, need more than 30 months on average to secure full financing.²

Developers have informed Commission staff that they cannot apply for funding without a coastal development permit in hand – meaning not only that the Commission has approved their project but that all prior-to-issuance special conditions have been met and the permit issued. Thus, the current regulation provision that requires vesting³ in two years (tit. 14, § 13156(f)) creates an impracticable deadline that is expensive for the applicants and the Commission without creating any benefit, since in practice an affordable housing project cannot vest in two years. A companion provision (§ 13169(a)) allows an approved extension for the project that lasts only a year from the two-year expiration date. Part of that year is taken up by bringing the extension application to the Commission, so that in effect, the extension may last for several months at the most.

Affordable housing advocate Natalie Spievack describes the problem in further detail:

Even after land use entitlements are approved, financing affordable housing is a lengthy process. Developers must apply for various state and federal subsidies. Many of these subsidies are offered only once per year,

¹ Reid & Tran, UC Berkeley Turner Center for Housing and Innovation, “Reducing the Complexity in California’s Affordable Housing Finance System” (April 21, 2025) p. 4. Available at <https://turnercenter.berkeley.edu/blog/reducing-the-complexity-in-californias-affordable-housing-finance-system/>.

² *Id.* at p.5, Figure 2.

³ The vesting of a project is important to applicants so that they can finish their projects in full confidence that changes in the law will not disrupt the project. California is considered a late-vesting jurisdiction. Very generally, vesting requires “substantial work” in reliance upon an issued permit; however, once gained, vesting locks in the land use law in effect at the time. (See *Avco Cmty. Devs., Inc. v. S. Coast Reg’l Com.* (1976) 17 Cal.3d 785, 791.)

INITIAL STATEMENT OF REASONS

Coastal Commission Regulation Amendments, Title 14, Sections 13156 and 13169

and a developer must win multiple, unaligned competitions to achieve full financing. This process can easily take three to five years after the Coastal Commission approves a project. Moreover, if there is any uncertainty as to whether or not a Coastal Development Permit will be extended, a project can become ineligible for funding, as the entitlement must remain in place through construction closing (typically six months after the final funding award is received). Because it is nearly impossible to secure financing and close within two years, issuing CDPs with an initial five-year duration will resolve uncertainty and better align with the affordable housing development process.

PURPOSE

The Proposal would amend two provisions in Title 14, Sections 13156(g) and 13169(a), to allow a 100% affordable housing project to vest in five years, rather than two; and to allow an approved extension (to allow vesting) to last for two years, instead of one.

The purpose is to fulfill the Commission's mandate to encourage affordable housing in California (Pub. Resources Code, § 30604(f), see also subds. (g) and (h)), and to implement feasible time frames for the vesting and extension of affordable housing approvals. The Proposal makes other minor changes to clarify and update the regulations.

NECESSITY

By lengthening the initial time to vest (from two years to five years) and the extension periods (from one year to two), the proposed amendments would eliminate unproductive cycles of applications, hearings, and compliance for affordable housing projects that by their funding requirements need more time to vest.

Other edits are to clarify and update the regulations. In Section 13156(g), the first sentence is struck out as convoluted. The next sentence replaces the first one, with the addition of excluding 100% affordable projects. The third sentence expresses the main purpose of the amendment, which is to allow 100% affordable housing projects five years to vest (e.g., begin construction). The clause regarding manager units is to clarify that living quarters for housing managers need not be affordable for the project to be considered 100% affordable. Finally, the last sentence corrects that the Notice of Intent to issue a permit (not the permit itself) should express the requirement to return for an extension before the approval (not the permit) expires. Finally, the Reference Note adds Public Resources Code, Section 30604(f), the statutory provision that is being implemented, interpreted, and made specific.

In Section 13169, "regional commission" is deleted as regional commissions no longer exist. "Commission" is capitalized as part of a long-term effort to distinguish the regulations govern a specific Commission. "Permittee" replaces applicant as a more

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accurate expression of who seeks an extension. The addition of “For 100% affordable... two-year period” expresses the main purpose of the amendment, which is to allow 100% affordable housing projects an extension period of two years, instead of one. The clause regarding manager units is to clarify that living quarters for housing managers need not be affordable for the project to be considered 100% affordable.

ECONOMIC IMPACT ANALYSIS

Pursuant to Government Code Section 11346.3(b)(1)(A)–(D), the Commission has conducted an economic impact analysis for the proposed amendments to the regulations (Proposal).

Creation or Elimination of Jobs within the State of California

The primary way in which business interacts with the Commission is by applying for coastal development permits. The Proposal relieves certain applicants from cycles of applications, hearings, and compliance before their development vests, which practicably takes many years. Therefore, the impact is one of relief, albeit minimal relief, from interim regulatory requirements. Due to the minor impact, no jobs in California will be created or eliminated.

Creation of New or Elimination of Existing Businesses within the State of California

The impacts neither create new businesses nor eliminate existing businesses within the state.

Expansion of Businesses Currently Doing Business within the State of California

As above, the primary way in which the Commission interacts with business is via applications for coastal development permits. There are no impacts that would expand a business currently doing business within the state.

Benefits of the Regulations to the Health and Welfare of California Residents, Worker Safety, and the State’s Environment

Anticipated Benefits: The chief benefit will be to help create affordable housing in California through the easing of regulatory requirements. This not only helps the Commission’s mandate to encourage affordable housing and promote environmental justice but helps implement the Governor’s goals, as expressed in his recent reorganization announcement,⁴ to further the development of affordable housing in the state.

⁴ Governor Newsom restructures state government to combat homelessness, boost housing and affordability (July 11, 2025), available at <https://www.gov.ca.gov/2025/07/11/governor-newsom-restructures-state-government-to-combat-homelessness-boost-housing-and-affordability/>.

INITIAL STATEMENT OF REASONS

Coastal Commission Regulation Amendments, Title 14, Sections 13156 and 13169

The Proposal is expected to save time and resources for both the applicants of 100% affordable housing projects and the Commission. With a longer time frame for their projects to vest, the applicants need not spend time and money applying for extensions that are too short to be useful (essentially requiring a cycle of extensions until the project can vest), saving the Commission from having to process those applications.

Due to the encouragement of affordable housing in California, the Proposal generally benefits social equity. The Proposal does not directly affect public health and safety or worker safety. As described below, the Proposal may indirectly benefit the environment.

STUDIES, REPORTS, AND DOCUMENTS

The Commission did not rely on any particular study, report, or document for these amendments.

BENEFITS

In addition to supporting the Governor's and Commission's goals to encourage the building of more affordable housing, the Proposal indirectly supports other Coastal Act policies that are linked to housing.⁵ The Commission ties the ability to live near the coast to the state Constitutional duty to maximize public access for all (Pub. Resources Code, § 30210), to cluster development (§ 30250), and, via clustering and allowing increased density, to minimize emissions (§ 30253(d)). Those benefits in turn can promote the protection of open space, the use of public transit, and the correction of environmental injustice.

The Proposal does not directly affect public health and safety or worker safety.

REASONABLE ALTERNATIVES TO THE REGULATION AND THE AGENCY'S REASONS FOR REJECTING THOSE ALTERNATIVES

No reasonable alternatives have been proposed or considered, including alternatives that would lessen any adverse impact on small business. The Proposal does not adversely impact small business. The primary way in which business entities interact with the Commission are as applicants for coastal development permits. The Proposal does not affect the duties of applicants as no affirmative compliance is required.

No alternatives have been proposed as less burdensome and equally effective in achieving the purposes of the regulation in a manner that achieves the purposes of the statute.

⁵ See various discussions of Coastal Act policies at <https://www.coastal.ca.gov/Housing/>.

INITIAL STATEMENT OF REASONS

Coastal Commission Regulation Amendments, Title 14, Sections 13156 and 13169

PERFORMANCE & PRESCRIPTIVE STANDARDS

The Proposal does not prescribe any new standards.

Technology: No specific technologies or equipment are required to be used.

Procedures: No new procedures are added.

EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS

The Commission determines the proposed changes will not have a significant adverse economic impact on business. The primary way in which business entities interact with the Commission are as applicants for coastal development permits. The Proposal does not affect the duties of applicants as no particular compliance is required.

DUPLICATION OR CONFLICT WITH FEDERAL REGULATIONS

The Commission is a regulatory agency under the California Natural Resources Agency. The Proposal relaxes particular deadlines for applicants proposing affordable housing. As applicable only to Commission matters, the changes do not duplicate or conflict with federal regulations.

ECONOMIC AND FISCAL IMPACT STATEMENT**(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT

DEPARTMENT NAME California Coastal Commission	CONTACT PERSON Robin Mayer	EMAIL ADDRESS robin.mayer@coastal.ca.gov	TELEPHONE NUMBER (415) 505-5908
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 Modorable Housing Vesting Amendments			NOTICE FILE NUMBER Z

A. ESTIMATED PRIVATE SECTOR COST IMPACTS *Include calculations and assumptions in the rulemaking record.*

1. Check the appropriate box(es) below to indicate whether this regulation:

- | | |
|--|---|
| <input checked="" type="checkbox"/> a. Impacts business and/or employees | <input type="checkbox"/> e. Imposes reporting requirements |
| <input checked="" type="checkbox"/> b. Impacts small businesses | <input type="checkbox"/> f. Imposes prescriptive instead of performance |
| <input type="checkbox"/> c. Impacts jobs or occupations | <input type="checkbox"/> g. Impacts individuals |
| <input type="checkbox"/> d. Impacts California competitiveness | <input type="checkbox"/> h. None of the above (Explain below): |

*If any box in Items 1 a through g is checked, complete this Economic Impact Statement.**If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.*2. The **California Coastal Commission** estimates that the economic impact of this regulation (which includes the fiscal impact) is:
(Agency/Department)

- ☒ Below \$10 million
- ☐ Between \$10 and \$25 million
- ☐ Between \$25 and \$50 million
- ☐ Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a [Standardized Regulatory Impact Assessment](#) as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: **100-500**Describe the types of businesses (Include nonprofits): **Developers of modorable housing projects in the coastal zone**Enter the number or percentage of total businesses impacted that are small businesses: **less than 10%**4. Enter the number of businesses that will be created: **0** eliminated: **0**Explain: **The Proposal does not have such impact as to create or eliminate a business.**5. Indicate the geographic extent of impacts: ☐ Statewide☒ Local or regional (List areas): **Coastal Zone**6. Enter the number of jobs created: **0** and eliminated: **0**

Describe the types of jobs or occupations impacted:

7. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here?

☐ YES☒ NO

If YES, explain briefly:

ECONOMIC AND FISCAL IMPACT STATEMENT**(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT (CONTINUED)**B. ESTIMATED COSTS** *Include calculations and assumptions in the rulemaking record.*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ 0
- a. Initial costs for a small business: \$ _____ Annual ongoing costs: \$ _____ Years: _____
- b. Initial costs for a typical business: \$ _____ Annual ongoing costs: \$ _____ Years: _____
- c. Initial costs for an individual: \$ _____ Annual ongoing costs: \$ _____ Years: _____
- d. Describe other economic costs that may occur: _____
2. If multiple industries are impacted, enter the share of total costs for each industry: _____
3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted. \$ _____
4. Will this regulation directly impact housing costs? ☐ YES ☒ NO
- If YES, enter the annual dollar cost per housing unit: \$ _____
- Number of units: _____
5. Are there comparable Federal regulations? ☐ YES ☒ NO
- Explain the need for State regulation given the existence or absence of Federal regulations: The amendments are specific to the Commission.
- Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ _____

C. ESTIMATED BENEFITS *Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: a chief benefit of the proposal is to allow more time for affordable housing approvals and permits in the coastal zone to vest. This frees up developers from having to apply for extensions every two years, as the new period will be five years, and also allows approved extensions to last longer.
2. Are the benefits the result of: ☐ specific statutory requirements, or ☒ goals developed by the agency based on broad statutory authority?
- Explain: Generally the Commission oversees development in the Coastal Zone, including permits for affordable housing.
3. What are the total statewide benefits from this regulation over its lifetime? \$ \$1.9 million
4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: None known.

D. ALTERNATIVES TO THE REGULATION *Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: The Commission considered shorter periods to vest such as three or four years, rather than the five years proposed. However, five years is a reasonable time for a project to vest with enough savings compared to the current regulation to aid the development of affordable housing.

ECONOMIC AND FISCAL IMPACT STATEMENT**(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT (CONTINUED)

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation: Benefit: \$ \$1.9 million Cost: \$ 0Alternative 1: Benefit: \$ \$1.52m/1.14m Cost: \$ 0Alternative 2: Benefit: \$ 0 Cost: \$ 0

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives:

The longer the period of vesting not required, the more savings for the applicant.

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs?

☐ YES☒ NOExplain: No prescriptive standards are proposed.**E. MAJOR REGULATIONS** *Include calculations and assumptions in the rulemaking record.**California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.*

1. Will the estimated costs of this regulation to California business enterprises
- exceed \$10 million**
- ?
- ☐
- YES
- ☒
- NO

*If YES, complete E2. and E3**If NO, skip to E4*

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: _____

Alternative 2: _____

(Attach additional pages for other alternatives)

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

Alternative 1: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

Alternative 2: Total Cost \$ _____ Cost-effectiveness ratio: \$ _____

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

☐ YES☐ NO*If YES, agencies are required to submit a [Standardized Regulatory Impact Assessment \(SRIA\)](#) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.*

5. Briefly describe the following:

The increase or decrease of investment in the State: _____

The incentive for innovation in products, materials or processes: _____

The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: _____

ECONOMIC AND FISCAL IMPACT STATEMENT**(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

FISCAL IMPACT STATEMENT**A. FISCAL EFFECT ON LOCAL GOVERNMENT** *Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

- ☐ 1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

- ☐ a. Funding provided in _____
Budget Act of _____ or Chapter _____, Statutes of _____

- ☐ b. Funding will be requested in the Governor's Budget Act of _____
Fiscal Year: _____

- ☐ 2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ _____

Check reason(s) this regulation is not reimbursable and provide the appropriate information:

- ☐ a. Implements the Federal mandate contained in _____
- ☐ b. Implements the court mandate set forth by the _____ Court.

Case of: _____ vs. _____

- ☐ c. Implements a mandate of the people of this State expressed in their approval of Proposition No. _____
Date of Election: _____

- ☐ d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: _____

- ☐ e. Will be fully financed from the fees, revenue, etc. from: _____
Authorized by Section: _____ of the _____ Code;

- ☐ f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

- ☐ g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in _____

- ☐ 3. Annual Savings. (approximate)

\$ _____

- ☐ 4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

- ☒ 5. No fiscal impact exists. This regulation does not affect any local entity or program.

- ☐ 6. Other. Explain _____

ECONOMIC AND FISCAL IMPACT STATEMENT**(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

FISCAL IMPACT STATEMENT (CONTINUED)**B. FISCAL EFFECT ON STATE GOVERNMENT** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)\$ 0*It is anticipated that State agencies will:*☐ a. Absorb these additional costs within their existing budgets and resources.☐ b. Increase the currently authorized budget level for the _____ Fiscal Year☐ 2. Savings in the current State Fiscal Year. (Approximate)\$ 0☐ 3. No fiscal impact exists. This regulation does not affect any State agency or program.☒ 4. Other. Explain Once the regulation takes effect and the Commission approves qualifying projects, the Commission will receive fewer applications to extend the approvals or permits that haven't vested. This saves time and resources.**C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ _____

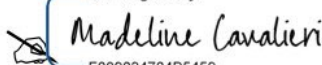
☐ 2. Savings in the current State Fiscal Year. (Approximate)

\$ _____

☒ 3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.☐ 4. Other. Explain _____

FISCAL OFFICER SIGNATURE

DocuSigned by:

 Madeline Cavaliere

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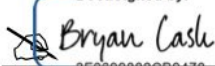
DATE

09/08/2025

The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

AGENCY SECRETARY

DocuSigned by:

 Bryan Cash

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DATE

09/10/2025

Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER

DATE



COST ESTIMATING METHODOLOGY

REGULAR RULEMAKING California Coastal Commission Regulation Amendments Title 14, Sections 13156, 13169

September 19, 2025

STATEMENT OF THE MANDATE

The proposed amendments to Sections 13156 and 13169 (Cal. Code of Regs., tit. 14) (“Proposal”) do not require local entities to undertake a new program or to provide an increased level of service in an existing program.

BACKGROUND

Section 30333 of the Public Resources Code provides that the Commission may adopt or amend rules and regulations to carry out the purposes and provisions of the Coastal Act (Division 20, Pub. Resources Code),¹ as well as to govern procedures of the Commission. Rules and regulations shall be consistent with the Coastal Act and other applicable law.

The Commission’s main responsibilities consist of considering applications for coastal development permits; certifying local coastal programs in order to delegate authority for local governments to issue their own coastal development permits; considering appeals of local permits; setting policy in coastal matters; conducting enforcement; and ensuring that federally-approved development in the Coastal Zone is consistent with the Coastal Act.

The Commission is acutely aware of California’s housing crisis and in particular, the unaffordability of housing statewide, including in the Coastal Zone.² To express just one of the many statistics of the crisis, almost 80 percent of low-income households in the state are “cost-burdened,” meaning they pay more than half their income toward housing.³ Generally the closer to the ocean, the more expensive the housing, with multi-million-dollar houses a common occurrence. (Ex. A.)

The Proposal would interpret, implement, and make specific Section 30604(f), the Commission’s mandate to encourage affordable housing in the coastal zone (see also § 30604, subds. (g) [policy to encourage affordable housing] and (h) [consideration of

¹ Unless otherwise specified, all further statutory references are to the Public Resources Code.

² The Commission’s web page on affordable housing offers extensive policy and analysis on the Commission’s approach, at <https://www.coastal.ca.gov/Housing/>.

³ *Id.*, see Background section.

COST ESTIMATING METHODOLOGY
REGULAR RULEMAKING
California Coastal Commission Regulations, Title 14, §§ 13156, 13169

environmental justice]), and to implement reasonable time frames for the vesting and extension of affordable housing approvals.

WORKING DATA

Costs

Because the Proposal lengthens the time of vesting for certain projects, those affected by the amendments need not perform any particular tasks and no compliance is required. Therefore, the Proposal does not create any costs for applicants, the Commission, interested persons (appellants), local government, other state agencies, or the public.

Savings

Overall, the Proposal's savings stem from lifting the necessity to apply for an extension when a project hasn't vested, which would ordinarily be the case for housing projects. Existing regulation Section 13156 requires applying for an extension within two years of Commission approval of the project. Lengthening that time frame to five years saves the costs of two extension applications (end of Year 2 and end of Year 4) and their associated considerations, such as the hearing. Existing regulation 13169 requires a single extension to last one year from the date of the last approval. Lengthening this period two years would save at least one extension application and possibly more if further extensions are needed. Under the Proposal, it is expected that each project applicant (developer) would save the costs of at least three extension applications and perhaps many more.

Applications per Year

As mentioned above, the Commission considers applications for coastal development permits as well as submittals of long-range planning matters, known as local coastal programs and their amendments. The number of permits illustrates the number of extension applications that are very likely to come in, and the number of planning actions is a long-term predictor of extension applications where certifications require affordable housing units to be built.

In recent years, the Commission's Statewide Planning division has tracked housing-related matters. From 2021-2024, four permit considerations approved 207 units of affordable housing, and three planning certifications would create 263 affordable units. Three of those matters created 100% affordable units. (Ex. B.) The number of developers (applicants) involved are assumed to be one per matter, for seven total or about two per year. For the purposes of this analysis, all future projects are assumed to be 100% affordable.

COST ESTIMATING METHODOLOGY
REGULAR RULEMAKING
California Coastal Commission Regulations, Title 14, §§ 13156, 13169

Value to Applicants of Fewer Extension Applications

The 2025-2026 fee for extension applications is \$1,569. (Cal. Code of Regs., tit. 14, § 13055(b)(1)(B)). There is no fee to applicants for appealed matters or for their indirect involvement with local coastal program amendments. The program amendments in turn would lead to permit applications, but it is not feasible to predict if those permit applications would be to the Commission, to the local government, or if to the local government, whether they would be appealable or appealed. However, housing projects are usually controversial in nature for the immediate area, and many appeals would be expected.

Other costs, while numerous, vary from application to application depending on factors such as environmental resources at or near the site, the necessity for technical experts such as geologists or biologists, and the cost of agents or attorneys. As further explained in the “Assumptions” section, a very conservative estimate of total costs would be \$10,000 per extension application. With the number of “prevented” extensions per project estimated at three, each applicant would save roughly \$30,000. With the number of affordable housing approvals per year estimated at two (though expected to increase), the economic savings per year of the regulation would be \$60,000.

Value to the Commission of Fewer Extension Applications

The savings would not increase income to the Commission, but would consist of time and associated resources saved, primarily by Coastal Program Analysts.

Coastal Program Analysts (Analysts) are responsible for the consideration of permits and their extensions. For consideration of extensions, much of their analysis has been completed for the original permit, but analysts must consider if there are changed circumstances on the ground or otherwise that merit deeper consideration. Analysts receive the application, review for completeness, work with the applicant when additional documentation is required, gather evidence, develop a recommendation, write a staff report and compile exhibits, send notices, present the item at the Commission hearing, and answer questions from the public, among other tasks.

An anonymous survey asked analysts how many hours it takes to process a relatively simple local coastal program amendment, which is roughly equivalent to the work involved in processing an extension application. Choices ranged from less than 16 hours to more than 120 hours. Twenty-six analysts responded, with the amount of time averaging to about 29 hours. (Ex. C, Analyst Hours Survey.) Although the number of working days a month varies, the 29 hours is calculated using a typical 168-hour month, such that processing an extension applicant would take 17.3 percent of the working hours for the month.

Analyst pay ranges from \$4928 to \$9638 (Ex. D, Analyst Salaries). As the greater population of analysts are at level II, the salary figure used is \$7328 a month. That

COST ESTIMATING METHODOLOGY
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California Coastal Commission Regulations, Title 14, §§ 13156, 13169

figure plus benefits (50% of salary)⁴ = \$10,992, times 17.3% = \$1902 of Analyst pay saved per extension application.

The contributions of Commission technical experts, attorneys, and supervisors are not analyzed here as directed by the State Administrative Manual, Section 6602 [definition of indirect fiscal costs].)

Benefits

Total statewide economic benefits over the lifetime of the regulation: \$1.9 million. (See Calculations section below).

Alternative 1: Shorter periods to require vesting. The period to apply for extensions in existing regulation 13156 is two years, and the regulation proposes five years. Three or four years would be ineffective at accomplishing the Proposal's goals, and the economic benefit would be proportionally less.

Alternative 2: Shorter period for extension. The period for extension in existing regulation 13169 is one year, and the regulation proposes two years. A "middle ground" is not practicable, and there would be no benefit.

Qualitative Benefits. Qualitative benefits are discussed in the Initial Statement of Reasons.

ASSUMPTIONS

Affected universe. Despite efforts to research, the statewide data available on the number of affordable housing developers varied too much to be useful, and there does not seem to be analysis of how many of these developers would qualify as a small business nor how many develop in the coastal zone. Additionally, that population is potential, with a fraction that would apply to the Coastal Commission for a permit (or the applicant's project reviewed under the appeal process as a "de novo" permit). Therefore, the assumption is that the number of developers is roughly 100-500 and the percentage of small business ten percent or less. It takes considerable resources to develop affordable housing, and it is assumed that most of these projects are beyond the reach of small business (as defined, e.g., by Gov. Code § 14837 (d)(1)(a).)

Economic savings to applicants. The cost of an extension application (preparing, submitting, and working with Commission staff to file the application as complete), the hearing that considers the application (preparation, travel, testimony by experts), and

⁴ The Commission's Business Office reports that this year's benefits compensation runs slightly more than 50% of an individual's salary.

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compliance with any outstanding special conditions (e.g. deed restrictions, agent services) varies greatly from applicant to applicant. However, most extension applications are relatively simple and are processed quickly, with Commission concurrence requested on reporting the extension rather than a full hearing and vote. It is assumed therefore that the overall cost would be low, but at least \$10,000 per application.

Fiscal savings to the Commission. Any savings in time that free up analyst or technical expert resources are assumed to be devoted to other projects and are not directly translated into dollar savings.

Inflation. Inflation is calculated at 2.5% a year for the lifetime of the regulation. The California Consumer Price Index for Urban Consumers rose approximately 3% in 2024 and 2.5% for the first half of 2025. (Ex. E, Inflation.) Inflation is applied to the economic savings but not the fiscal savings. Due to the state budget cutbacks, Analyst salaries are not expected to rise during Years 1-3.

CALCULATIONS AND RESULTS

Economic Totals

The life of the regulation, once effective, is considered to be 20 years, for a total of \$1,200,000 in savings to the private sector, plus inflation assumed at 2.5 percent per year, for a total of about \$1.9 million dollars.

YEAR	BASE TOTAL
1	\$ 1,200,000.00
inflation	0.025
previous +	
2	\$ 1,230,000.00
3	\$ 1,260,750.00
4	\$ 1,292,268.75
45	\$ 1,324,575.47
6	\$ 1,357,689.86
7	\$ 1,391,632.10
8	\$ 1,426,422.90
9	\$ 1,462,083.48
10	\$ 1,498,635.56
11	\$ 1,536,101.45
12	\$ 1,574,503.99
13	\$ 1,613,866.59
14	\$ 1,654,213.25
15	\$ 1,695,568.59
16	\$ 1,737,957.80

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17	\$ 1,781,406.74
18	\$ 1,825,941.91
19	\$ 1,871,590.46
20	\$ 1,918,380.22

Alternative 1 calculations (three or four years required to vest: $.80 * \$1,900,000 = \$1,520,000$, and $.60 * \$1,900,000 = \$1,140,000$).

Fiscal Savings, Years 1-3

The Proposal is anticipated to be effective on April 1, 2026, with the first “saved” extensions happening at least two years later following an approved project. Therefore, the first fiscal savings would not be realized until later in Year 3. Under the existing regulation 13156, the Commission may exercise discretion to lengthen the time to vest. That option is not predictable so not calculated.

Fiscal Year 1 (remaining) – Jan. 1, 2026 – June 30, 2026 – no savings.

Fiscal Year 2 – July 1, 2026 – June 30, 2027 – no savings

Fiscal Year 3 (part 1) – July 1, 2027 – March 31, 2028 – no savings

Fiscal Year 3 (part 2) – April 1, 2028 – June 30, 2028 - \$1902 savings (1 matter)

CONCLUSION

The Proposal does not impose a reimbursable mandate on local government nor require any non-reimbursable costs.

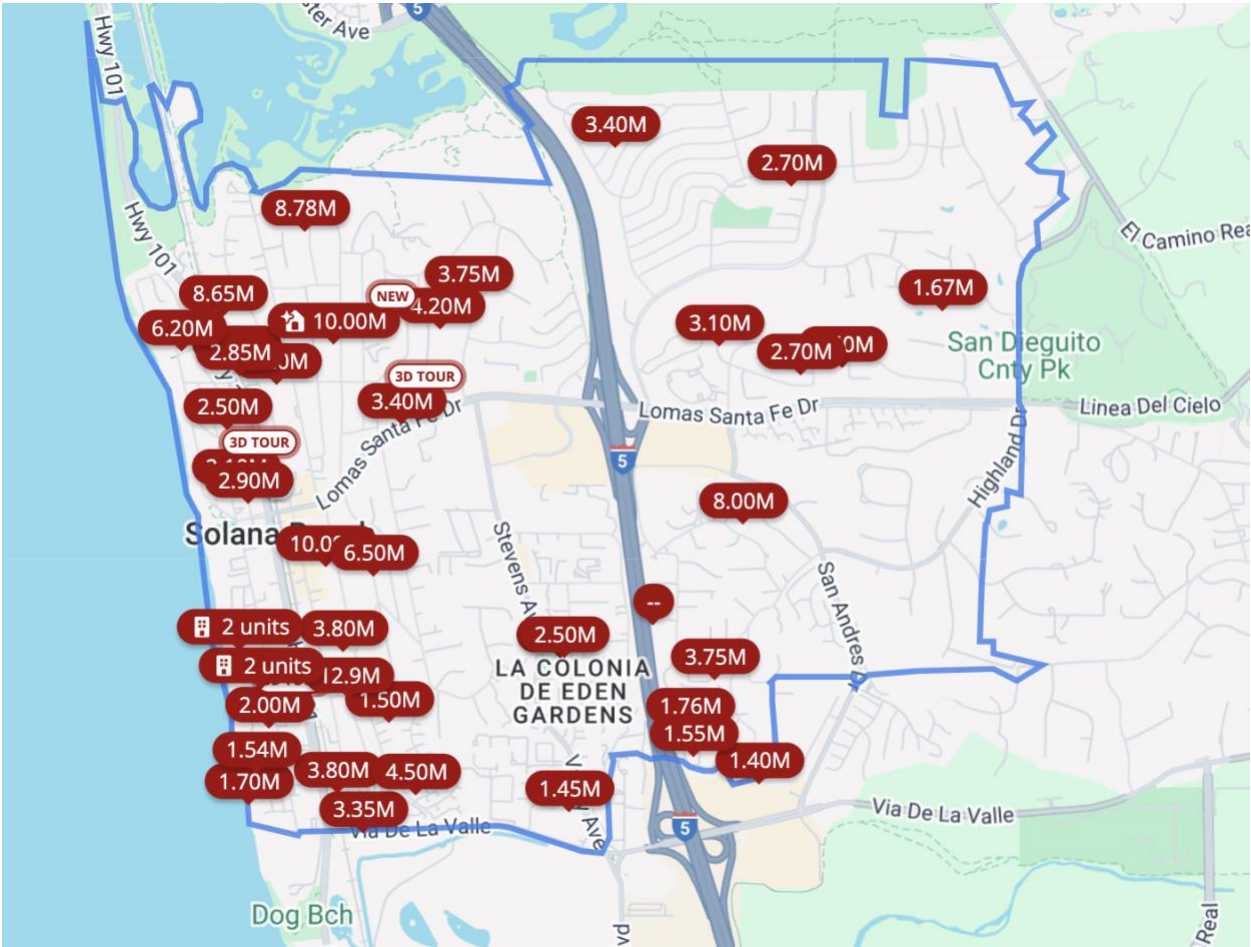
Economic savings for the life of the regulation amount to approximately \$1.9 million.

Fiscal savings for Years 1-3 amount to \$1902 and would be expected to at least double per year after that.

EXHIBIT A

COASTAL HOME VALUES
Zillow.com, accessed Sept. 2025

Solana Beach, San Diego County



Little River area, Mendocino County

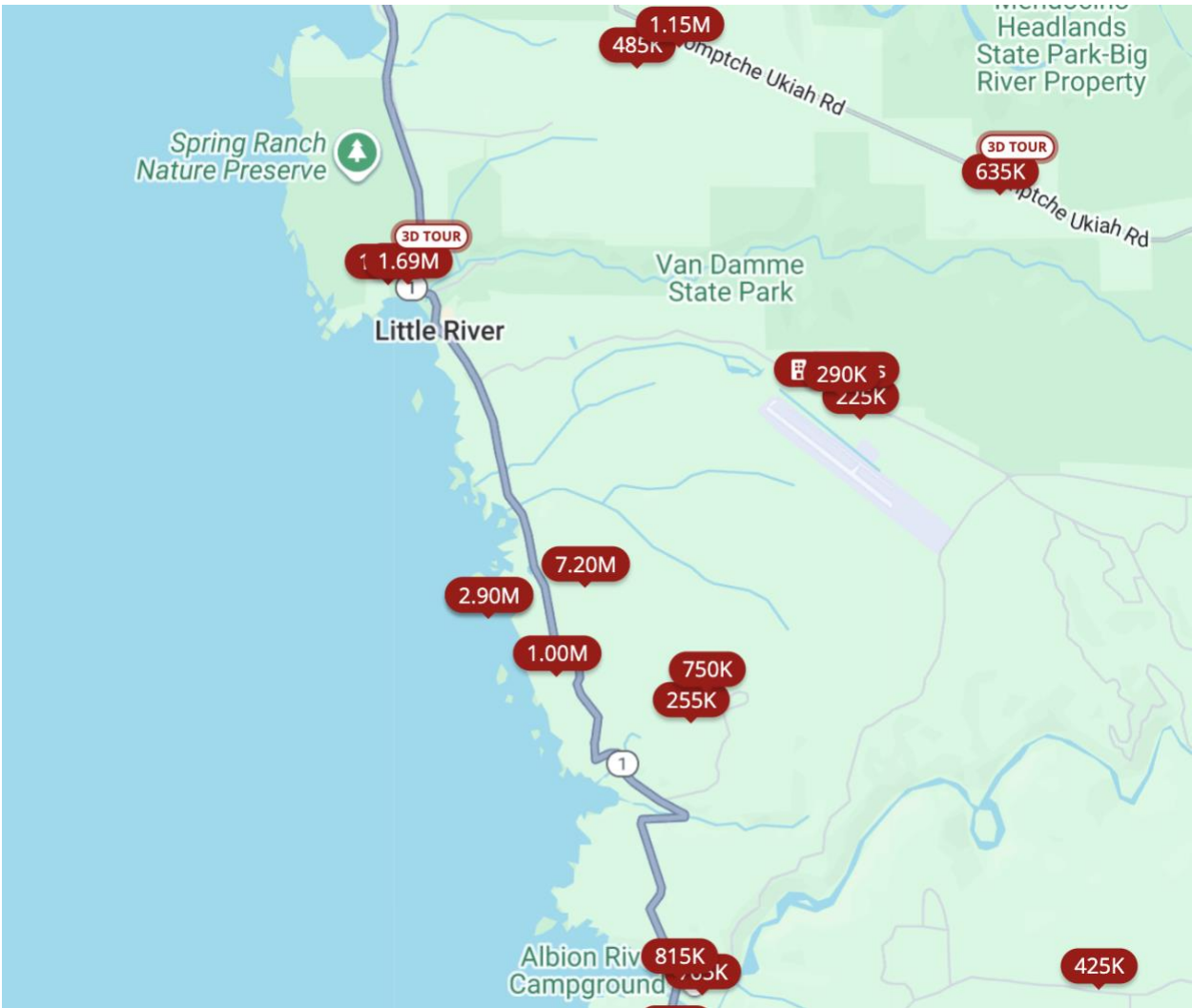


Exhibit
Analyst Salaries



State of California Civil Service Pay Scale - Alpha by Class Title

Schem Code	Class Code	Full Class Title	Compensation	Pay Period *	SISA	Footnotes	AR Crit	MCR	Prob. Mo.	WWG	NT	CBID
JW76	4726	COASTAL PROGRAM ANALYST I										
		A	\$4,928.00 - \$5,598.00			01 19 21	121	1	12	2		R01
		B	\$5,083.00 - \$6,058.00			01 19 21	121	1	12	2		R01
		C	\$6,096.00 - \$7,633.00			01 19 21	121	1	12	2		R01
JW74	4735	COASTAL PROGRAM ANALYST II										
			\$7,328.00 - \$9,178.00			01 19		1	12	2		R01
JW72	4762	COASTAL PROGRAM ANALYST III										
			\$7,694.00 - \$9,638.00			01 19		1	12	E		S01

* All salaries are monthly unless otherwise indicated.

COST ESTIMATING METHODOLOGY

REGULAR RULEMAKING

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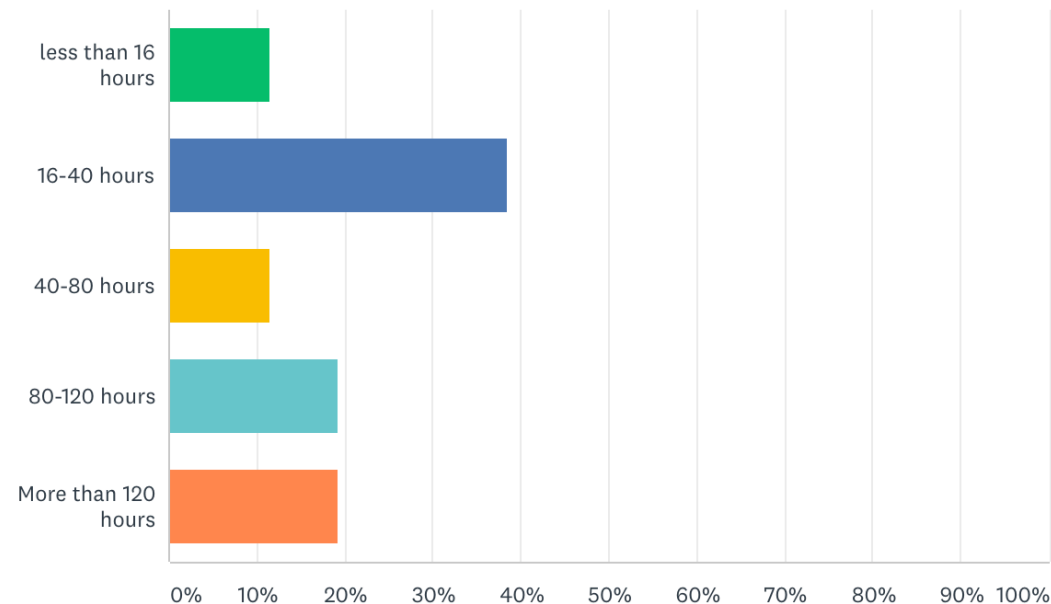
Exhibit C

Analyst Hours Survey



What is the estimated average amount of hours you work on a relatively simple LCPA (but not minor or de minimis). Include coordination with the local government, through drafting the report and bringing to hearing, and post-hearing tasks. Do not include anyone else's time (e.g. supervisor, attorney).

Answered: 26 Skipped: 0



ANSWER CHOICES	RESPONSES
less than 16 hours	11.54% 3
16-40 hours	38.46% 10
40-80 hours	11.54% 3
80-120 hours	19.23% 5
More than 120 hours	19.23% 5
TOTAL	26

Screenshot

Average Analyst Hours Calculation			
Respondents	x Hours Est.	Total Hours	
3	16	48	
10	40	400	
3	80	240	
5	120	600	
5	150	750	
Total Respondents		Grand Total Hours	
26		2038	
		Average Hours	
2038	/26	28.85	

EXHIBIT B

Multi-Family Housing Actions

	A	B	C	D	E
1					
2					
3	Year	Matter No	Unit Count	Affordable Units	Percent Affordable
4					
5	2021	LCP-2-SMC-20-0054-1	71	71	100%
6					
7	2022	LCP-6-CII-21-0040-1	192	42	22%
8	2022	CDP No. 5-21-0785	42	42	100%
9					
10	2023	CDP No. 5-22-0799	100	25	25%
11	2023	CDP No. A-6-ENC-22-0049	94	19	20%
12					
13	2024	CDP 5-22-0588	120	120	100%
14	2024	LCP-5-HNB-24-0003-1	250	50	20%
15	2024	LCP-6-OMN-23-0053-4	380	100	26%
16	2024	CDP No. 5-23-0415-W	10	1	10%
17					
18		Totals	All Units	Affordable Units	100% Affordable
19		LCP actions	893	263	1
20		Permits/Waiver	366	207	2
21		Overall Total	1259	470	3

Exhibit E Inflation Values

2024

[Office of the Director](#) / Consumer Price Index Calculator

Consumer Price Index Calculator

1. Select an Index

California

2. Select index type

All Urban Consumers

3. Select beginning month

December

4. Select beginning year

2023

5. Select ending month

December

6. Select ending year

2024

Beginning Index Value

334.395

Ending Index Value

344.295

Based upon the Index, index type, and the time period you have specified, the percent change in the Consumer Price Index is equal to:

3.0%

2025 (to June 30)

[Office of the Director](#) / Consumer Price Index Calculator

Consumer Price Index Calculator

1. Select an Index

California

2. Select index type

All Urban Consumers

3. Select beginning month

December

4. Select beginning year

2024

5. Select ending month

June

6. Select ending year

2025

Beginning Index Value

344.295

Ending Index Value

353.044

Based upon the Index, index type, and the time period you have specified, the percent change in the Consumer Price Index is equal to:

2.5%