

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400



W6g

DATE: November 5, 2025

TO: Coastal Commission and Interested Persons

FROM: Louise Warren, Chief Counsel
Robin M. Mayer, Senior Attorney
Claire Wilkens, Attorney

SUBJECT: Proposed Amendments to Commission Regulations
Hearing and Possible Adoption
California Code of Regulations, Title 14, Sections 13156 and 13169

SUMMARY OF STAFF RECOMMENDATION

Staff is proposing changes to the Commission's regulations in Title 14 of the California Code of Regulations. The purpose of the amendments is to reduce impediments to the funding and vesting of affordable housing projects.

The proposed amendments affect sections 13156, subdivision (g) and 13169, subdivision (a). The amendments to section 13156 expand the time for 100% affordable housing projects to vest from two years to five years. The amendments to section 13169 expand the time for the extension of permits for 100% affordable housing projects from one year to two years.

The proposal makes other, minor clarifying changes in the same regulations.

A public comment period began with the publication of the Notice of Proposed Action on September 19, 2025. As of the writing of this staff report, one comment has been received in support of the amendments. All comments received by the close of business on Monday, November 3 will be posted to the correspondence tab for this item.

Once adopted by the Commission, legal staff will submit the administrative record and other materials to the Office of Administrative Law (OAL). The final submittal package, including the final text and the final Statement of Reasons, will be posted on the Commission's website as soon as practicable after submittal to OAL. OAL will review

the proposed changes according to six standards, including the standards of necessity and clarity. Following review by OAL, the amended regulations, if and as approved, will be filed with the Secretary of State and published in Title 14 of the California Code of Regulations. Staff anticipates that the regulation changes will be effective by April 1, 2026.

Staff recommends **adoption** of the proposed amendments to Commission regulations. The motion is on p. 3 of the staff report.

ADDITIONAL INFORMATION

For documents related to the rulemaking, go to the Commission's rulemaking webpage at <https://coastal.ca.gov/rulemaking>. Questions or comments may be sent to: rulemaking@coastal.ca.gov, or mailed to the Legal Division, California Coastal Commission, 455 Market St. Suite 300, San Francisco, CA 94105.

TABLE OF CONTENTS

I. MOTION AND RESOLUTION.....	3
II. BACKGROUND	3
III. PROPOSED AMENDMENTS.....	4
IV. CALIFORNIA ENVIRONMENTAL QUALITY ACT	5

APPENDICES

Appendix A – Substantive File Documents

EXHIBITS

[Exhibit 1-Notice of Proposed Action](#)

[Exhibit 2-Express Terms \(text in underline/~~strikeout~~ format\)](#)

[Exhibit 3-Initial Statement of Reasons](#)

[Exhibit 4-Supporting Materials](#)

I. MOTION AND RESOLUTION

Motion:

*I move that the Commission **adopt** the proposed amendments to Commission regulations in accordance with the staff recommendation.*

Staff recommends a **YES** vote. Passage of this motion will result in adoption of the proposed amendments for submittal to the Office of Administrative Law. The motion passes only by affirmative vote by a majority of the appointed membership of the commission.

Resolution:

The Commission hereby adopts the proposed amendments to Commission regulations for submittal to the Office of Administrative Law and finds they are consistent with the Coastal Act and other applicable law. Adoption of the proposed amendments is exempt from the California Environmental Quality Act because the proposal has no potential for causing a significant impact on the environment.

II. BACKGROUND

General

Section 30333 of the Public Resources Code authorizes the Commission to adopt or amend regulations to carry out the purposes and provisions of the Coastal Act, and to govern procedures for considerations under the Commission's jurisdiction. Section 30333.1 further encourages periodic review of the regulations in order to make revisions

“necessary and appropriate to simplify and expedite the review of any matter that is before the commission.”

The Commission’s regulations are found in Division 5.5 of Title 14 of the California Code of Regulations. As a whole, the regulations implement, interpret, and make specific provisions of the Coastal Act, the California Environmental Quality Act (CEQA), and the Government Code (chiefly, the Bagley-Keene Open Meeting Act and the Permit Streamlining Act). Regulatory provisions are to be construed liberally to accomplish the purposes and carry out the objectives of the Coastal Act. (§ 13003.)

The Commission seeks to improve the efficiency and effectiveness of the regulations on an ongoing basis. The last regular rulemaking action was adopted and approved in 2019, and the Commission anticipates further amendments in the future.

Specific to this Rulemaking

The purpose of these proposed amendments is to expand the vesting and extension periods for 100% affordable housing projects, which in turn should help get those projects funded and built. As explained further in the Initial Statement of Reasons, 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.

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 vesting in two years (tit. 14, § 13156(g)) 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 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 only last for several months.

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

Public Participation

The Notice of the proposed rulemaking (Notice), was published in the California Regulatory Notice Register on September 19, 2025. Publication began a 45-day public comment period, which ends on Monday, November 3. Simultaneous with publication of the Notice, all materials were posted on the Commission's rulemaking page, including the Notice, the proposed changes (also known as Express Terms or the text, in underline/ ~~strikeout~~ format) and the rationale for each change (known as the Initial Statement of Reasons). The same materials are also supplied as exhibits to the staff report.

The Notice was emailed to a representative business group and the California Natural Resources Agency, and a Notice for the public hearing for the Commission's consideration of this matter was sent to approximately fifty housing advocacy groups. Additionally, approximately 3100 subscribers to the Commission's agenda received notice of the adoption hearing.

As of the writing of this staff report, one comment has been received in support of the amendments. All comments received by the close of business on Monday, November 3 will be posted to the correspondence tab for this item.

III. PROPOSED AMENDMENTS

The proposed amendments affect sections 13156, subdivision (g) and 13169, subdivision (a). The amendments to section 13156 expand the time for 100% affordable housing projects to vest from two years to five years. The amendments to section 13169 expand the time for the extension of permits for 100% affordable projects from one year to two years.

The proposal makes other, minor clarifying changes in the same regulations.

IV. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The Commission finds that adoption of the proposed amendments is exempt from the California Environmental Quality Act because the proposal has no potential for causing a significant impact on the environment. (Cal. Code of Regs., tit. 14, § 15061(b)(3).)

APPENDIX A – SUBSTANTIVE FILE DOCUMENTS

- Office of Planning & Research, Notice of Exemption