

AB 500 (WARD): ADU AND SUPPORTIVE HOUSING DEVELOPMENT IN THE COASTAL ZONE

POSITION: The Chamber's Transportation and Land Development Committee voted to SUPPORT the bill on May 18, 2021. The Public Policy Committee voted to SUPPORT the bill on June 10, 2021. The Board of Directors voted to SUPPORT the bill on June 24, 2021.

RATIONALE: The bill will help streamline the process of affordable housing development through the potential removal of regulatory barriers and will help alleviate the state's housing shortage.

STATUS: [AB 500](#) passed the Assembly floor with 53 Ayes, 20 Noes. As of May 28, 2021, the bill is awaiting hearing in Senate committee.

SUMMARY

AB 500 would ease the regulations pertaining to the development of accessory dwelling units and similar projects in the coastal zone. It would also once again allow the California Coastal Commission to foster affordable housing in the coastal zone.

INDUSTRY/IES IMPACTED

AB 500 will impact homeowners who are considering building ADUs, the building industry, and local coastal cities who would have to implement the policy. If enacted, the bill would facilitate additional housing supply putting downward pressure on housing prices which will benefit businesses from many industries struggling with talent attraction and retention due to housing options and affordability.

ADDITIONAL INFORMATION

Accessory dwelling units are one of many solutions to address the current housing shortage, with the additional benefit of having negligible land impact. In the Coastal Zone, any such development requires a costly Coastal Development Permit (CDP), which can cost tens of thousands of dollars and has a review period of many months. AB 500 would have local governments amend their Local Coastal Programs to identify circumstances and locations which would qualify for exemptions or waivers for a CDP.

The bill also applies to junior accessory dwelling units and supportive housing developments, which currently also require CDPs. Supportive housing entails restricted affordable housing units with "wraparound" services to aid individuals with long-term physical and mental health issues.

Through AB 500, the California Coastal Commission will also resume jurisdiction over low- and moderate-income housing policies, which was removed from its authority in a 1981 amendment to the Coastal Act. This will allow the Commission to further advocate for the creation of affordable housing developments. Additionally, AB 500 repeals any prohibitions in place of housing programs and policies within Local Coastal Programs.

SUPPORTERS

- Azul
- Elders Action Network
- California Coastal Commission
- People Organized for Westside Renewal

OPPONENTS

- League of California Cities
- Rural County Representatives of California

ARGUMENTS IN FAVOR

AB 500 responds to the lack of affordable housing throughout California, and allows residential access to the coast for Californians of diverse income levels.

Supportive housing is also critical in that it is one of the most effective means to permanently solving homelessness, another major problem the state deals with.

ARGUMENTS IN OPPOSITION

AB 500 will grant the Coastal Commission development authority already belonging to local governments, whose decisions may be more in line with a community's wishes or needs. By doing as such, the bill also provides agency oversight to the already-complex development process, which may make the process even more arduous.