



June 12, 2024

The Honorable Nancy Skinner  
Chair, Senate Housing Committee  
1021 O Street, Room 3330  
Sacramento, CA 95814

**RE: AB 2560 (Alvarez) Density Bonus Law: California Coastal Act of 1976.**  
**Notice of OPPOSITION (As Amended April 24, 2024)**

Dear Senator Skinner,

The coalition of Coastal Cities must regretfully express our opposition to AB 2560 (Alvarez). While we understand the need to address California’s housing crisis, including in coastal regions, if passed this measure would have significant negative impacts to both coastal communities and the environment.

This bill would clarify that Density Bonus Law applies to developments within the coastal zone, as defined by the California Coastal Act. The bill would not apply Density Bonus Law on specific sites within the coastal zone, including parcels not zoned for multifamily housing, areas vulnerable to five feet of sea level rise, areas that are not subject to a certified local coastal program, parcels within a 100-foot radius of a wetland, prime agricultural lands, among others included in subdivision (m) of Section 65915 of Government Code. Density Bonus Law requires local governments to provide bonuses, concessions, waivers, reductions, or incentives to affordable housing projects if there is a minimum number of affordable units proposed in the project.

**AB 2560 would undermine a recent court decision and existing statute<sup>1</sup> that codified coastal protection requirements under the California Coastal Act and harmonizes Density Bonus Law.** Although these Density Bonus Law incentives may be beneficial to reduce housing costs, they do inherently conflict with specific declarations included in the California Coastal Act but local governments have worked to successfully update their local coastal programs to harmonize these areas of law. Such requirements include balancing development with coastal resource protection, upholding scenic coastal views, ensuring adequate parking facilities, and maximizing public access to the coast (Public Resources Code §30250-30253). In 2016, the Court of Appeal determined<sup>2</sup> that affordable housing requirements set forth in the Density Bonus Act (Gov. Code § 65915 *et seq.*) are superseded by development restrictions set forth in the California Coastal Act (Pub. Resources Code § 30001 *et seq.*). The project aimed to increase affordable housing and included density bonus concessions under the City’s density bonus ordinance, including higher rooflines and shorter setbacks. The Los Angeles Planning Commission denied the application and the City Council affirmed the decision of the Planning Commission. The developer (Kalnel Gardens, LLC) appealed, arguing that the state affordable housing requirements

<sup>1</sup> Assembly Bill 2797, Chapter 904, Statutes of 2018)

<sup>2</sup> Kalnel Gardens, LLC v. City of Los Angeles, (2016) 3 Cal.App.5<sup>th</sup> 927

superseded Coastal Act provisions, but the Court of Appeals disagreed. It held that the Density Bonus Act was expressly subordinate to California Coastal Act restrictions.

This litigation was further adopted into statute in 2018 that already requires Density Bonus Law and the California Coastal Act be harmonized so as to achieve the goal of increasing the supply of affordable housing in the coastal zone while also protecting coastal resources and coastal access. AB 2560 would reverse these efforts, cause confusion at the local level, and impede housing projects from moving forward in the coastal zone. Coastal cities already have the ability and are implementing Density Bonus Law within the coastal zone through locally adopted ordinances and LCPs. AB 2560 would disrupt the balance cities have achieved in harmonizing the California Coastal Act with Density Bonus Law and would jeopardize both the values and protection afforded in the California Coastal Act as well as the character of California's coastal communities. This bill will create confusion and delays as parties seek to understand how the bill applies, leaving local governments to figure out how to interpret two conflicting regulatory schemes.

**AB 2560 would disincentivize cities in the coastal zone from achieving a certified LCP. This will further erode local control and the ability for locals to harmonize coastal planning and housing goals.** In the bill's most recent amendments, there is a carve-out for coastal cities that do not yet have a certified LCP. A certified LCP allows local governments to retain coastal development permitting authority and the ability to determine how best to plan within their local community. The bill would present an extreme challenge for cities if LCPs are not certified, by then needing to rely on the California Coastal Commission to issue coastal development permits, which would inadvertently slow the process to further develop affordable housing in the coastal zone.

While we recognize the commendable intent of the author to incentivize the development of affordable housing within coastal cities, based on the reasons listed above, the following cities respectfully **oppose** AB 2560. We respectfully request a 'NO' vote when the bill is heard in Committee.

Sincerely,

City of Carlsbad  
City of Del Mar  
City of Hermosa Beach  
City of Manhattan Beach  
City of Oceanside  
City of Rancho Palos Verdes  
City of Redondo Beach  
City of Solana Beach  
City of Torrance

Cc: The Honorable David Alvarez  
Members, Senate Housing Committee  
Alison Hughes, Chief Consultant, Senate Housing Committee  
Kerry Yoshida, Policy Consultant, Senate Republican Caucus