# 2026 CEQA & REGULATORY UPDATE EVENT

## CEQA CASE LAW, REGULATORY AND LEGISLATIVE UPDATE



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# 2026 CEQA Case Law and Legislative Update

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# Scope of Project/Ministerial Review

*Dummer v. City and County of San Francisco* (2026) 120 Cal.App.5th 1009

**Project**: Proposal to open the City-owned Calaveras Reservoir, a drinking-water supply, to public fishing.

**Facts:**

- In response to previous action, City had adopted a resolution finding that shoreline fishing could be allowed, subject to CEQA and Board approval, and was designing a program with road, parking, restroom, and fencing improvements.
- Dummer sued claiming that the City had a ministerial duty to immediately obtain an amended State Water Board permit and open the reservoir "in its natural state," to public fishing citing the Fish and Game Code, Health and Safety Code, and Constitution.

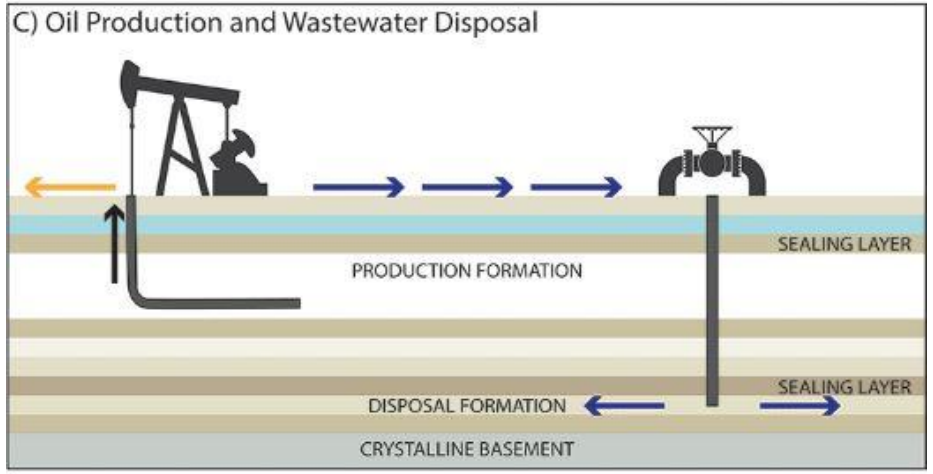
**Result:** Court of Appeal affirmed the denial of the writ petition.

**Holding:**

- No ministerial duty to open the reservoir immediately. The permit scheme requires the City to exercise discretion in designing a fishing program, which is a CEQA project reviewed before the permit application.
- "Right to fish" statutes and constitutional provisions did not displace CEQA; absent express preemption, the right yields to environmental protection.

# CEQA Exemptions

# Sunflower Alliance v. Department of Conservation (2026) 20 Cal.5th 22




**Project**: Conversion of dormant oil well to wastewater injection well

**Exemption:** Class 1 Categorical Exemption for Existing Facilities

**Factual/Procedural Background:**

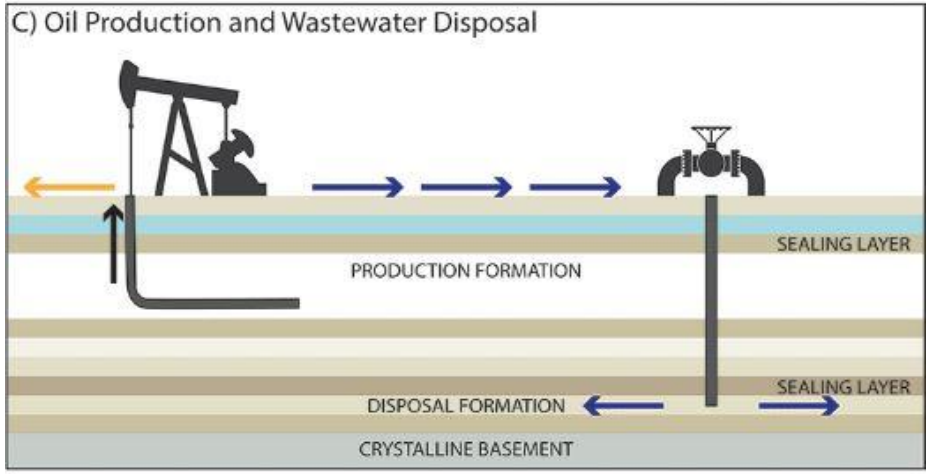
- CalGEM approved Project under Class 1 Exemption.
- Sunflower Alliance sues, arguing injection use is fundamentally different from former extraction use, and reopening closed facility as an injection well was not "negligible or no expansion of use"—a requirement of the exemption.
- Trial court agreed with Sunflower Alliance. Court of Appeal reversed, finding that changes in use can qualify and that the environmental risks of injection are negligible.
- California Supreme Court granted review on two questions, but only decided one:

**Does the term "negligible" in the California Environmental Quality Act or CEQA's Class 1 existing facilities exemption (Cal. Code Regs., tit. 14, § 15301) pertain to a negligible change in use or to a change that presents a negligible risk of environmental harm?**

# Sunflower Alliance v. Department of Conservation (2026) 20 Cal.5th 22

**Holdings**

- Class 1 exemption may apply to "new uses" so long as they involve negligible or no expansion of existing or former use
- Agency must examine "the nature and scope of the proposed expansion of use, rather than its potential environmental effects"




- Case remanded for further proceedings consistent with these holdings

**Takeaways**

- Negligible or no expansion of use for purposes of Class 1 categorical exemption does not mean negligible or no environmental risks.
- Is environmental risk entirely irrelevant to the inquiry? Kruger Concurrence says no—they can still be a part of the "yardstick" used for this analysis. However, no other justices joined this concurrence.
- Environmental effects are still relevant to other categorical exemptions' criteria (e.g., Classes 6 and 32), as well as potential exceptions to a categorical exemption.

# Krovoza v. City of Davis (2025) 117 Cal.App.5th 623

**Project**: Relocation of Playground Equipment



**Categorical Exemptions:** Classes 3 (new construction of small structures), 4 (minor alterations to land), and 11 (construction or placement of accessory structure)

**Background:** Residents complained about noise from Sky Track (pictured) and City approved moving the equipment to the other side of the park under categorical exemptions. Krovozas filed CEQA lawsuit arguing "unusual circumstances" exception applies. Trial court upheld approval and Court of Appeal agreed.

**Holdings:**

- Even assuming violation of noise ordinance standard could be proven, this alone is not substantial evidence that there **will** be a significant effect because it does not establish an adverse change.
- Even assuming there is an unusual circumstances, no fair argument of a significant impact.

# Russian Riverkeeper v. County of Sonoma (2026) 122 Cal.App.5th 382

**Project**: Amendments to Groundwater Well Permitting Ordinance

**Exemptions:** Classes 7 and 8 (regulatory actions to assure protection of environment and natural resources), and the common sense exemption

**Background:** Environmental groups raised CEQA and public trust claims. Trial court agreed on both claims.



**Holdings:**

- County had public trust obligations, but Ordinance was not arbitrary, capricious, or entirely lacking in evidentiary support. Trial court ruling on public trust reversed.
- However, ruling upheld on CEQA. Project did not "assure" environmental protections. At best the Project strengthened some regulations and weakened others, falling outside the scope of the exemptions. Intent to enhance the environment is insufficient.
- No substantial evidence to support common sense exemption. Regardless of proper baseline, County did not offer evidence that Project would result in fewer well permits.

# Citizens Against Marketplace Apartment/Condo Development v. City of San Ramon (2026) 120 Cal.App.5th 13

**Project**: Infill housing on site of aging shopping center

**Exemptions:** Class 32 (infill)

**Background:** Neighbor group raised land use inconsistency claims and CEQA claim.



**Published Holdings:**

- City did not abuse its discretion finding Project consistent with General Plan policy arguably requiring master plan.
- City properly found Project to qualify as "horizontal mixed use," requiring retail to be "behind" residential uses.

**Unpublished Holdings:**

- City properly found Project consistent with general plan and zoning for purposes of CEQA exemption. Court rejected traffic argument related to loss of grocery store.
- Court upheld award of $38,568 in costs to City for administrative record costs, even though opponents elected to prepare the administrative record.

# Steer v. Town of Los Gatos (2026) 123 Cal.App.5th 1067

**Project**: Lot line adjustment for three residential parcels with dedication of cul-de-sac to Town

**Exemption:** Ministerial

**Background:** Neighbor opposed project and filed CEQA lawsuit.



**Holdings:**

- Key question in determining whether a project is ministerial is whether the agency can use subjective judgment to decide whether and how to carry out the project on environmental grounds.
- Here, statutes allowed the Town to use subjective judgment to decide whether to accept, shape, or deny the dedication—a part of the Project. Further, the Town was empowered to approve or condition the Project to address environmental concerns.
- Lot line adjustments are not necessarily ministerial—it depends on the standards applicable under the local code.

# Initial Studies/Mitigated Negative Declarations

# *Laguna Beach Historic Preservation Coalition v. City of Laguna Beach* (2026) Ordered published Sept. 22, 2026

**Project**: General Plan Historic Resources Element amendment, with a Negative Declaration, deleting all references to the City's 1981 Inventory of 700+ pre-1940 buildings.

**Facts:**

- A 1982 City resolution recognized the Inventory as the City's best examples of historic architecture; it was never updated and had become outdated and underinclusive.
- City determined that the 1981 inventory was no longer a reliable indicator of a property's historical significance and amended Historic Resource Element to remove the Inventory from its planning documents.
- City prepared a negative declaration, which did not include a case-by-case assessment of each listed property and instead concluded that the inventory was not a reliable indicator of historical resources or significance.

**Result:** Court of Appeal reversed and ordered the amendment and Negative Declaration set aside pending an EIR or MND.

**Holding:**

- A formally recognized local inventory is a "local register of historical resources," and each listed property is a presumptive historical resource (Pub. Resources Code, §§ 21084.1, 5020.1(k)).
- The presumption must be rebutted property by property showing of preponderance of evidence. Showing the list is generally outdated, overbroad, or underinclusive is not enough, and a blanket delisting without individualized analysis does not adequately analyze potential impacts on historical resources.

# Environmental Impact Reports

## *The Committee for Tiburon LLC v. Town of Tiburon* (2026) 118 Cal.App.5th 259

**Project**: General Plan 2040 and housing element update rezoning 17 sites for 916 new units, including the 9-acre "Site H," with a programmatic EIR.

**Facts:**

- The program EIR analyzed townwide effects of adding 916 units but did not evaluate site-specific impacts, because no housing project had been proposed for any site.
- The Committee challenged the EIR for omitting site-specific analysis of aesthetic, biological, hydrology, and transportation impacts at Site H, and the trial court granted the petition.

**Result:** Court of Appeal reversed. Unpublished portions remanded the rezoning-exemption (Pub. Resources Code, § 21080.085) and general plan consistency issues.

**Holding:**

- A general plan program EIR need not include site-specific analysis of housing element inventory sites when no housing project has been proposed; under tiering principles, that analysis may be deferred to project review.
- The Housing Element Law requires identifying sites with realistic development potential, not building housing – there is no guarantee under the Housing Element that identified sites will in fact be developed. Without the project details associated with a concrete proposed project at Site H, site-level analysis would be speculative.
- Town would be required to study any site-specific development proposal in the light of the program EIR to determine whether an additional CEQA document is required.

*Save Our Access v. City of San Diego* (2025) 115 Cal.App.5th 388

**Project**: Ballot measure removing the 30-foot building-height limit in San Diego's Midway-Pacific Highway Community Planning area.

**Facts:**

- The City's 2018 program EIR assumed the height limit would remain.
- Following an earlier successful CEQA challenge, the City prepared a supplemental EIR analyzing visual effects and neighborhood character.
- For other impacts, the City relied on the earlier EIR because allowable density remained unchanged.

**Result:** Court of Appeal reversed the trial court's denial of the petition.

**Holding:**

- Unchanged density did not establish that taller buildings would have the same environmental effects.
- The supplemental EIR inadequately analyzed potential noise, air quality, biological, and geological impacts.
- Deferring reasonably foreseeable program-level impacts to future project review was insufficient.

*City of Vallejo v. City of American Canyon* (2026) 117 Cal.App.5th 1112

**Project**: Giovannioni Logistics Center, a 2.4-million-square-foot warehouse complex requiring 23.9 acre-feet of water annually.

**Facts:**

- American Canyon relied on imported water, including purchases from Vallejo under a 1996 water-supply agreement.
- The EIR incorporated a water supply assessment and urban water management plan evaluating supply and demand through 2040 under normal and dry-year conditions.
- Project demand fell below the plan's assumed industrial demand. Dry-year measures included carryover water, conservation, and additional purchases.
- Vallejo challenged the analysis, disputing delivery assumptions and the treatment of water-right restrictions, drought curtailments, and pending litigation over the supply agreement.

**Result:** Court upheld the EIR.

**Holding:**

- Substantial evidence supported the EIR's conclusion that water would be available. Historically purchasing less than contracted amounts did not establish unreliable supply.
- Monthly curtailment projections were unnecessary because the EIR adequately disclosed shared supply risks.
- Omitted place-of-use restrictions were harmless because the restricted water would not serve the project.

# *Comite Civico Del Valle v. County of Imperial* (2026) 122 Cal.App.5th 1171

*Certified for Partial Publication.*

*Affirmed in part, reversed in part and remanded with instructions*

**Project**: Geothermal power plant & lithium extraction facility near Salton Sea, County of Imperial

**Facts**:

- Project required 6,500 acre-feet of water annually from Imperial Irrigation District (IID).
- Petitioner argued: Insufficient evidence regarding adequate water supply from IID.
- Conflicting EIR info - showed 30-year water availability, insufficient for 50-year project lifespan.
- EIR mitigation measures, if future Colorado River water allocation to IID reduced, included using groundwater/recycled drain water and reducing production, were found to be infeasible.
- IID warned diverting water from agricultural uses to project reduced flows into Salton Sea, exposing more playa and worsening regional dust/air quality impacts.

**Result:** Fourth DCA overturned (in part) trial court's denial of petition.

**Holding:**

- Insufficient evidence in EIR supporting a reliable 50-year water supply for project lifespan.
- EIR inadequately analyzed likely scenario of future water shortages and air quality impacts.
- Proposed water supply mitigation measures lacked evidence of feasibility.
- Since future water shortages were reasonably foreseeable, EIR required to evaluate if mitigation feasible + analysis of impacts that mitigations themselves could create; EIR failed to do so.

**Practical Tip:** Lead agency cannot avoid analyzing a risk simply because exact timing or magnitude is uncertain when the risk itself is reasonably foreseeable.

# Litigation

# *Baker v. Bay Area Toll Authority* (2026) 120 Cal.App.5th 1254 ("Baker II")

**Project**: The Bay Lights 360—LED light art installation on the Bay Bridge



**Litigation Issue:** Issue Preclusion (aka Collateral Estoppel)

**Background:** Anti-LED light activist filed multiple CEQA lawsuits against LED light installation on Bay Bridge. The first was found untimely by the trial court and he did not appeal.

**Published Holding:**

- Petitioner could not relitigate timeliness issue in second lawsuit under doctrine of issue preclusion.

**Unpublished Holding:**

- The trial court correctly found the CEQA claim to be barred by the applicable statute of limitations.

**Post-Script**

- Through a joint motion filed by BATA, Caltrans, and BCDC in subsequent *Baker III* case, Mr. Baker has since been declared a vexatious litigant. His appeal of that ruling is pending.

# *Bair v. California Department of Transportation* (2026) 119 Cal.App.5th 579

**Project**: Improvements to Highway 101 through State Park



**Litigation Issue:** Claim Preclusion (aka Res Judicata)

**Background:** EIR was found deficient in *Lotus v. Department of Transportation* (2014) 223 Cal.App.4th 645 *("Lotus")*. Caltrans decertified, then recertified the EIR with an Addendum and reapproved Project. A similar group filed a second CEQA lawsuit was challenging the reapproval ("*Bair I*"), and prevailed on procedural grounds. Caltrans recirculated the EIR and Addendum with minor changes and reapproved once more. Petitioners filed this third lawsuit ("*Bair II*") but trial court found claims regarding subsequent adequacy of Addendum barred by claim preclusion, given failure to appeal discharge of *Lotus* and *Bair II* writs. Petitioners appealed.

**Holding:**

- Discharge of Lotus writ conclusively established Addendum's substantive adequacy, and that could not be relitigated in this case.

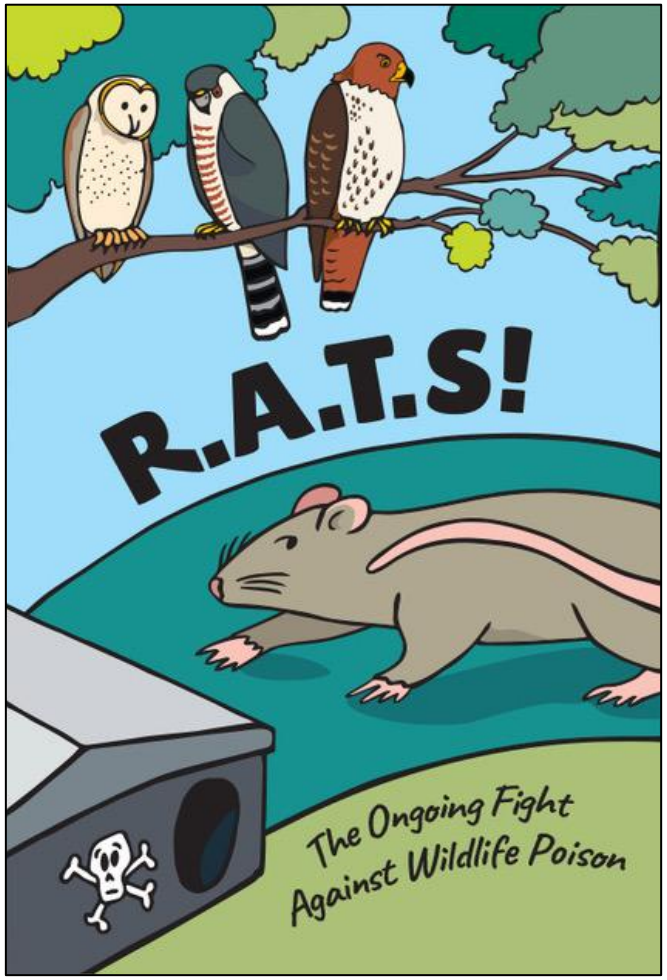
- Court of Appeal emphasized that CEQA is not intended to result in a never-ending battle. In the decade since Caltrans began work on the Addendum, it had never been found substantively flawed, and Plaintiffs chose not to appeal discharge of the writ.

*Raptors Are the Solution v. CropLife America* (2026) 120 Cal.App.5th 237

**Project**: Regulations governing rodenticides

**Litigation Issue:** Intervener liability for attorneys' fees

**Background:** In litigation over state agency's approval of rodenticide regulations, trade associations representing manufacturers of the rodenticides and other interested parties intervened to defend the approval. Though Department and trade associations prevailed in trial court, the ruling was reversed on appeal in an unpublished decision, and remanded to the trial court with instructions to issue a writ of mandate. Trial court did so, and awarded attorneys' fees to Petitioner—the prevailing party. Trial court ordered intervener trade associations jointly and severally liable for the fees. Trade associations appealed.




**Holdings:**

- Trade associations failed to show trial court's factual findings lacked merit, and had expressly claimed a substantial interest in the litigation when seeking intervention.
- Trade associations were "opposing parties" under CCP 1021.5 because they intervened to advocate for a position out of a direct interest in the litigation, rather than due to views about what is legally correct and beneficial to the public interest.

# *Make UC a Good Neighbor v. Regents of the University of California* (2025) 117 Cal.App.5th 282

**Project**: UC Berkeley's 2021 Long Range Development Plan and People's Park student housing project.

**Facts:**

- In Make UC I, the Court of Appeal ruled for Good Neighbor on two EIR issues: noise from student parties and alternative locations for People's Park.
- The Legislature enacted AB 1307 to abrogate both rulings, and the Supreme Court reversed (Make UC II, 2024), directing judgment for the Regents.
- Good Neighbor then sought about $1.17 million in fees under Code Civ. Proc. § 1021.5, arguing its rulings remained citable law for non-residential projects.

**Result:** Court of Appeal affirmed the denial of fees.

**Holding:**

- In order to be entitled to attorney's fees, claimant must be a "successful party," meaning the party to litigation that achieves its objectives" and "vindicate[s] the principle upon which [it] brought th[e] action."
- A party whose wins were abrogated by statute and reversed is not a "successful party"; the case ended with the opposite of the relief it sought.

# *Physicians for Social Responsibility–Los Angeles v. DTSC* (2026) 118 Cal.App.5th 1071

**Project**: DTSC's cleanup of the Santa Susana Field Laboratory, including Boeing's planned demolition of Area IV buildings.

**Facts:**

- Petitioners argued DTSC violated CEQA by not reviewing the demolition. They lost at trial and on appeal (2023), and the Supreme Court denied review: demolition of Boeing's own buildings was private activity, not a project.
- In 2023, DTSC's final EIR for the cleanup nonetheless analyzed the demolition as if it were part of the project.
- Petitioners then sought fees under Code Civ. Proc. § 1021.5 on a catalyst theory.

**Result:** Court of Appeal affirmed the denial of fees.

**Holding:**

- The catalyst theory is unavailable to a party that fully litigated and lost on the merits. An adverse final judgment settles that the suit lacked merit, so no "threat of victory" drove the agency.
- DTSC's voluntary, post-judgment expansion of its EIR did not make the losing petitioners "successful parties," even though they got the review they sought.

*Coalition of Pacificans for an Updated Plan v. City of Pacifica* (2025) 117 Cal.App.5th 647

**Project**: Eight-unit townhome project on a steep, landslide-prone 1.2-acre site in Pacifica, approved with a mitigated negative declaration.

**Facts:**

- The trial court found a fair argument of significant impacts (slope stability and erosion, wildlife, aesthetics, air quality) and required an EIR; the City and developer did not appeal.
- Court then awarded petitioners about $1.3 million in fees under Code Civ. Proc. § 1021.5, including a 1.5 multiplier, although the Housing Accountability Act's new fee provision disfavoring fees in cases where a local agency approves housing in good faith (Gov. Code, § 65589.5(p)(1)) took effect while the motion was pending.

**Result:** Court of Appeal reversed the fee award and remanded.

**Holding:**

- First published decision applying § 65589.5(p)(1): in suits challenging housing approvals, courts must give "due weight" to whether the approval furthered HAA policies, site suitability, and the reasonableness of the agency's action.
- The trial court erred by comparing eight units in the locality to the statewide housing shortage instead of Citywide numbers, and by finding Pacifica as a whole not "urban." The analysis must be local and site-specific.

# Non-CEQA Cases

# *Tulare Lake Basin Water Storage District v. Dept of Water Resources* (2025) 115 Cal.App.5th 342

**Project:** Preconstruction Geotech Work for Proposed Water Tunnel Project Under Delta

**Facts:**

- Pursuant to 2009 Sacramento-San Joaquin Delta Reform Act, opponents argued DWR couldn't perform geotech work for tunnel project before submitting certification demonstrating project consistent with California's Delta Management Plan.
- Geotech work-soil borings/groundwater monitoring-was to inform project design & mitigation.
- Per Trial Court, geotech work integral to project - a "covered action" under Delta Reform Act & concluded DWR must certify consistency before initiating project incl geotech work.
- Trial Court granted opponents' motions for preliminary injunction. DWR appealed.
- DWR later submitted limited certification; Delta Stewardship Council dismissed appeal due to lack of jurisdiction, concluding project's geotech work not a "covered action."

**Result**: Court of Appeal reversed Trial Court; upheld Council's dismissal.

**Holding:** CEQA's whole-of-an-action and anti-piecemealing concepts do not apply to Delta Reform Act's consistency process.

- Consistency certification occurs after project approval but before implementation, serving plan-consistency function rather than CEQA's informational function.
- Project's geotech work did not meet statutory criteria for "covered action," - no indication Legislature to incorporate CEQA concepts into Delta Reform Act.
- Delta Stewardship Council's interpretation received great deference as expert agency.

**Practice Tip:** Be cautious importing CEQA concepts into other statutory schemes— different regulatory frameworks have distinct purpose and may lead to different outcomes even when they involve same project.

# *New Commune DTLA v. City of Redondo Beach* (2025) 115 Cal.App.5th 111

**Project:** City of Redondo Beach Housing Element & Affordable Housing Provision

**Facts:**
- City used residential overlay on nonresidential sites to meet RHNA affordable housing obligations.
- Underlying zoning still allowed exclusively commercial/industrial development.
- City counted sites in affordable housing inventory even though housing not required.

**Claims:** Developer alleged City failed to identify sites realistically available for affordable housing and non-compliance with Housing Element Law.

**Result:** Court of Appeal reversed trial court and found two defects:
- Overlay zoning allowed nonresidential without housing, violating Gov. Code § 65583.2(h)(2).
- Lacked substantial evidence supermarket site realistically available for housing, given tenant veto rights over parking changes.

**Holding:**
- RHNA sites for affordable housing must be designated exclusively residential & support required minimum densities (≥20 du/ac).
- Because developers could build no housing, sites did not satisfy Housing Element Law.

**Practical Implications**
- Signals stricter judicial scrutiny of Housing Element compliance, even if HCD previously approved.
- Raises questions about other Housing Elements relying on similar residential-overlay approaches.
- Cities should reassess RHNA inventories / redevelopment assumptions to reduce litigation risk.

*CONTINUED:*

*New Commune DTLA v. City of Redondo Beach* (2026) 115 Cal.App.5th 99

**Project:** City of Redondo Beach, HAA Builder's Remedy

**Facts:**

- Developer's 30-unit coastal housing project, incl 6 affordable units, under HAA builder's remedy.
- Site in Coastal Commercial Zone & housing prohibited under certified Local Coastal Program (LCP)

**Claim: D**eveloper argued HAA builder's remedy required approval despite inconsistency with LCP.

**Result:** Court upheld the City's denial and affirmed the judgment.

**Holding:**

- HAA Builder's Remedy **does not** override Coastal Act.
- Cities cannot approve residential uses prohibited by a certified LCP without Coastal Commission-approved LCP amendments.

**Practice Tip:**

- HAA Builder's remedy projects in coastal zone remain subject to Coastal Act / LCP requirements.
- Coastal Commission oversight remains a significant constraint on coastal housing development.

# Legislative Updates – CEQA

## Assembly Bill 1699

## (2026)

**AB 1699: California Good Fire Act, Effective September 2026**

**Permanent claims fund:** Extends financial protection for qualifying prescribed and cultural burns, with payments capped at $2 million per burn event, subject to program rules and available funds.

**Streamlined approvals:** Simplifies burn-plan approval and updates burn-boss certification requirements.

**Limited CEQA exemption:** Exempts qualifying CAL FIRE assistance actions for prescribed-fire and cultural-burning projects when those actions would otherwise require CEQA review.

**Operational flexibility:** Allows certain inspection and precaution modifications and supports more localized burn suspensions.

**CEQA takeaway:** Exemption applies to qualifying CAL FIRE assistance actions—not all prescribed burns or associated projects. Other CEQA, permitting, safety requirements may still apply.

## Senate Bill 1085

## (2026)

**SB 1085: Water Supply Planning for Housing Projects, Effective September 2026**

**Purpose:** Ensure adequate water supplies are evaluated for new housing developments.

**Water Supply Assessments (WSAs):** Restores requirements to evaluate water availability and long-term supply reliability for qualifying housing projects.

**Faster Timelines:** Cities and counties must request assessments within 15 days; qualifying projects receive a 45-day assessment deadline.

**Accountability:** Local governments can compel water systems to submit overdue assessments.

**Impact:** Strengthens water supply planning while supporting housing development approvals.

## Assembly Bill 2234 (2026)

**AB 2234: Geothermal Exploratory Projects, Signed September 2026**

**Updated definition:** Includes equipment and activities needed to establish interconnectivity between wells and reservoirs.

**Project limits:** Retains the six-well maximum and the requirement that the project's chief and original purpose be evaluating geothermal resources before field development.

**Well separation:** Clarifies that the half-mile separation from commercial geothermal development wells applies along the entire well course, including the wellhead and bottom.

**CEQA takeaway:** Changes the exploratory-project definition. Creates no general CEQA exemption or separate pilot-project category.

## Senate Bill 887 (2026)

**SB 887: Data Centers and Geothermal Powerplants, Signed September 2026**

**Environmental review:** Applies CEQA to covered data-center entitlements and bars categorical exemptions, subject to specified facility exclusions.

**Conditional streamlining:** Allows qualifying data centers and geothermal powerplants to seek Governor certification as environmental leadership development projects.

**Data-center requirements:** Include four hours of zero-carbon energy storage at full forecast peak demand, efficient water use, payment of grid costs, and enforceable community benefits agreements.

**Electricity standards:** Requires qualifying data centers to meet hourly electricity needs with 100% zero-carbon resources within five years, with 75% newly developed.

**CEQA takeaway:** Streamlining depends on meeting statutory requirements and obtaining certification.

## Senate Bill 344 (2026)

**SB 344: Midway Rising, San Diego, Signed September 2026**

**Project-specific treatment:** Deems the specified Midway Rising EIR sufficient, adequate, and complete for CEQA compliance. Project approvals may rely conclusively on that report.

**Continuing obligations:** Makes adopted mitigation measures enforceable conditions of approval, with monitoring and enforcement throughout each applicable obligation.

Reporting: Requires annual applicant reports on mitigation implementation.

**CEQA takeaway:** Provides certainty for the specified EIR while retaining mitigation, monitoring, and reporting obligations.

## Senate Bill 958 (2026)

**SB 958: Environmental Impacts of Building Height, Effective September 2026**

**Significance standard:** Specified effects associated with increased building height alone are not significant under CEQA when all statutory conditions apply.

**Covered effects:** Include air circulation, noise and light refraction or reflection, shadows, and the potential to attract wildlife.

**Eligibility:** Requires use and density analyzed in a certified EIR, a previously graded infill site, no sensitive biological resources physically onsite, nonindustrial use, and consistency with local airport land use plans.

**CEQA takeaway:** Limits significance findings for qualifying height-related effects. Other project impacts and applicable local height restrictions still require consideration.

# Legislative Updates – Housing, Density Bonus, and Planning and Zoning

# 2026 Housing and Planning Bills

**AB 2433: Density bonus.** Clarifies that density bonuses, incentives, concessions, and waivers are not discretionary and need no general plan amendment, rezoning, or CEQA review. Adds two incentives or concessions for qualifying for-sale projects and lets applicants with a base density study take the bonus as added floor area.

**AB 1751: Missing Middle Townhome Ownership Act.** Creates a ministerial, CEQA-exempt approval pathway for townhome projects of up to 150 units on multifamily-zoned and underutilized single-family sites. Projects must be three-story townhomes averaging 1,750 square feet or less, and those with 11 or more units must reserve 10% for lower-income households.

**AB 2074: Regional transit hub districts and downtown housing.** Requires cities over 400,000 with multiple transit-oriented stops, including San Jose, to designate regional transit hub districts by July 1, 2027. Hubs allow 150-foot heights (450+ feet in 25% of the hub) and 200+ units per acre, with streamlined approval for housing that meets labor standards.

**AB 2601: Housing and subdivision processing.** Allows a project of up to two homes in a single-family zone to be processed concurrently with its urban lot split parcel map. Related SB 9 and SB 684/SB 1123 building permit applications may likewise proceed in parallel with subdivision applications.

**SB 677: Housing financing and related approvals.** Allows the State Treasurer approve bonds for rental housing when a member city of a joint powers authority declines to act. Also prohibits appeals of subdivision maps for urban infill housing projects that meet specified site criteria.

**SB 1014: Estimates of required improvements.** Allows applicants request an early, non-binding estimate of the on- and off-site improvements a city, county, or other agency will require. The agency then may not add unlisted improvements to postentitlement permits unless it makes health and safety findings, the project changes, or CEQA requires them.

**SB 1116: Starter Home Revitalization Act.** Expands the Act by removing the 5-acre cap on multifamily lots, adopting AB 130's urban infill criteria, and replacing the 66% minimum density with a site test (zoning allowing 15 or fewer units). Also allows lots as small as 480 square feet, sets a 60-day final map deadline, and voids most CC&Rs that block projects.

**SB 1117: ADU impact fees.** For up to two ADUs on a lot, impact fees on an ADU over 750 square feet may be charged only on the space above 750 square feet. Fees remain proportional to the primary dwelling's size, and lots with more than two ADUs stay under the existing rule.

# Legislative Updates – Sustainable Community Strategies

# Senate Bill 1087 (2026)

**SB 1087: Sustainable Communities Strategies**

**Purpose:** Modifies standards for regional transportation plan/sustainable communities strategy (SCS).

**Key Features**

**Longer cycle:** SCS must be updated every 8 years with a progress after 4 years, instead of requiring a new SCS every 4 years.

**Updated GHG reduction targets:** CARB must hold technical workshops then provide each region with GHG reduction targets for 2035 and 2045 to be used in SCS process.

**Direct funds to SCS-compliant projects:** Public Transportation Funds within a metropolitan planning organization region can only go to projects that are consistent with applicable SCS.

**No CEQA changes:** Does not affect CEQA required for SCS updates or CEQA streamlining/exemption provisions applicable to SCS-consistent projects.

# Legislative Updates – Coastal Resources and Permitting

Assembly Bill 2051

(2026)

**AB 2051: Coastal Resilience Permitting Working Group**

**Very Timely, given Coastal Jurisdictions facing Winter 2026 Super El Nino Impacts!**

**Purpose:** Streamlines permitting for urgent coastal resilience projects addressing sea-level rise and coastal flooding.

**Key Points:**

- Creates a state-led working group to improve coordination among permitting agencies.
- Develops a roadmap to reduce permitting delays and improve project delivery.
- Establishes an advisory group by **April 1, 2027**.
- Requires a permitting roadmap by **July 1, 2028**.

**Why It Matters:** Speeds up shoreline protection and climate adaptation projects, supports coastal communities and infrastructure, and maintains existing environmental safeguards.

**Bottom Line:** AB 2051 anticipated to improve permitting coordination and predictability to accelerate urgent coastal resilience projects, while preserving environmental protections.

## Assembly Bill 1740 (2026)

**AB 1740: Santa Monica Local Coastal Program & Complete Streets Conversions**

**LCP Submittal:** Proposed by Santa Monica's assemblymember (Zbur) to require the City to prepare and submit a LCP to the Coastal Commission by January 1, 2029.

**Expedited Commission Review:** Coastal Commission put on a timetable to review and approve LCP.

**Streamlined Multimodal Transit Conversions:** Streamlines some "complete streets" conversions (e.g., implementing bicycle lanes on roadways). Not limited to Santa Monica.

## Senate Bill 963 (2026)

**SB 963: Sets timeline for de novo Coastal Commission appeals**

**Existing law:** De novo appeals of local government issuance of coastal development permit to the Coastal Commission typically take 6-8 months to resolve, but there is no mandated timeline.

**This bill:** Mandates the Coastal Commission act on de novo appeal within 6 months of receiving required information from applicant.

# Legislative Updates – Proposition 45

# Building an Affordable California Act (BACA)- Prop 45

*Statewide initiative sponsored by California Chamber of Commerce*

## Proposed CEQA Amendments for Essential Projects

**Background:** Proposes to amend CEQA to establish a voluntary, streamlined environmental review pathway for designated "essential projects," such as Housing, Clean Energy, Water & Wildfire Safety, Public Facilities &Transportation, Medical Facilities, and Educational Facilities

**Streamlining Provisions for Agency Review Include:**

**Application completeness**

- 30 days to decide, or the application is deemed complete; incompleteness limited to a pre-existing checklist and one exhaustive list (§ 21017(a)-(b))
- 90 days for applicant to respond; 30-day re-review limited to the original list; appeal decided in 60 days or deemed complete (§ 21017(c)-(d))

**Decision deadlines**

- Track chosen within 30 days; then 365 days (EIR), 180 (ND/MND), 90 (exemption); applicant may extend (§§ 21018-21019)
- Missed deadline: forced hearing and decision in 60 days, plus a ministerial-duty suit. No deemed approval (my read) (§ 21020)

**Vesting and significance standards**

- Review for significant impacts conducted under “existing laws” at submittal, including statutes, regulations, rules, standards, or ordinances in affect on date of application; applicant may opt into routinely used thresholds or waive (§§ 21022, 21028(r))
- Exceptions: specific life-safety findings and Building Code updates (§ 21028(r)(2)-(3))

**Public comment**

- 20 days (ND/MND), 45 days (EIR); no extensions except by a court (§ 21021(a)-(c))
- Record limited to timely comments, narrow late comments, and oral testimony (§ 21021(d))

**Tribal consultation**

- New early screening (20-day records search, then meet and confer); AB 52 consultation continues unshortened (§ 21016(b)-(c))

# Building an Affordable California Act (BACA)- Prop 45

*Statewide initiative sponsored by California Chamber of Commerce*

## Proposed CEQA Amendments for Essential Projects

**<u>Streamlining Provisions to Judicial Review Include</u>:**

**Streamlined alternatives**
- Optional for Applicant, if chosen, requires pre-application notice, two meetings, 60-day scoping (§§ 21024-21025)
- EIR analyzes only the project, one applicant alternative, and no project (§ 21025(b))

**Timelines**
- File within 30 days of notice of determination or exemption (§ 21027(a))
- Finish within 270 days including appeals; one court extension of up to 90 days (§ 21027(a))

**Objective standards**
- Third-party claims limited to noncompliance with "objective existing laws" (§ 21026(b))
- No claims based on subjective or unpublished standards

**Standard of review**
- Substantial evidence on the whole record; public participation claims need prejudicial error (§ 21026(c))

**Remedies and finality**
- Writ limited to the affected part (i.e. "fix it ticket"); no rescission; injunction only for unmitigable public safety impacts (§ 21027(c), (e))
- Later approvals and minor modifications largely insulated (§ 21027(d))

**Other Key Provisions**
- **Fullest possible weight:** Measure is to be read to give approval of essential projects "the fullest possible weight" (§ 21029(a))
- **Labor:** Housing prevailing wage only above 85 feet; other essential projects meet § 21183.5 standards (§§ 21015(c)-(d), 21028)