



AB 130 and SB 131 CEQA Reforms and Housing Streamlining

Housing Acceleration Program - Technical Assistance

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Our Presenters



Gabrielle Janssens
Goldfarb & Lipman



Barbara Kautz
Goldfarb & Lipman



Chad Beckstrom
Ascent

Agenda



Welcome and Introductions



Legislative Overview



CEQA Urban Infill Exemption



“Near Miss” CEQA Analysis



Other CEQA Updates



Housing Law Updates



Q&A and Conclusion

Legislative Overview

AB 130 and SB 131

- Part of 2025–26 budget trailer bills
- Signed June 30, 2025 – effective July 1, 2025
- CEQA Reforms
 - Urban Infill Exemption
 - “Near Miss”
 - Housing Element Rezone Exemption
 - Other Exemptions
- Other changes to housing laws

California Environmental Quality Act (CEQA) Urban Infill Exemption

Urban Infill Exemption

- New statutory CEQA exemption for qualifying housing projects
 - covers housing and related permits and public improvements
- Applies to housing development projects (residential, mixed-use with majority residential, transitional/supportive housing, farmworker housing)
- Offers broader eligibility and fewer barriers than the traditional Class 32 exemption
 - removes 'unusual circumstances' exception

Qualifications

- **Housing development project**
- **Project size:** up to 20 acres (or 5 acres for “builder’s remedy” projects)
- **Infill site**
 - Previously developed; 75% perimeter developed with urban uses; 75% area within ¼ mile of developed urban uses, or at least three of four sides developed with urban uses
- **Within incorporated municipality or U.S. Census urban area**
- **Consistent with general plan and zoning** (density bonus or builder’s remedy doesn’t make inconsistent)

Qualifications

- **Density** at least 50% of the Housing Element default density (10 or 15 du/a in San Diego region)
- **No transient lodging** (hotels, motels, etc.) if “deemed complete” after 1/1/25
- **No demolition of historic structures** placed on register before preliminary application
- Public Resources Code 21080.66

SB 35 Required Qualifications

- **Not allowed in:**
 - Certain areas of coastal zone
 - Prime farmland
 - Wetlands, habitat for protected species, conservation easement, natural resources protection plan
- **Allowed if mitigated** (need evidence of required mitigation):
 - Very high fire hazard zone
 - Hazmat site
 - Alquist-Priolo earthquake fault zone
 - Flood hazard area and floodway
- Gov Code 65913(a)(6)

Additional Required Conditions

- Labor Requirements for 100% lower income projects and buildings greater than 85 ft
- Proximity to freeway (500 ft): certain HVAC requirements and no freeway facing balconies
- Phase I and II studies and if necessary, remediation
- Certain requirements for tribal consultation

Timeline for Tribal Notification and Consultation

Timeline	Required Actions and Details
Within 14 days of: <ul style="list-style-type: none">• “notification” (before 7/1/26), OR• “deemed compete” (7/1/26 or later)	Notify Tribes
60 days from formal notification	Tribes must respond
Within 14 days of tribal acceptance	Initiate consultation
45 days from consultation initiation (plus optional 15-day extension)	Conclude consultation
Within 30 days from conclusion of consultation	Make decision on project

Public Resources Code 21080.66

Tribal Consultation

- Does not require that an agreement be reached
 - Specific conditions of approval must be attached unless both tribe and project proponent agree that conditions can be eliminated
 - Any agreement beyond these conditions must be agreed to by tribe, local government, and project proponent
 - No specific restrictions on additional conditions

Where Previous Housing Streamlining Falls Short

- Class 32 Categorical Exemption
- Article 12.5 Infill Exemption (Section 15195)
- Community Plan/Zoning Streamlining (Section 15183)
- Streamlining for Infill Projects (Section 15183.3)
- SB 375 Sustainable Communities Streamlining
- SB 35 Ministerial Process

How AB 130 Differs from Previous Approaches

- Fundamental Departure
- Full Statutory Exemption
- Broader Applicability
- Simplified Criteria

Practice Implications

- More Exemptions
- Fewer NDs/MNDs and EIRs
- Accelerated Processing
- Some Documentation Requirements Remain

Best Practices for Implementation

- Show Your Work!
- Decision-Making Framework and Tool
- Notice of Exemption Filing
- Follow Tribal Consultation Requirements
- Staff Training and Process Development

Decision Tool Worksheet

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AB 130 INFILL HOUSING EXEMPTION WORKSHEET

Decision-Assistance Tool for Determining Project Eligibility

REQUIREMENTS	APPLICABILITY	YES	NO
Site Considerations			
Site Size: 20-acre maximum; 5-acre maximum for Builder's Remedy projects	Is the site 20 acres or less?		
	If the project is subject to Builder's Remedy, is the site 5 acres or less?		
Urban Area Existing and Surrounding Uses	Is the project located within the boundaries of an incorporated municipality or in an "urban area" as defined by the US Census Bureau? Tip: Check the US Census website: www.census.gov/programs-surveys/geography/guidance/geo-areas/urban-rural.html		
	Is the site currently developed or was it previously developed with an urban use?		
	If not, does the site meet the following criteria? <ul style="list-style-type: none">At least 75% of the perimeter of the site adjoins parcels that are developed with urban usesAt least 75% of the area within a one-quarter mile radius of the site is developed with urban usesFor sites with four sides, at least three sides are developed with urban uses and at least two-thirds of the perimeter of the site adjoins parcels that are developed with urban uses		
Consistency with General Plan and Zoning	Is the project consistent with the general plan and zoning?		
	If the site is not consistent with both, is it consistent with one or the other?		
Coastal Zone	Is the project in a coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code? Tip: Check Division 20 of the PRC: www.coastal.ca.gov/coastact.pdf		
Proximity to Freeways	Is the site within 500 feet of a freeway?		
	If so, does the project include HVAC and air filter systems and avoid balconies facing the freeway?		
Project Considerations			
Minimum Density	Is the project consistent with the following density deemed appropriate to accommodate lower-income households—at least half of the following: <ul style="list-style-type: none">30 du/ac in metropolitan counties20 du/ac in suburban jurisdictions10-15 du/ac in non-metropolitan counties		

Decision-Assistance Tool for Determining Project Eligibility

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REQUIREMENTS	APPLICABILITY	YES	NO
Wage Requirements	Does the project comply with the following wage requirements? <ul style="list-style-type: none">NA if the project is less than 100% affordable and shorter than 85 feet in heightIf the project is 100% affordable, prevailing wage must be paidIf the project is above 85 feet tall, prevailing wage must be paid and "skilled and trained" workforce must be used		
Hotel and Motel Projects	Is the project a hotel or motel? Note: Transient lodging uses are not eligible for the exemption unless their application was deemed complete by January 1, 2025.		
Environmental Considerations			
Phase I Environmental Assessment	Has a Phase I ESA or Preliminary Endangerment Assessment been completed? Tip: Search the Cortese List: calepa.ca.gov/sitcleanup/corteseelist/section-65962-5a		
	If so, will remedial action address any concerns?		
Tribal Consultation	Has tribal consultation been initiated?		
	Have tribal concerns been addressed?		
Farmland	Does the site contain prime farmland or farmland of statewide importance, as defined pursuant to US Department of Agriculture land inventory and monitoring criteria? Tip: Check for important Farmland: www.conservation.ca.gov/drip/tmmp		
Wetlands	Does the project have any wetlands as defined in the US Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993)? Tip: Check the following resources for an initial screening: www.fws.gov/program/national-wetlands-inventory/wetlands-mapper , www.usgs.gov/national-hydrography/national-hydrography-dataset , and www.ecoatlas.org . Should suspected wetlands be present, a qualified wetland ecologist should visit the site to determine if wetlands are present.		
Fire Hazards	Is the project located in a very high fire hazard severity zone, as determined by the California Department of Forestry and Fire Protection (CAL FIRE) pursuant to Section 51176, or in a high or very high fire hazard severity zone as indicated on maps adopted by CAL FIRE pursuant to Section 4202 of the Public Resources Code? Tip: Check for fire-hazard severity zones: osfm.fire.ca.gov/what-we-do/community-wildfire-preparedness-and-mitigation/fire-hazard-severity-zones		

Decision-Assistance Tool for Determining Project Eligibility

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REQUIREMENTS	APPLICABILITY	YES	NO
Hazardous Wastes	Is the site a hazardous waste site that is listed pursuant to Section 65962.5 or a or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code? Tip: Search the Cortese List: calepa.ca.gov/sitcleanup/corteseelist/section-65962-5a		
	If the site is listed, has the Department of Toxic Substances Control cleared the site for residential or residential mixed use?		
Earthquake Fault Zone	Is the site in a delineated earthquake fault zone as determined by the State Geologist on any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2? Tip: Check the California Department of Conservation Alquist-Priolo Fault Hazard Zone Maps: maps.cnr.ca.gov/open-data/arcgis.com/datasets/cadoc:cgis:seismic-hazards-program-alquist-priolo-fault-hazard-zones/about		
Flood Zones	Is the project located in a 100-year flood zone or regulatory floodway as determined by the Federal Emergency Management Agency? Tip: Check flood zone maps: msc.fema.gov/portal/home#?text=About%20Flood%20Map%20Service%20Centerfor%20better%20understanding%20of%20flood%20risk		
Historic Resources	Does the site include historical structures listed on a national, state, or local historic register before the project's preliminary application was submitted that will be demolished or otherwise adversely affected? Tip: Consult local agency registers and check for listed historical resources: ohp.parks.ca.gov/ListedResources		
Conservation Lands	Does the site contain lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 USC Section 1531 et seq.), or other adopted natural resource protection plan?		
Habitat for Protected Species	Does the project site contain habitat for special-status species? Tip: Run a CNDDB search www.wildlife.ca.gov/Data/CNDDB/Maps-and-Data Should suspected habitat be present, a qualified biologist should visit the site to determine if habitat is present.		
Conservation Easements	Does the site contain land under a conservation easement?		

Decision-Assistance Tool for Determining Project Eligibility

03

Questions?

“Near Miss” CEQA Analysis

“Near Miss” Analysis

- Housing development projects that **almost** qualify for an exemption (Statutory exemptions; Classes 1-5, 12, 15, 20, 27, 30, and 32), but for a **single** condition (physical or regulatory feature of project or setting or an effect on the environment)
- Focused CEQA Review (Initial Study, Negative Declaration, or EIR):
 - Only address the single condition that makes housing development project ineligible for exemption
 - Does not require analysis of alternatives or growth inducing impacts
- Public Resources Code 21080.1

Potential Single Condition Scenarios

- Size and Scale Exceedances
- Regulatory Inconsistencies
- Environmental Threshold Triggers
- Other Project Eligibility Limitations

Implementation Uncertainties

- Quantitative boundaries
- Evaluation of impacts from the single “condition”
 - Site thresholds, project features
 - Environmental thresholds
 - Other thresholds
- Cumulative considerations
- Determining scope of analysis

Implications for Housing Development

- Advantages for Lead Agencies
 - Resource Efficiency
 - Clear Decision Framework
 - Housing Production Goals
- Benefits for Project Proponents
 - Accelerated Timelines
 - Cost Reductions
 - Design Flexibility
 - Reduced Scope for Challenges

Implementation Best Practices

- Develop standardized procedures
- Establish clear criteria for qualifying projects
- Create templates
- Document conformance with applicable criteria
- Pre-filing consultation with applicant
- Focused technical studies
- Coordinate with legal counsel
- Use in tandem with AB 130 (Infill Exemption)

Questions?

Other CEQA Updates

Housing Element Rezoning Exemption

- Exempts rezoning that implements the schedule of actions in an approved housing element
 - Does not apply if rezoning allows:
 - Construction of a distribution center or oil and gas infrastructure
 - Construction to occur within boundaries of natural and protected lands, except may include prime agricultural land
 - May exclude portions of site containing natural and protected lands from rezoning. Later rezoning of these areas is not exempt from CEQA.
- Public Resources Code 21080.

Other Exemptions

- Large-Scale Infrastructure & Manufacturing Exemptions
- Public Health & Community Spaces Exemptions
- Environmental & Agricultural Exemptions

Other CEQA Changes

- Revisions to administrative record preparation requirements for CEQA litigation
- Infill guidance to be updated every two years starting 1/1/27 (Public Resources Code 21094.5.5)
- Potential chaptering issue with new VMT mitigation provisions

Housing Law Updates

Housing Law Updates

- **Permit Streamlining Act:**
 - **Definition of “Development Project”** now includes ministerial housing development projects
 - Does not include ministerial projects that are not housing development projects
 - Does not include post entitlement permits
 - **New Timelines**
 - Ministerial projects must be approved or disapproved within 60 days of a “complete application”
 - CEQA infill exemption projects must be approved or disapproved within 30 days from conclusion of tribal consultation
 - **Changes to SB 35 Processing**

Housing Law Updates

- Homeless Shelters:
 - Inspections and Reporting
 - Posting Information
- Residential Building Standards Frozen
- Locking in Model Home Standards
- Restrictions on Coastal Commission Appeals

Housing Law Updates

- Sunsets Repealed
 - Housing Accountability Act
 - Housing Crisis Act
 - Permit Streamlining Act
 - Five-hearing limit; application checklist; and preliminary application requirements
 - Starter Home Revitalization Act
- Affordable Housing on Faith and Higher Education Lands (SB 4)
- Starter Home Revitalization Act (SB 684)
- Accessory Dwelling Units (ADUs)

RHNA Methodology Enforcement by HCD

- Regional governments must follow HCD direction and obtain approval of RHNA methodology
- **Old rule:** If HCD found the methodology inconsistent, the COG could still adopt it with written findings.
- **New rule (AB 130):** If HCD rejects the draft, the COG must revise it in consultation with HCD within 45 days.
- Final methodology requires HCD acceptance.

Questions?

Reminders and Conclusion

Upcoming TA

- Local Staffing Assistance
- Ongoing Legislation Tracking
 - Webinar
 - Final List of Bills
- Next Webinar: Current Planning Topics

Submit TA Requests to:

Housing@SANDAG.org

Sign Up for Email Updates

Stay in the loop with upcoming events and new resources



<https://forms.office.com/g/AKNR2TzbfD>

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Connect with SANDAG's HAP TA Team

➤ **Project website:** sandag.org/housing

✉ **Local Staffing Assistance Requests**
Email: Housing@SANDAG.org

👤 **Contact SANDAG**
Email: carrie.simmons@sandag.org
Phone: (619) 837-6503

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