

MIDCOAST COMMUNITY PRESENTATION

San Mateo County Local Coastal Program Policy 1.23 Amendment

Consideration of an amendment to Local Coastal Program Policy 1.23 d.(2), which allows for issuance of more than 40 annual residential building permits for **affordable housing projects**, if the growth rate average over a three-year period, including the year of building permit issuance and the following two years, does not exceed 40 units/year.

Bharat Singh

Planning Services Manager

June 30, 2026

PLANNING AND BUILDING DEPARTMENT

COUNTY_{OF} SAN MATEO



MIDCOAST COMMUNITY PRESENTATION

Agenda

1. Introduction & Background
2. Waitlist Process
3. LCP Amendment Alternatives
4. Q&A
5. Public Input on Alternative preference
6. Adjourn

PLANNING AND BUILDING DEPARTMENT

COUNTY_{OF} **SAN MATEO**



Background

Original

LCP limit set at 125 units per year for Urban MidCoast

2006

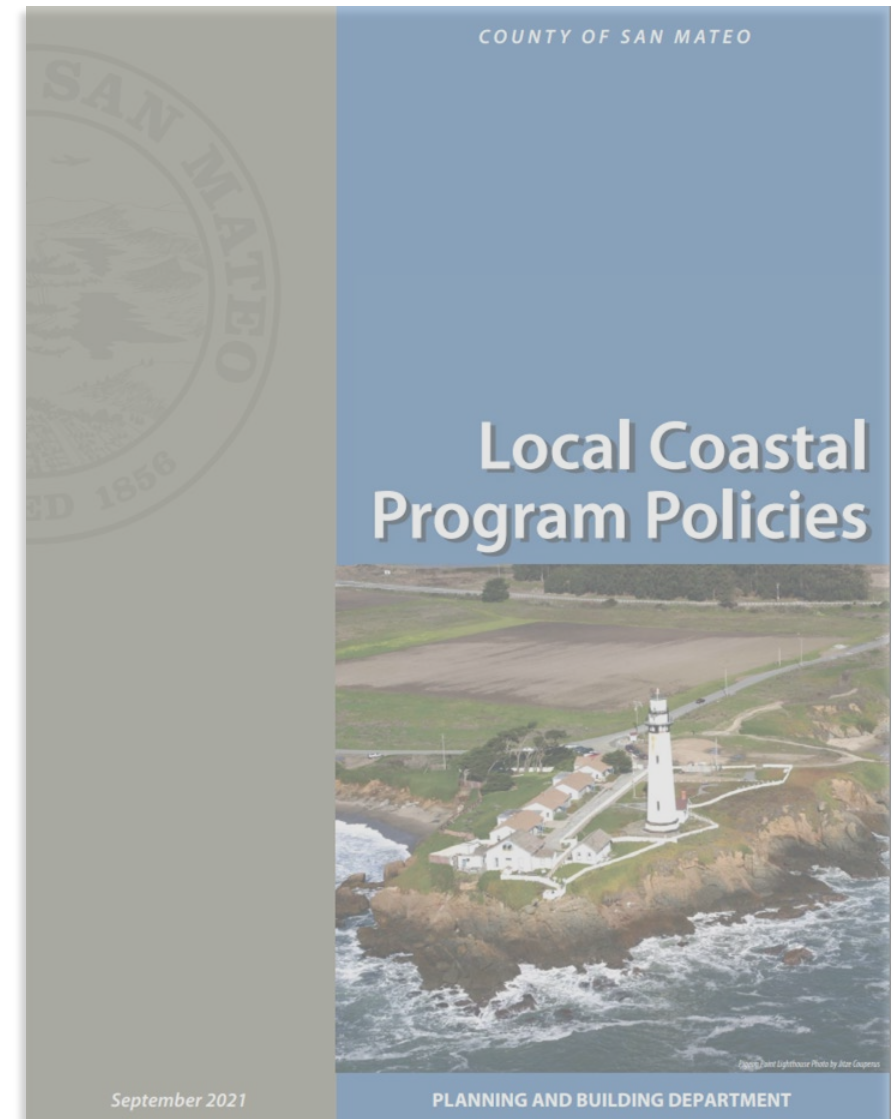
Reduced to 75 units per year (growth of 2% per year)

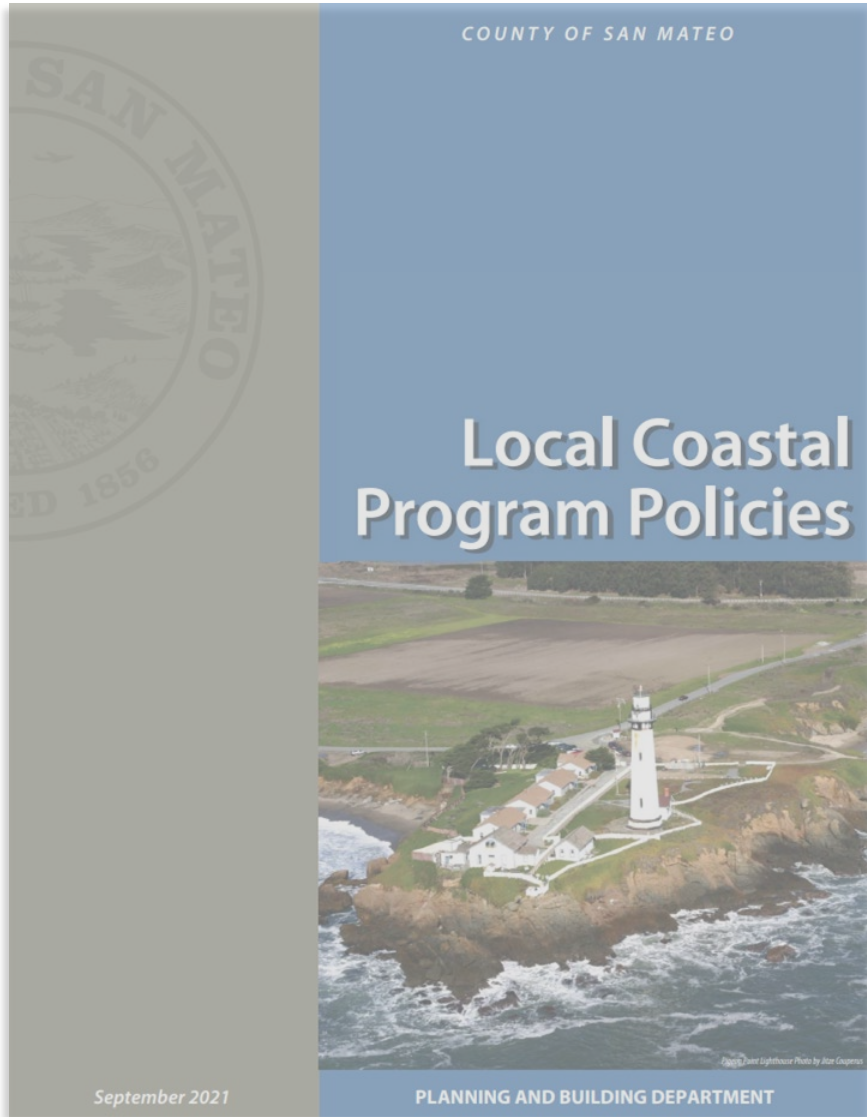
2009

Further reduced to 40 units per year (growth of 1% per year – in line with Half Moon Bay's Housing Cap)

Key Drivers for Reduction

- Traffic congestion on coastal routes
- Wastewater system failures
- Water supply constraints
- Alignment with Half Moon Bay growth rate





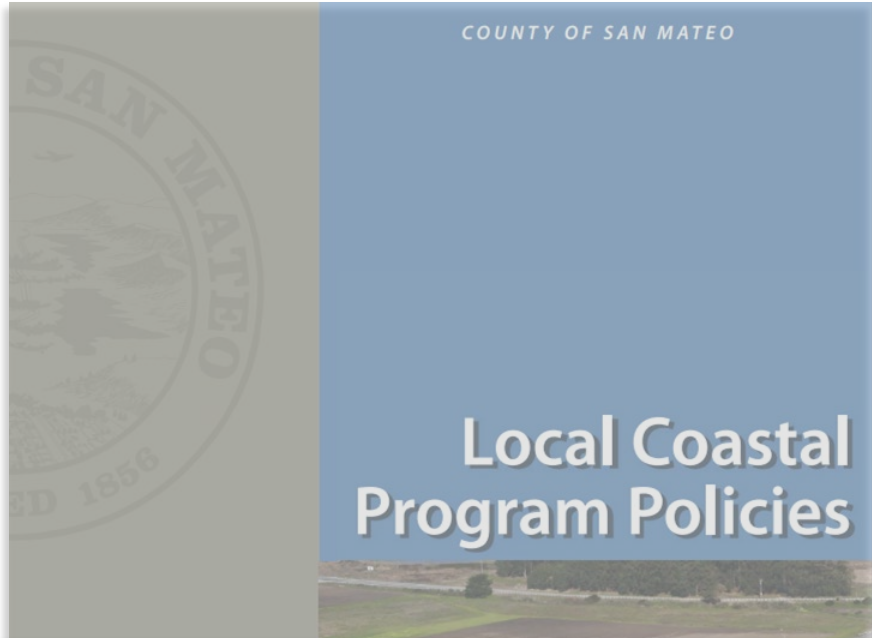
Background

The 40-unit annual limit remains in effect until:

- 1 Transportation Management plan adopted (LCP Policy 2.53)
- 2 Stormwater and sewage facilities improved
- 3 Growth rate changed via LCP amendment

Affordable Housing Flexibility

Affordable housing and second units may exceed the 40-unit cap if the 3-year rolling average does not exceed 40 units per year.

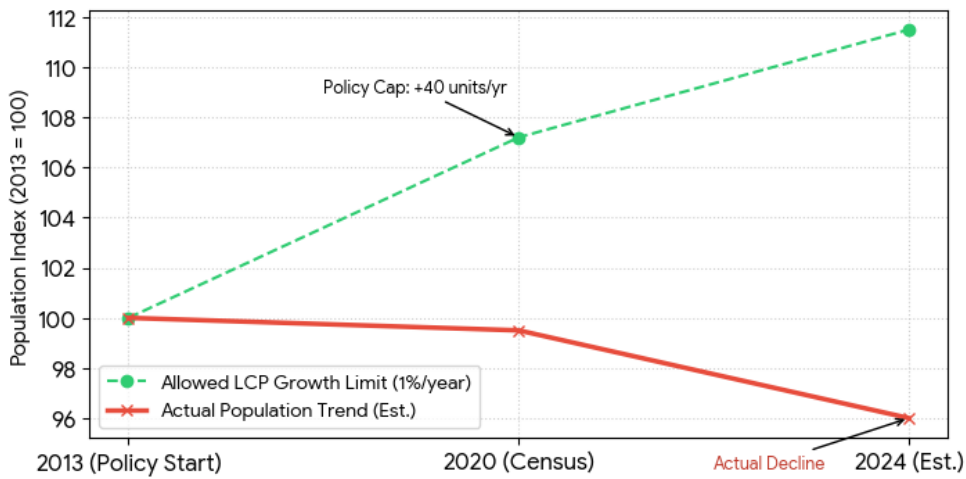


Background – Actual growth in the Urban Mid Coast

- Since the 40 units/year Cap, *the population of the Urban MidCoast has declined or is mostly flat*
- Regular residential permits issued since 2013 *has never reached 1% annual growth.*

Community [8]	Recent Annual Trend (Est.)	Context
El Granada	Declining (~ - 0.35%)	Population has dropped significantly from the 2020 Census count of ~6,069.
Moss Beach	Declining (~ - 0.23%)	Estimates show a decrease of over 12% since 2020.
Montara	Flat / Slight Fluctuation	Population has remained relatively stable, with minor fluctuations (estimates show ~2,900 residents).

Urban Midcoast: Allowed Growth vs. Actual Trend



	DECADE		
	2000 – 2010	2010 – 2020	2020 – 2026
Permit Cap	120 ~75 units/year	75~40 units/year	40 units/year
Average Annual Population Growth Rate	+0.8% to +1.2%	+0.1% to +0.3%	-0.2% to -0.4%



Key Issues

Limit Exceeded in 2025

- 71-unit Cypress Point Affordable Housing project approved in 2025
- County issued a total of 102 building permits in 2025.
- Department is now limited to issuing building permits to just 18 new units for 2026 & 2027.
- **More than 18 application in process at this time**
- **Department has stopped accepting new unit building permits for 2026**



Resulting Challenges

- Likely rush to submit building permit applications on January 1, 2028
- Cascading overflow of permit applications will hit the cap for 2028 through 2031
 - ***State required County to revisit Cap as per Housing Element (Policy 11.6) in 2027***

Housing Element Policy 11.6

Program HE 11.6 Monitoring and Assessment of Urban Midcoast Permit Limit.

Monitor the annual issuance of permits for residential development in the County's Urban Midcoast, and ***if the 40-unit limit on annual permit issuance poses a constraint to development during the Housing Element Period, amend the limit to allow additional permit issuance.***

Lead: Planning and Building Department, Department of Housing Implementation

Target: Ongoing assessment of permit issuance in the Urban Midcoast throughout the Housing Element period, 2023-2031. ***If the limit is reached in any year of the period***, draft amendments to raise the limit by at least 50% for local adoption and presentation to the California Coastal Commission ***within one calendar year.***

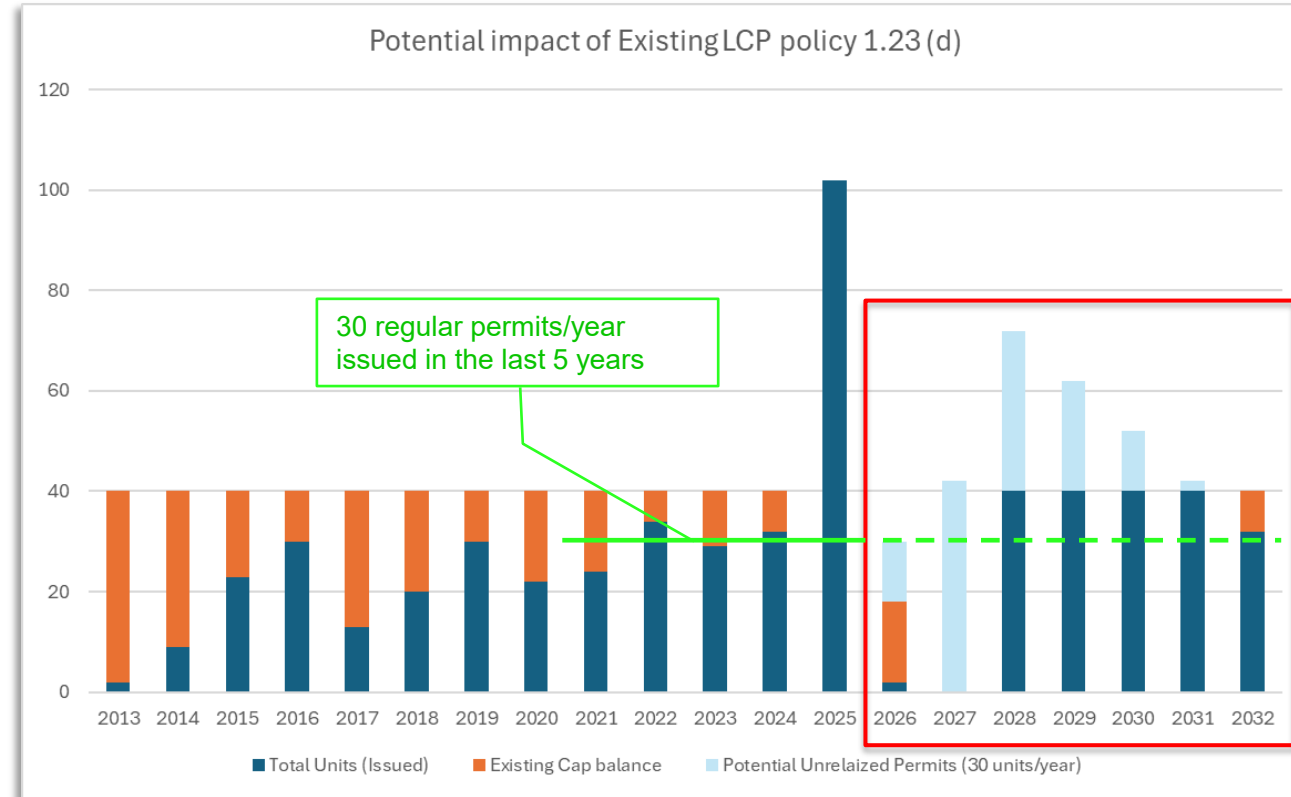
The State HCD required County to add this policy as part of their certification review

Key Issues – Cascading Overflow of Permits Requests

- Since 2019 an average of 29-30 residential permits are issued per year
- By Jan 1, 2028, a potential 42 permits will be in queue
- Optimistically the 42 permits will cause a backlog until 2031 based on an annual demand of 30 permits/year.

Year	Total Units (Issued)	Cap balance	Affordable Units	ADUs	JADUs	Other (SFR, Apts, Etc.)
2026 [#]	2	16	0	2	0	0
2025	102	-62	71	18	1	12
2024	32	8	0	19	3	10
2023	29	11	0	18	3	8
2022	34	6	0	16	1	17
2021	24	16	0	13	0	11
2020	22	18	0	8	0	14
2019	30	10	0	14	0	16
2018	20	20	0	6	0	14
2017	13	27	0	1	0	12
2016	30	10	0	0	0	30
2015	23	17	0	2	0	21
2014	9	31	0	0	0	9
2013	2	38	0	0	0	2
Total	372	166	71	117	8	176

[#]As of 05/08/2026.



This triggers State requirement that County revisit Cap as per Housing Element (Policy 11.6) in 2027

Moratorium: No effect on PLN Applications; Formal CDXs for ADUs/JADUs encouraged

New **planning permit applications** for residential projects still being accepted and processed for entitlement process.

New ADUs & JADUs:

- County encourages (does not require) applicants to apply for a Formal Coastal Development Permit Exemption (CDX) for Waitlist placement
 - After cap is lifted, BLD applications prioritized based on CDX approval date.
- Formal CDX Application requires:
 - 1) CDX Form;
 - 2) Planning Application form; and
 - 3) Architectural and Civil Plans, showing trees, creek, and/or habitat, grading, and adequate detail to demonstrate compliance with ADU regs

Waitlist for New Unit BLD Applications and Issuance

Once the permit cap is lifted, the acceptance and processing of new building permits will be **prioritized strictly according to the Waitlist.**

BLD permit Issuance will be based on earliest date of All Review Agencies sign-offs (e.g., "Ready to Issue" date and water and sewer sign off) and the following additional prioritization:

1. **Cancelled building permit applications**, with Written Requests to reactivate (3 months to address processing issues). Send requests to buildingcounter@smcgov.org
2. **PLN Cases** based on PLN approval date:
 - New SFDs with ADUs/JADUs Projects with an approved **planning permit**, based on PLN case approval date.
 - **ADUs & JADUs**, based on Formal CDX approval date.
3. **New BLD permit applications**

Alternatives

Meeting LCP Policy 1.23 requirements

- County has worked towards meeting the LCP conditions to increase the Cap
 - ✓ Developed **Connect The Coastside Plan (CTC)**
 - ✓ Built and Planning transportation projects based on CTC
 - ✓ Prepared **Getting-There-Together** TDM plan jointly with Half Moon Bay
 - ✓ The Sewer Authority Mid-Coastside (SAM) has significantly improved wastewater infrastructure
 - ✓ County adopted new Stormwater Management development Standards
- Coastal Commission process to increase Cap based on these would take significant time beyond the immediate issue



CONNECT
THE COASTSIDE



**GET THERE
TOGETHER**

San Mateo County « Half Moon Bay

NOT IN CONSIDERATION

Amend Averaging Method

- In Consultation with CC staff, amending the way excess affordable housing is averaged out over a given number of years was a quicker way to resolve the issue.



Alternatives – Changing Averaging Method

Six Alternatives Assessed

A. Looking Forward Average : *No Change*

B. Looking Forward Average : *Exempt 100% Affordable Housing Projects from cap*

Not Pursued

C. Looking Forward Average : *20 over Cap if less than 20 permits can be issued*

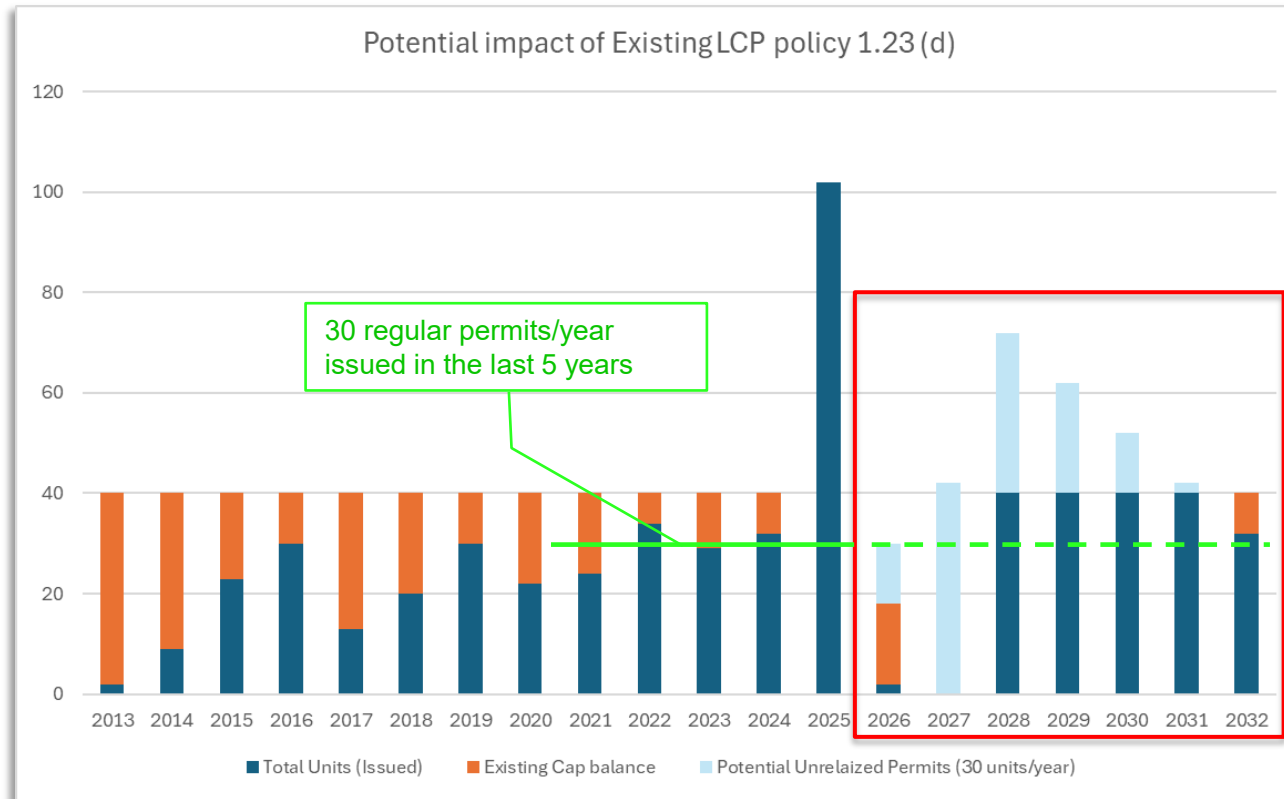
D. Looking Forward Average : *Tiered allowance over Cap*

E. Looking Backward Average : *Banking Unrealized Permits since 2013*

F. Looking Backward Average : *Banking Unrealized Permits in the last 10 years*

Alternatives – Changing Averaging Method

A. Looking Forward Average : *No Change*



Pros

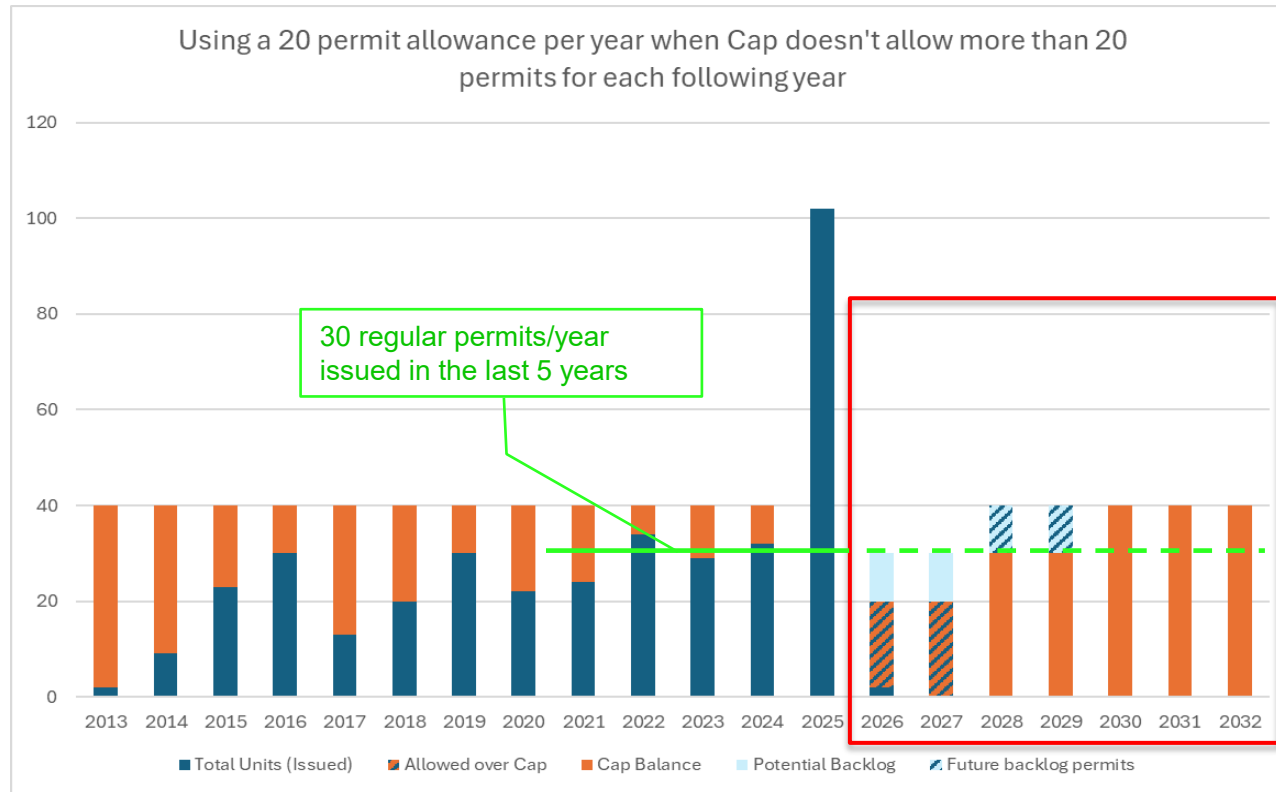
- No need for Amendments

Cons

- Cascading effect of permit freeze causes delays until 2031
- Likely be challenged in court by residents and housing advocates
- **State may force an increase in cap limit to ensure Housing Element remains certified – Act on Policy HE 11.6.**

Alternatives – Changing Averaging Method

C. Looking Forward Average : 20 over Cap if less than 20 permits can be issued



If Affordable project average does not allow for 20 permits be issued the following year, an allowance of 20 permits (half of cap) per year is allowed for the following two years.

Pros

- Reduces cascading backlog effect.
- Under present trend, it should dissipate current anticipated backlog by 2030.

Cons

- Effectively an increase in cap limit by a max of 20 unit/year.
- May still result in challenges if more than average applications are waitlisted.
- **State may force an increase in cap limit to ensure Housing Element remains certified – Act on Policy HE 11.6.**

Alternatives – Changing Averaging Method

D. Looking Forward Average : *Tiered allowance over Cap*

Tiered Allowance over Cap

First Year Amount Over 40 Permit Cap	Second Year Allowed Permit Cap	Third Year Allowed Permit Cap	Cumulative Potential Permits over 3 years	Maximum Amount Over 120 Permit Cumulative Cap
1-9 Over Cap	N/A	N/A	0	0
10-19 Over Cap (50-59)	35	35	129	9
20-39 Over Cap (60-79)	30	30	139	19
40-59 Over Cap (80-99)	25	25	149	29
60-80 Over Cap (100-120)	20	20	160	40

Tiered approach marginally increases the cap limit based on how much beyond the cap an affordable housing project goes. Similar to 20 over approach but gradual.

Pros

- Reduces cascading backlog effect.
- Under present trend, it should dissipate current anticipated backlog by 2030.

Cons

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Alternatives – Changing Averaging Method

C/D. Looking Forward Average : *Tiered vs 20 over Cap*

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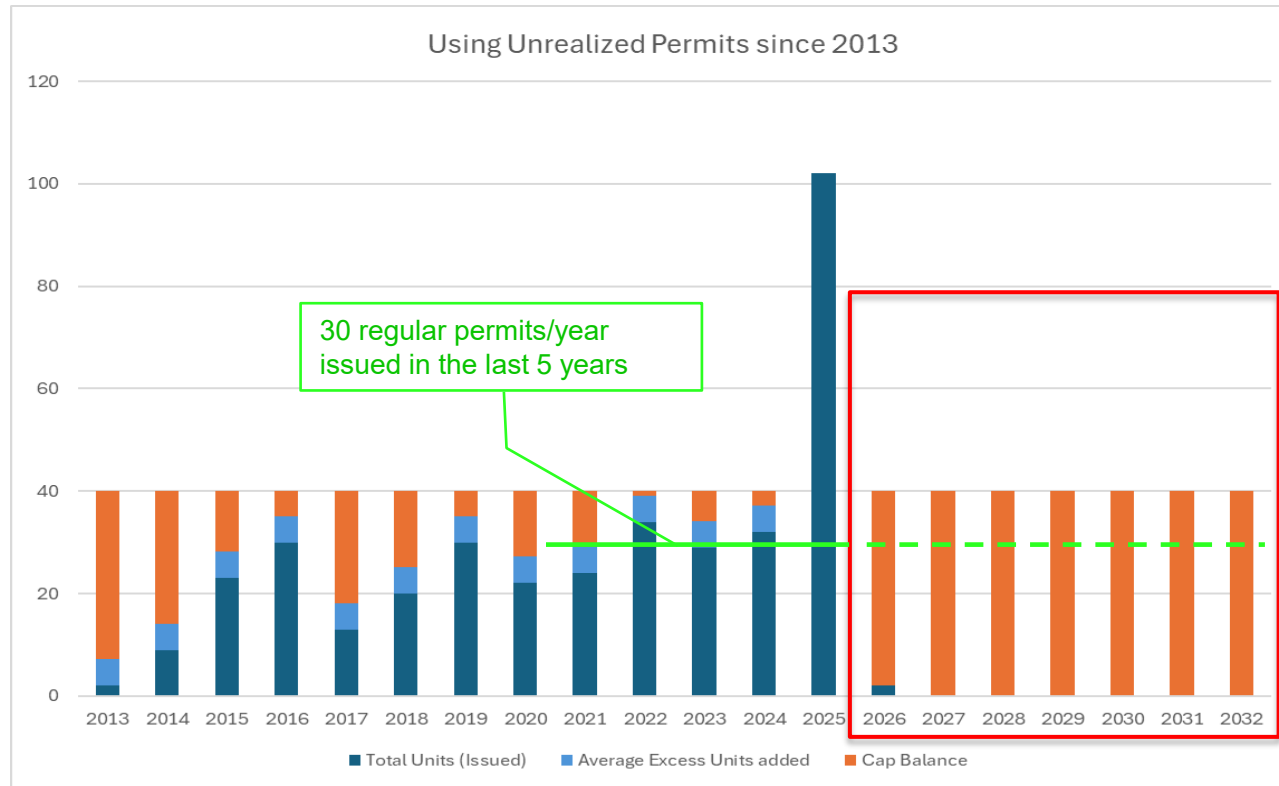
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Alternatives – Changing Averaging Method

E. Looking Backward Average : *Banking Unrealized Permits since 2013*



Based on the desire to limit growth to no more than 40 units per year, the approach uses past unrealized permits to accommodate above cap affordable housing units.

Pros

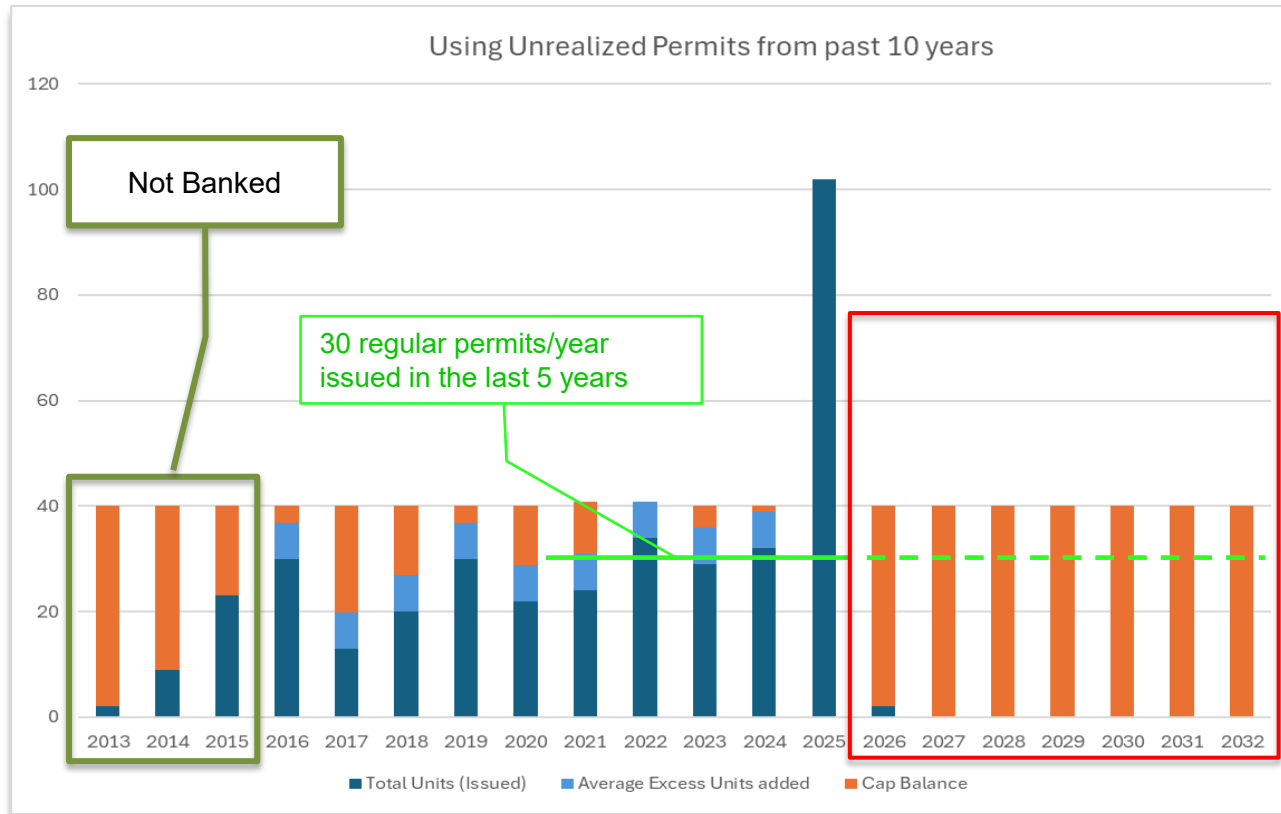
- No cascading effect
- Provides a definite number of affordable units that can be permitted in the future.
- Doesn't exceed growth rate since the establishment of cap
- **Does not trigger HE Policy 11.6**
- **Coastal Commission staff informally agree to the approach**

Cons

- Would require a change in the LCP, should future affordable housing project consumed all banked units

Alternatives – Changing Averaging Method

F. Looking Backward Average : *Banking Unrealized Permits in the last 10 years*



Similar to Alternative E – but limits bank to past 10 years. Reduces the amount of future affordable housing units that can be allowed.

Pros

- No cascading effect
- Provides a smaller definite number of affordable units that can be permitted in the future.
- Doesn't exceed growth rate since the establishment of cap
- **Does not trigger HE Policy 11.6**

Cons

- Would require a change in the LCP, should future affordable housing project consume all banked units

PC Recommended Policy Text Update

Existing LCP Policy 1.23 d

“If the number of issued building permits for any given year has reached the 40-unit maximum, building permits for affordable housing, including second dwelling units, may still be issued under the following circumstances: (1) the units are “affordable” as defined by Section 6102.48.6 of the certified zoning regulations and subject to income and cost/rent restrictions for the life of the development; and (2) *the growth rate average over the three-year period, that includes the year of building permit issuance and the following two years, does not exceed 40 units/year.*”

Proposed LCP Policy 1.23 d (Option F)

“If the number of issued building permits for any given year has reached the 40-unit maximum, building permits for affordable housing, including second dwelling units, may still be issued under the following circumstances: (1) the units are “affordable” as defined by Section 6102.48.6 of the certified zoning regulations and subject to income and cost/rent restrictions for the life of the development; and (2) the annual average number of permits issued from January 1, 2013 (the year after the adoption of the growth limit was certified by the Coastal Commission) through and including the year of building permit issuance, does not exceed 40 units/year.”

Questions & Comments

What is your preference ?

Vote Here: [Menti.com](https://www.menti.com/join/99639915) | Use code: 9963 9915



- A. **Looking Forward Average** : *No Change*
- B. ~~Looking Forward Average~~ : *Exempt 100% Affordable Housing Projects from cap*
- C. **Looking Forward Average** : *20 over Cap if less than 20 permits can be issued*
- D. **Looking Forward Average** : *Tiered allowance over Cap*
- E. **Looking Backward Average** : *Banking Unrealized Permits since 2013*
- F. **Looking Backward Average** : *Banking Unrealized Permits in the last 10 years*



Next Steps

- Feedback from this meeting will be presented to the MCC as a follow up.
- Based on advisement on the MCC & Public Input, Department will go back to Planning Commission with a preferred amendment for a Board Recommendation.
- Question & Comments – email : Bsingh@smcgov.org
- Waitlist process is active – Please see



MIDCOAST COMMUNITY MEETING

San Mateo County Local Coastal Program Policy 1.23 Amendment

THANK YOU

PS: [Draft Safety Element Policies are open for public comment](#)



Bharat Singh

June 30, 2026.

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