

SB 1090 — Myth vs. Fact

From **Altadena Recovery Watch** — a coalition of Altadena residents and organizations including Beautiful Altadena, Altadena Heritage, Save Altadena, and the Sustainable Community Development Corporation.

SB 1090 (Sen. Pérez) places a narrow, time-limited pause on the by-right, no-hearing pathways (SB 9 and SB 1123) that out-of-town developers are using to subdivide burned Altadena lots into as many as ten units — so survivors can recover on their own terms. It repeals no housing law and removes no home that gets built. Advocacy material, not legal advice.

By the numbers

Survivors are not relying on SB 9 or SB 1123 to rebuild.

- Survivors are rebuilding at scale through ordinary like-for-like permits and ADUs — **~3,715** rebuild applications received, **~2,951** permits issued, and **~1,725** homes in construction as of June 21, 2026 — not by subdividing their land.
- A primary home plus **up to four units** is already allowed on a single lot **with no subdivision at all** (County ADU ordinance).

The people using SB 1123 are outside buyers — not people from Altadena.

- **100%** of the SB 1123 subdivisions we've identified are outside buyers who purchased the lot after the fire — investors, LLCs, and one out-of-area family trust — **not one a returning Altadena resident**. A single developer accounts for seven to eight of them.
- **More than 1 in 3** SB 9 "rebuids" (19 of 55) are also outside buyers who bought after the fire, not the original owners. The rest are residents rebuilding their own lots.

Corporate buying in Altadena is accelerating — and subdivision is the newest wave.

- **10% → 49% → 56%** — the share of Altadena lot sales going to investors or corporations climbed from roughly **10%** before the fire, to about **49%** by mid-2025, to past **56%** by late September (Redfin; LAist).
- **\$271 million+** in burned Altadena land has already changed hands (400+ lot sales); before the fire, essentially none sold.
- **SB 1123 subdivision is the newest layer, and we are just at the forefront** — essentially none before October 2025, accelerating since. Altadena is at the front edge of the wave, which is exactly why a forward-looking pause works.

Myths and facts

MYTH: SB 1090 freezes rebuilding and prolongs displacement.

FACT: It pauses only by-right *subdivision* of a burned lot into as many as ten units. Every survivor keeps the fast like-for-like rebuild, ADUs, and disaster permitting — the pathways thousands are already using to come home. What it pauses is speculative lot-splitting, which does not slow the recovery.

MYTH: These are mostly local Altadenans rebuilding and improving the property they already own.

FACT: It's coming from outside, not from the families who lost their homes. **100%** of the SB 1123 subdivisions we've identified are outside buyers who purchased after the fire — investors, LLCs, and one out-of-area trust — **not one a returning Altadena resident**. Even in the SB 9 rebuild lane, **more than 1 in 3** (19 of 55) are outside buyers, not the original owner. And **none of it — 0 of 70 — is someone adding a unit to a house still standing**; every project is new construction on a lot the fire destroyed.

MYTH: SB 1090 singles out Altadena and denies its homeowners rights other Californians have.

FACT: The State already gave the Pacific Palisades this exact protection by executive order (**N-32-25**) after *the same firestorm*. SB 1090 asks only for the same. It is look-forward, time-limited disaster relief, bounded to **ZIP Codes 91001 and 91003** for applications submitted **January 2027 through January 2030** — not a permanent or unique burden.

MYTH: Developers pay survivors a premium, and single-family rebuilding "doesn't pencil."

FACT: Recorded sales show the opposite. On East Mendocino, a single-family buyer paid **\$1,865,000** for one burned lot (29,541 sq ft) while the subdivider next door is in escrow at roughly **\$1,600,000** for ten units — about **\$265,000 less**. Large burned lots have sold arm's-length at about **\$58–63 per square foot** (e.g., 1625 Braeburn Drive, \$2,088,000), versus the roughly **\$20 per square foot** the developers' own "single-family value" implies — about a third of the market. They acquire at or below market; the multi-unit yield is value the statute hands the developer, not a premium paid to survivors.

MYTH: Blocking subdivision means a wealthy-only Altadena.

FACT: A false choice. The County's own ADU ordinance already allows a primary home plus **up to four dwelling units on a single lot — with no subdivision** (and SB 1123 lots are actually *barred* from ADUs). What subdivision delivers is market-rate, townhome-style units capped by statute at **1,750 sq ft average** (Gov. Code §66499.41) — built for the upwardly mobile, not for the multi-generational families who gave Altadena its character. Income-diverse recovery comes through land trusts, ADUs, and corridor housing.

MYTH: Each subdivision includes an affordable home, so it serves affordability.

FACT: *Nothing in the law requires it*. SB 9 and SB 1123 carry **no affordability requirement and no obligation to deed-restrict a single unit** on these lots. SB 9 mandates no affordable unit at all; SB 1123's only affordability trigger reaches parcels a jurisdiction's housing element designates for low-income housing — which Altadena's burned single-family lots are not. So any "affordable" home a developer touts is voluntary marketing, not a legal obligation. And even that one optional unit would leave **nine at market rate**, set at **120% of area median income** — roughly **\$128,000 for a family of four**, moderate not low income — with **none reserved for fire survivors**. A single covenanted unit is not an affordability program.

MYTH: Builders are the only way burned lots come back.

FACT: Survivors and owner-builders are already buying and rebuilding through ordinary permits, not subdivision. The obstacle is competing for permit processing times, not a shortage of subdivision rights: by-right subdivision gives a developer priority over a homeowner that is still awaiting insurance or Edison proceeds. Pausing it returns land to a price families can pay.

MYTH: A County brochure promoted SB 1123, so buyers acquired vested rights.

FACT: A brochure is not a vested right. Under California law (*Avco Community Developers v. South Coast Regional Comm.*, 1976), vesting requires an issued permit plus substantial, good-faith construction; SB 1090 reaches only projects with no permit. The brochure was aimed at survivors dividing and selling part of their own land — not at outside investors buying whole lots to subdivide. Where government erred, it should be free to correct course going forward.

MYTH: Adding homes on these lots is safe — projects still pass fire and water checks.

FACT: Will-Serve letters and fire sign-off are unit-by-unit checks, not a cumulative evacuation or system-capacity study. Altadena's foothill blocks sit on narrow, often single-access streets that just failed in a deadly evacuation — many on septic, without sidewalks, on a grid still being rebuilt. **The County's own Planning memo (Dept. of Regional Planning, May 18, 2026)** says the state mandate lands density where "*infrastructure or site requirements do not meaningfully support*" it, and flags SB 1123 as posing "*similar challenges.*"

The ask

Support SB 1090, and pass it without delay — prospective, time-limited relief that lets Altadena's survivors, not speculators, set the terms of recovery.

Sources

- L.A. County Permitting Progress Dashboard, recovery.lacounty.gov (as of June 21, 2026) — rebuild applications, permits issued, homes in construction.
- Altadena Recovery Watch SB 9 / SB 1123 tracker and all-Altadena MLS lot-sales export, compiled from L.A. County CREC/CREB and RPPL permit records, the L.A. County Dept. of Regional Planning SB-9 project list (May 18, 2026), recorded deeds, and parcel ownership records.
- Redfin analysis of investor purchases of fire-zone vacant lots (via LAist), 2025 — corporate/investor share of Altadena lot sales.
- Reporting on corporate buyers in Altadena (Dwell; Associated Press / Walla Walla Union-Bulletin), 2025–2026 — Ocean Development, Black Lion Properties, NP Altadena.
- Gov. Code §66499.41 (Starter Home Revitalization Act) — 1,750-sq-ft average-size cap; 60-day deemed-approved timeline.
- L.A. County Dept. of Regional Planning, memorandum *Eaton Fire Recovery — Altadena — SB 9 Projects* (A. Bodek, Director, May 18, 2026).
- Executive Orders N-32-25 (Palisades SB-9 relief) and N-4-25 (110% like-for-like rebuild cap).
- *Avco Community Developers v. South Coast Regional Comm.* (1976) — California vested-rights standard.
- 2026 L.A. County ADU Ordinance guide.