

Date of Hearing: April 15, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 1751 (Quirk-Silva) – As Introduced February 9, 2026

SUBJECT: Missing Middle Townhome Ownership Act

SUMMARY: -Establishes the Missing Middle Townhome Ownership Act (Act), creating a streamlined, ministerial approvals pathway for townhome development on residentially zoned lots. Specifically, **this bill**:

- 1) Defines “townhome” as a single-family dwelling unit less than three stories of occupiable square feet, either with shared walls with other single-family dwellings or separated from one or more neighboring units by an air gap.
- 2) Defines a “townhome development project” as a housing development project consisting entirely of residential townhomes.
- 3) Allows a development proponent to submit an application for a townhome housing development project, including land use, zoning approvals, subdivision, building, and grading permits, in any city and any unincorporated area of a county.
- 4) Allows a local agency to impose objective zoning, subdivision, or design standards that are applicable to townhome development projects, as long as the standards do not:
 - a) Conflict with the requirements of the Act;
 - b) Physically preclude the development of townhomes at the “Mullin densities” in Housing Element Law, which are 30 dwelling units per acre (du/ac) in urban areas, 20 du/ac in suburban areas, and 10 du/ac in rural areas;
 - c) Impose any requirements on townhomes solely or partially because they use the Act; or
 - d) Require parking to be enclosed or covered, or require parking capacity or designs that are prohibited or restricted by other laws.
- 5) Requires a local agency to ministerially consider, without discretionary review or hearing, an application for a townhome development project submitted under the Act.
- 6) Provides that townhome development project processing under the Act is subject to all applicable state housing laws, including statutory review processes, standards, and approval timelines.
- 7) Allows a local agency to disapprove a townhome development project under the Act if it makes a written finding, based upon a preponderance of the evidence, that the proposed townhome housing development project would have a specific, adverse impact upon public health and safety for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.

- 8) Allows a local agency to adopt an ordinance to implement the Act and specifies that the adoption of an ordinance is not a project under the California Environmental Quality Act (CEQA).
- 9) Requires a local agency to ministerially consider, without discretionary review or a hearing, a parcel map or a tentative and final map for a townhome development project that meets all of the following requirements:
 - a) The proposed subdivision will result in parcels and residential units that will meet the “Mullin densities” in Housing Element Law;
 - b) The proposed subdivision is on land zoned for multifamily use, or on underutilized land zoned for single-family development?
 - i) Defines “underutilized” as having no permanent residential structure, unless the permanent residential structure is abandoned and uninhabitable, and excludes housing that is deed restricted affordable to low, very low, or extremely low incomes, or subject to a local rent control program from the definition of “underutilized.”
 - c) The project is not located on a transit-oriented development (TOD) site subject to the provisions of SB 79 (Wiener), Chapter 512, Statutes of 2025;
 - d) The newly created parcels are no smaller than 600 square feet;
 - e) The housing units on the lot proposed to be subdivided are fee simple ownership lots, part of a common interest development, part of a limited equity housing cooperative, constructed on land owned by a nonprofit or community land trust and sold to a resident in a shared equity transaction, or part of a tenancy in common;
 - f) If the proposed development is on a parcel that is identified to accommodate any portion of the jurisdiction’s share of the regional housing need for low-income or very low income households in its housing element, the affordable housing units for the townhome development project shall be subject to a 45 year recorded affordability deed restriction;
 - g) The proposed subdivision cannot require the demolition of any of the following types of housing:
 - i) Housing subject to a recorded covenant, ordinance, or law that restricts rent to affordable levels for families of low, very low, and extremely low income; and
 - ii) Housing that is subject to any form of rent or price control through a local public entity’s valid exercise of its police power through an adopted ordinance.
 - h) The lot of the proposed subdivision is not located on a site that is any of the following:
 - i) Prime farmland, or farmland of statewide importance;
 - ii) Wetlands;
 - iii) A hazardous waste site, with certain exceptions;

- iv) Within a delineated earthquake fault zone, unless the project complies with applicable seismic building standards;
 - v) Within a special flood hazard area subject to a 100 year flood, with certain exceptions;
 - vi) Within a regulatory floodway, with certain exceptions;
 - vii) Land identified for conservation in an adopted natural community conservation plan, habitat conservation plan, or another adopted natural resource protection plan;
 - viii) Habitat for protected species; or
 - ix) Land under conservation easement.
- i) The proposed subdivision conforms to all applicable objective requirements of this Act;
 - j) The proposed subdivision applies with all applicable standards in 2) – 7), above; and
 - k) Any parcels proposed to be created will be served by a public water system and a municipal water system.
- 10) Provides that a townhome development project on a site proposed to be subdivided under the Act does not have to comply with either of the following:
- a) Minimum lot size, width, depth, frontage, or dimension requirements beyond the requirement that the resulting parcel is no smaller than 600 square feet; or
 - b) The formation of a homeowners' association (HOA), except as required by the Davis-Stirling Act, although a local agency is not prohibited from requiring a mechanism for the maintenance of common space within the subdivision, including, but not limited to, a road maintenance agreement.
- 11) Requires a local agency to approve or deny an application for a parcel map or tentative map for a townhome development project in accordance with the timelines in the Housing Accountability Act (HAA) and the Permit Streamlining Act (PSA).
- 12) Requires a townhome development project constructed on lots proposed to be subdivided under the Act to comply with all applicable local objective zoning, subdivision, and design standards that are consistent with the Act.
- 13) Prohibits the separate sale, lease, or financing of subdivided parcels unless each parcel contains a completed residential structure, an existing legal residence, or serves as common area, with an exception allowing local agencies to waive this requirement by ordinance or map condition.
- 14) Allows a local agency to deny the issuance of a parcel map, tentative map, or final map for a townhome development project if it makes a written finding, based upon a preponderance of the evidence, that the proposed townhome development project would have a specific, adverse impact, upon public health and safety and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.

- 15) Provides that the approval of a townhome development project pursuant to the Act is not a project under CEQA.
- 16) Prohibits SB 9 (Atkins), Chapter 162, Statutes of 2021, urban lot splits on parcels created under this Act.
- 17) Exempts sites in pre-1994 master-planned single-family horse keeping zones from SB 9's lot split and duplex requirements, provided the local government has a compliant housing element.
- 18) Allows a local government to adopt an implementing ordinance for the Act and provides that the adoption is not a project under CEQA.

EXISTING LAW:

- 1) Establishes, pursuant to SB 79, a streamlined, ministerial approvals process for housing development projects meeting certain objective standards within a specified distance of TOD stops. (Government Code (GOV) 65912.157)
- 2) Establishes, pursuant to SB 684 (Caballero), Chapter 783, Statutes of 2023, and SB 1123 (Caballero), Chapter 294, Statutes of 2024, a ministerial process for the subdivision of a lot zoned for multifamily development, or lots that are vacant and zoned for single-family residential development, to develop up to 10 residential units. (GOV 65852.28)
- 3) Requires, pursuant to SB 9 (Atkins), Chapter 161, Statutes of 2021, the streamlined and ministerial approval by a local agency of a duplex in a single family zone (GOV 65852.21), and the urban lot split of a parcel zoned for residential uses into two parcels. (GOV 66411.7)
- 4) Establishes, pursuant to state Accessory Dwelling Unit (ADU) Law, uniform statewide standards that compel every California jurisdiction to ministerially approve ADUs and Junior ADUs (JADUs) on residential lots, by establishing statewide planning standards and review shot clocks, and limiting local discretion. Single-family lots can now have up to three ADUs: one interior or conversion ADU, one detached ADU, and one JADU. Multifamily properties must allow at least one ADU within existing non-livable space (or up to 25 % of the number of existing units), two detached ADUs for new construction projects, and up to eight detached ADUs for existing multifamily buildings, so long as total ADUs do not exceed the number of existing units. (GOV 66310-66342).
- 5) Establishes, pursuant to SB 423 (Wiener), Chapter 778, Statutes of 2023, a streamlined, ministerial approval process for certain infill multifamily affordable housing projects that are compliant with local zoning and objective standards and that are proposed in local jurisdictions that have not met their regional housing needs allocation. (GOV 65913.4)
- 6) Establishes, pursuant to AB 2011 (Wicks), Chapter 647, Statutes of 2022, a streamlined, ministerial approval process, not subject to CEQA, for certain infill multifamily affordable housing projects that are located on land that is zoned for retail, office, or parking. (GOV 65912.100-65912.140)

- 7) Establishes, pursuant to SB 6 (Caballero), Chapter 659, Statutes of 2022, the Middle Class Housing Act of 2022, allowing residential uses on commercially zoned property without requiring a rezoning. (GOV 65852.24)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "California is facing a homeownership crisis that reflects the disappearance of the middle-class. With only 18% of households able to afford a median-priced single-family home, the dream of owning a piece of our state and building generational wealth is fading away for millions of hardworking families and the next generation of Californians. I have four young adults who are trying to embark on this journey of home ownership themselves. Yet, the market is almost making it impossible to find a viable path towards this pillar of ownership every adult should have. The evidence is clear, while detached single family units become more expensive, townhomes offer a feasible path forward. AB 1751, the Missing Middle Townhome Ownership Act removes red tape that has made developing these projects so arduous. By establishing a ministerial approval process for townhomes that meet certain standards that protect housing equity, AB 1751 chooses people over politics protecting existing adorable housing strategies while unlocking the potential for new ownership opportunities. It is time to provide the 'missing middle' with a key to their own front door and towards a greater future."

California's Housing Crisis: California's housing crisis is a half-century in the making. After decades of underproduction, supply is far behind demand, and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state. One in three households in the state doesn't earn enough money to meet their basic needs. In 2024, over 187,000 Californians experienced homelessness on a given night.

To meet this housing need, HCD determined that California must plan for more than 2.5 million new homes, and no less than one million of those homes must be affordable to lower-income households, in the 6th Regional Housing Needs Allocation (RHNA) cycle. By contrast, housing production in the past decade has been under 100,000 units per year – including less than 10,000 units of affordable housing per year. Increasing the overall supply of housing, both market-rate and deed-restricted affordable, is essential to reducing upward pressure on rents and home prices, and to creating a more stable, accessible housing market for Californians across income levels.

The state's housing crisis is not equally experienced by all Californians. Testimony by the UC Berkeley Turner Center to this Committee showed that the impacts of the housing crisis are significantly more severe for lower-income individuals, single-earner households, Black and Latino Californians, younger and older populations, and those who reside in, or aspire to live and work in, the state's highest-cost regions. As it pertains to homeownership, homeownership rates have fallen to historic lows, particularly among moderate-income households, first-time buyers, and communities of color. The median home price in California now exceeds \$800,000, effectively locking out many working families from the ownership market.

California's Statewide Housing Plan: In 2022, HCD released its most recent update to the statutorily required Statewide Housing Plan (Plan). The Plan "lays out a vision to ensure every

Californian has a safe, stable, and affordable home.”¹ As part of that vision, HCD puts forward a statewide objective of Producing More Affordable and Climate Smart Housing. HCD writes:

“We aim to increase the supply of housing at all affordability levels throughout the state and target production in the places where people need it the most, without displacing existing residents. This objective seeks to facilitate a greater diversity of housing models and typologies, outside of the status quo, to meet California’s pressing and diverse housing needs. We must produce new housing in areas with high access to opportunities and services without displacing existing residents, mitigate the risk of climate change while developing new housing units, provide housing units that are affordable to all Californians, lower housing development costs, and continue to enforce existing housing laws to achieve results.”²

Two of HCD’s recommended actions associated with this objective are to:

- 1) Encourage greater diversity of housing types in all neighborhoods; and
- 2) Encourage new housing development in existing communities to reduce vehicle miles traveled (VMT) and mitigate climate change while simultaneously addressing housing need.

Planning for Housing. Planning for and approving new housing is primarily a local responsibility. The California Constitution allows cities and counties to “make and enforce within [their] limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws.” It is from this fundamental authority, commonly called the police power, that cities and counties derive the ability to regulate behavior in order to preserve the public’s health, safety, and welfare, including through land use regulation. Cities and counties exercise this land use authority through zoning regulations that shape, and sometimes limit, development, such as maximum housing densities, height limits, required setbacks, minimum parking requirements, and maximum lot coverage ratios. These ordinances can also impose conditions on development to address aesthetics, potential community impacts, or other site-specific considerations.

While local governments do not build housing, the restrictions they impose on new housing production have contributed to the state’s severe housing shortage and sprawling land use patterns. Historically, housing supply closely followed market demand. However, this alignment shifted with the emergence of local zoning, which became widespread just over a century ago. The most prominent form of zoning in California limits development to single-family homes on large lots.³ According to a 2024 analysis by the Othering & Belonging Institute at UC Berkeley, a staggering 95.8% of all residential land in California is zoned exclusively for single-family housing, severely constraining opportunities for infill development near transit. Even when lower-density unincorporated areas are excluded, over 82% of residentially zoned land in the state prohibits multifamily housing. This type of zoning effectively locks in low density, regardless of the actual demand for housing, even as that demand now exceeds millions of additional homes across the state. This mismatch drives up home prices and values, which

¹ <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

² IBID.

³ UC Berkeley Turner Center, 2018, *Land Use in California* survey of cities and counties: <https://californialanduse.org/>

benefits existing homeowners, who are disproportionately white.⁴ At the same time, rising housing costs disproportionately harm communities of color, who are less likely to have generational wealth, own property, or afford escalating rents.⁵

Approximately every eight years, all jurisdictions in California are required to update the Housing Element of their General Plan, setting forth a blueprint for how they will meet the housing needs of current and future residents at all income levels. A key component of the Housing Element is the sites inventory, where jurisdictions must identify parcels with the potential to accommodate housing development that meets their share of the state-mandated RHNA. Jurisdictions must demonstrate that these sites are realistically developable, particularly for lower-income housing, and often must complete rezoning to allow for higher densities of residential uses if their existing zoning is insufficient. This process is overseen by HCD, which reviews and certifies Housing Elements for compliance with state law.

California is currently in its 6th Housing Element cycle. In this cycle, HCD determined that the state must plan for the development of 2.5 million new homes, including more than one million affordable homes. This has prompted an unprecedented volume of rezoning at the local level. However, housing advocates argue that significant improvements are still needed in the Housing Element review and rezoning process. For example, the City of Los Angeles' recent rezoning effort to accommodate over 250,000 new homes has drawn substantial criticism. Despite the fact that single-family neighborhoods make up the majority of the city's residential land, the plan largely excluded those areas from upzoning. Instead, much of the rezoning was concentrated in already dense, transit-rich, multifamily areas, particularly downtown and along commercial corridors. Critics contend that this approach perpetuates racial and economic segregation, misses an opportunity to equitably distribute growth, and places disproportionate pressure on communities that have historically borne the brunt of inequitable planning decisions.

Recent State Efforts to Address the Housing Crisis: In recent years, and largely in response to the lack of progress at the local level, the state has taken a series of steps to address land use and regulatory constraints to new housing production. A particular focus of recent legislation has been on shifting housing approvals from discretionary processes to more standardized, ministerial approvals governed by objective standards, and efforts to upzone land for higher density residential development. These efforts include allowing accessory dwelling units (ADUs) by right, reforming single-family zoning to allow for additional density, and updating the requirements governing how local governments must plan to accommodate their housing needs through the housing element. The state has also enacted measures to expedite housing production by limiting the ability of local governments to deny, delay, or reduce the density of projects that comply with applicable standards, and by establishing by-right approval pathways for proposed developments meeting certain requirements. In addition, the Housing Crisis Act of 2019 includes “anti-downzoning” provisions that generally prohibit local governments from reducing the intensity of residential land use in affected cities or counties, or imposing new constraints that would lower a site's development capacity, helping to preserve recently established zoning capacity for housing production.

⁴ UC Berkeley Turner Center, 2018, *Land Use in California* survey of cities and counties: <https://californialanduse.org/>

⁵ Bhutta et al, 2020, *Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances*, US Federal Reserve: <https://www.federalreserve.gov/econres/notes/feds-notes/disparities-in-wealth-by-race-and-ethnicity-in-the-2019-survey-of-consumer-finances-20200928.htm>

Many of these state upzoning and streamlining efforts allow for both rental and ownership housing, but in practice tend to facilitate rental production. For example, AB 2011 (Wicks), Chapter 647, Statutes of 2022, allows qualifying housing development on commercially zoned sites and provides a streamlined, ministerial approval pathway, including for both rental and for-sale housing types. Similarly, Density Bonus Law (DBL) provides additional density, incentives, and concessions for both rental and for-sale developments. Recent changes to state law have authorized local agencies to allow for the separate conveyance of ADUs through an opt-in process. More recently, AB 507 (Haney), Chapter 493, Statutes of 2025 facilitates the conversion of underutilized office buildings to housing through streamlined approvals for both rental and ownership housing, and SB 79 (Wiener), Chapter 512, Statutes of 2025 establishes statewide minimum zoning standards near major transit stops, allowing increased residential density and limiting local discretion when reviewing transit-oriented housing development proposals. While these policies expand overall housing production capacity, the scale, financing structures, and state-imposed regulatory frameworks have generally resulted in a greater share of rental housing than homeownership opportunities.

SB 684 (Caballero), Chapter 783, Statutes of 2023, and SB 1123 (Caballero), Chapter 294, Statutes of 2024 represent a more targeted effort to facilitate small-scale, ownership-oriented housing production. SB 684 establishes a streamlined, ministerial approval process for small subdivisions of up to 10 units in urban infill areas, enabling the creation of fee-simple lots and supporting “missing middle” housing types such as townhomes. SB 1123 amended the SB 684 framework by expanding eligibility and refining implementation. Unlike many other recent streamlining efforts, SB 684/1123 are specifically designed to enable for-sale housing production by facilitating subdivision and lot creation, thereby lowering barriers for smaller builders and increasing opportunities for homeownership at a neighborhood scale.

The state has also enacted a suite of changes to Housing Element Law during the current (6th) cycle. The current housing element cycle did introduce much higher RHNA targets, requiring local governments to complete an unprecedented amount of upzoning for residential development and develop and implement local programs to help the needed housing units move from a planning concept to production. Furthermore, local governments had a robust requirement to affirmatively further fair housing (AFFH) in this housing element cycle, ensuring that the planned housing growth was evenly distributed throughout each jurisdiction to increase access to high-opportunity areas, and bring opportunity into lower-opportunity areas as well.

Affording the California Dream: In January 2026, the UC Berkeley Center for Law, Energy & the Environment (CLEE) released a report titled *Affording the California Dream: Optimal Locations and Product Types to Increase Home Ownership Opportunities*.⁶ The report evaluates how both housing location and product type affect the total cost of homeownership in California, using case studies in Fresno and the surrounding county, Lancaster/Palmdale and the surrounding areas in Los Angeles County, and Beaumont and the surrounding areas in Riverside County. The report takes a “full cost” approach to homeownership cost and household affordability, incorporating not only home purchase price but also ongoing carrying costs (such as property taxes, insurance, utilities, and special taxes) as well as household transportation costs. It finds that development patterns play a significant role in shaping these costs, particularly

⁶ <https://www.law.berkeley.edu/research/clee/research/land-use/affordingcadream/>

due to differences in infrastructure needs and travel behavior associated with exurban versus urban locations.

Across all case study geographies, the report finds that single-family attached housing (e.g., townhomes) in existing urban areas consistently represents the lowest-cost homeownership option. On an annual basis, these units are approximately 30% less expensive than single-family detached homes in exurban areas and about 18% less expensive than detached homes in urban areas. While attached housing can have higher per-square-foot construction costs, its smaller size, reduced land requirements, and lower infrastructure and transportation costs result in lower total costs to households. By contrast, exurban development, while sometimes associated with lower land costs, often results in higher total homeownership costs due to increased infrastructure expenses (including ongoing special taxes) and significantly higher transportation costs for the future residents of these communities.

The report, therefore, concludes that policies seeking to expand homeownership opportunities should prioritize compact, attached housing types in existing urban areas and should evaluate affordability based on total household costs rather than home price alone. It also suggests that state and local policies that facilitate development in exurban locations, particularly where new infrastructure is required, may inadvertently increase the long-term cost burden on homeowners, even if upfront home sales prices appear lower.

This Bill: This bill creates the Missing Middle Townhome Ownership Act, establishing a new, streamlined, ministerial approval pathway for townhome housing development projects. In doing so, it seeks to promote homeownership opportunities throughout the state, especially opportunities that may help Californians purchase their first “starter-home,” as townhomes generally sell for less than a detached single-family home on a large lot.

This bill authorizes a development proponent to submit an application for a townhome housing development project, including land use, zoning approvals, subdivision, building, and grading permits, in any city and any unincorporated area of a county, which a local agency must review without discretionary action or a public hearing if the project meets specified objective standards. This bill would only apply on sites zoned for multifamily residential development and underutilized single-family sites. This bill permits local agencies to apply objective zoning, subdivision, and design standards, but prohibits standards that would physically preclude the project as allowed under the Act, conflict with the Act’s minimum density requirements (10-30 du/ac, depending on the location), or impose additional requirements based solely on the use of the ministerial process established by the Act that do not apply to other developments. A local agency may deny a qualifying townhome project under the Act only if it makes written findings, supported by a preponderance of the evidence, that the project would result in a specific, adverse, and unmitigable impact on public health or safety. This bill also applies all applicable HAA and PSA procedures, which apply to all housing development projects, including timelines and application completeness requirements, to the review and approval of townhomes under the Act.

This bill further creates a parallel ministerial process under the Subdivision Map Act (SMA) for qualifying townhome developments, requiring local agencies to approve parcel maps, tentative maps, and final maps that meet detailed statutory criteria. These requirements include minimum density standards for the townhomes on the resulting parcel, which must meet the “Mullin density” established in Housing Element Law, and a minimum parcel size of 600 square feet. This bill authorizes multiple pathways to creating homeownership opportunities, including fee

simple lots, common interest developments, tenancy-in-common arrangements, limited-equity cooperatives, and shared equity models such as community land trusts. If a townhome project under the Act is located on a site that is counted toward a jurisdiction's lower-income regional housing need allocation in its housing element, this bill requires the townhomes to be subject to a recorded affordability deed-restriction of at least 45 years.

This bill limits eligibility for the ministerial subdivision pathway and incorporates certain tenant protections by excluding projects on sites that would require demolition of deed-restricted affordable housing or housing subject to local rent or price controls. This bill also bars use of the streamlined process on a wide range of environmentally sensitive and hazardous sites, including prime farmland, wetlands, hazardous waste sites unless cleared for residential use, high and very high fire hazard severity zones, earthquake fault zones unless compliant with seismic standards, FEMA flood hazard areas unless specified federal criteria are met, regulatory floodways absent a no-rise certification, conservation lands, and habitat for protected species. The list of environmental exclusions largely mirrors the criteria established in SB 423 (Wiener), Chapter 778, Statutes of 2023, which is cross-referenced in a number of streamlining bills. In addition, qualifying parcels must be served by public water and municipal sewer service.

In addition, this bill limits certain local subdivision and development requirements, including prohibiting minimum lot dimension standards beyond those specified in this bill, and generally not requiring the formation of a homeowners' association, while allowing local agencies to require mechanisms for maintaining common areas. This bill prohibits the sale, lease, or financing of individual parcels created through the subdivision until each parcel contains a completed or existing residential unit, or is reserved for common area or circulation, with limited exceptions. A local agency may, however, authorize earlier sale, lease, or financing of parcels by ordinance or as a condition of map approval. This bill provides that townhomes approved pursuant to the Act are not a project under the CEQA, and local agencies may adopt implementing ordinances to establish local standards for the Act that are similarly exempt from CEQA. By establishing these approval pathways and standards, the bill seeks to facilitate small-scale, ownership-oriented "missing middle" housing development while maintaining objective local control and environmental and safety safeguards.

Policy Considerations. This bill seeks to expand homeownership opportunities through streamlined approval of townhome developments. While this bill may increase homeownership opportunities and housing supply, furthering a goal of the Legislature and this Committee, its approach may not fully align with findings from the CLEE report, which emphasizes that the long-term cost advantages of "missing middle" housing are highly dependent on location, particularly in existing urban areas with access to jobs, services, and infrastructure. Because this bill is not limited to urban, infill, or high-opportunity areas, and would rather allow for townhome development on much of the state's residentially-zoned land, it may facilitate townhome development in locations where initial home sales prices are lower, but higher infrastructure and transportation costs diminish overall affordability in a given household's daily budget. To the extent this results in development patterns that are more geographically dispersed, it may also contribute to increased vehicle miles traveled and associated greenhouse gas emissions, raising potential tensions with the state's climate goals. Nonetheless, the state is in a dire housing affordability crisis, with home prices rising and homeownership being increasingly out of reach for the average Californian. This crisis is compounded by the historically inadequate land zoned for denser development typologies, and the difficult approvals process homebuilders

must navigate in order to begin housing construction. As such, the Committee may want to weigh these policy tradeoffs when considering this bill.

In addition, although this bill includes certain tenant protections by excluding sites with existing deed-restricted or rent-controlled housing, questions remain regarding broader anti-displacement impacts, particularly in areas where redevelopment pressures may still affect existing tenants or naturally occurring affordable housing.

This bill also raises questions regarding the extent to which it will, in practice, deliver entry-level homeownership opportunities. While this bill is premised on an affordable-by-design approach, facilitating smaller, potentially attached units that may be less expensive than traditional single-family homes, it does not include mechanisms to ensure that resulting units are priced at levels accessible to lower- and moderate-income buyers. In contrast, existing approaches to ensuring affordability, such as inclusionary zoning requirements for deed-restricted units, provide more certainty but can introduce tradeoffs, including potential impacts on project financial feasibility, pricing of market-rate units, and overall housing production levels.

This raises a broader policy question regarding the appropriate balance between relying on market-driven production and filtering effects to achieve affordability over time, versus requiring upfront affordability through deed restrictions, potentially resulting in higher prices for the non-restricted units. While deed-restricted homeownership can ensure long-term affordability, and help households who might not be able to afford a market-rate unit access homeownership, it may limit the extent to which homeowners can realize appreciation and build wealth compared to unrestricted homeownership. Conversely, an affordable-by-design approach may expand supply and could provide lower-cost entry points, but without guarantees that units will be affordable to the intended households, particularly in higher-cost markets. Historically, the Legislature has required some amount of affordable housing in legislation that creates a streamlined, ministerial approval pathway.

Finally, by establishing this statewide, ministerial pathway with prescribed density standards, this bill may functionally constrain local zoning flexibility in a manner that could be characterized as a form of statewide “downzoning” in certain contexts, particularly if local jurisdictions have already planned for higher-density development through their housing elements. This bill requires proposed townhomes to meet the minimum Mullin densities established by Housing Element Law, however, local governments may have higher local density requirements on certain multifamily lots. This raises a broader question about consistency with the Housing Crisis Act’s prohibition on local downzoning, and the state’s overall objective of increasing residentially zoned capacity. When considering this, the Committee may wish to contemplate the tradeoff between a product that may be easier for a developer to construct in current market conditions in areas zoned for higher density urban land, versus the policy tradeoffs of waiting for the financial conditions to change such that higher density typologies can pencil out.

Arguments in Support: The New California Coalition, the bill sponsor, writes in support: “AB 1751 will address a key component of this affordability gap by focusing on townhome developments. Townhomes, defined in AB 1751, are one of the few homeownership products that are both affordable to first-time homebuyers, insurable, and financeable for builders. This makes the townhome model attractive and achievable. However, delays due to discretionary

approval processes add time and cost to these projects, which makes it more difficult to deliver homes at an attractive price.

AB 1751 provides needed streamlining for townhome developments that will help projects break ground faster, creating more entry-level homeownership opportunities for Californians in a timely manner. This bill will make approvals of townhome projects ministerial in placed where local governments have already zoned for future residential development. This ministerial approval will avoid the delays that come with discretionary approval processes, provided that the project meets certain standards.”

Arguments in Opposition: The League of California Cities writes in an Oppose unless Amended position: “The Subdivision Map Act requires local agencies to review and approve proposed subdivisions in a manner that ensures adequate public services, infrastructure capacity, and orderly development. Under existing law, this process includes reviewing and approving a parcel map for four or fewer parcels, while larger subdivisions of five or more parcels must submit both a tentative and final map. This measure would treat all townhome subdivisions the same in multifamily and single-family zones by requiring a ministerial approval process for these complex projects.

AB 1751 bypasses the state-mandated local planning effort and forces cities to approve all maps for a townhome development project, even if it would exceed the residential capacity and infrastructure assumptions evaluated and certified by the state, creating potential unintended consequences for infrastructure and public services. AB 1751 disregards state-approved housing plans and zoning requirements, despite the multi-year effort to identify sites suitable for new housing development in coordination with residential growth.

To improve the legislation, Cal Cities encourages the author and sponsors to limit the measure to multifamily residential zones and subject it to locally adopted objective development standards.”

Committee Amendments: The Committee may wish to consider the following amendments:

- 1) Adding the following demolition protections to the existing list in 66499.46(a)(6)

The development of a townhome development project on the lot proposed to be subdivided does not require the demolition of any of the following types of housing:

...

(C) Housing occupied by tenants and subject to rent or price control within the five years preceding the date of the application, including housing that has been demolished or that tenants have vacated prior to the submission of the application for a development permit.

(D) A parcel on which an owner of residential real property has exercised the owner’s rights under Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.

- 2) Allowing local governments to apply the affordability requirements contained in any local inclusionary zoning ordinances for developments resulting in 11 or more townhomes.
- 3) Preventing this bill from being used on sites with existing mobilehome parks.

- 4) Prohibiting this bill from resulting in any existing dwelling unit being alienable separate from the title to any other existing dwelling unit on the lot.
- 5) Limiting the bill to infill development (where three of the four sides of the site are surrounded by developed uses) in suburban and rural areas.

Related Legislation:

SB 1116 (Caballero) of this legislative session further revises the streamlined and ministerial approval framework created by SB 684/1123. SB 1116 is pending in the Senate Committee on Local Government.

SB 79 (Wiener), Chapter 512, Statutes of 2025. Established a streamlined, ministerial approval process for TOD housing development projects.

SB 423 (Wiener), Chapter 778, Statutes of 2023. Amended SB 35 (Wiener), which created a streamlined, ministerial local approvals process for housing development proposals in jurisdictions that have failed to produce sufficient housing to meet their RHNA.

SB 1211 (Skinner), Chapter 296, Statutes of 2024 increased the number of allowable detached ADUs on multifamily properties.

AB 1033 (Ting), Chapter 752, Statutes of 2023 allowed local governments to adopt an ordinance to allow the separate conveyance of the primary dwelling unit and ADU as condominiums.

SB 450 (Atkins), Chapter 286, Statutes of 2024. Amended the process established by SB 9 (Atkins), Chapter 162, Statutes of 2021 for the ministerial approval of a duplex in a single-family zone and the lot split of a parcel zoned for residential use into two parcels.

SB 9 (Atkins), Chapter 162, Statutes of 2021. Required the ministerial approval by a local agency of a duplex in a single-family zone and the lot split of a parcel zoned for residential use into two parcels.

SB 684 (Caballero), Chapter 783, Statutes of 2023. Created a streamlined, ministerial approvals process for the construction of up to 10 residential units on multifamily parcels.

SB 1123 (Caballero), Chapter 294, Statutes of 2024. Expanded SB 684 (Caballero) to vacant single-family sites and made other changes.

SB 6 (Caballero), Chapter 659, Statutes of 2022. Established the Middle Class Housing Act of 2022, allowing residential uses on commercially zoned property without requiring a rezoning.

AB 2011 (Wicks), Chapter 647, Statutes of 2021: Created the Affordable Housing and High Road Jobs Act of 2022, creating a streamlined, ministerial local review and approvals process for certain affordable and mixed-use housing developments in commercial zoning districts and commercial corridors.

Double-Referred: This bill was also referred to the Assembly Committee on Local Government, where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

New California Coalition (Sponsor)
Bay Area Council
CalAsian Chamber of Commerce
California Business Roundtable
California Conference of Carpenters
California Hispanic Chamber of Commerce
Circulate San Diego
Civic Steward
East Bay Leadership Council
Fresno Business Council
Fresno County Economic Development Corporation
Fresno Stewardship Foundation
Greater Ontario Business Council
Greater Sacramento Economic Council
Habitat for Humanity California
Hispanic Chambers of Commerce of San Francisco
Hope the Mission
Latin American and Caribbean Business Chamber of Commerce
North Bay Leadership Council
R Street Institute
Sacramento Metropolitan Chamber of Commerce
San Francisco Filipino American Chamber of Commerce
San Joaquin Valley Manufacturing Alliance
Santa Barbara South Coast Chamber of Commerce
Sierra Business Council
Signature Development Group
Signature Homes
Summerhill Homes LLC
The Grupe Company
United Airlines
Veterans in Business Network
West Ventura County Business Alliance
Zillow Group

Opposition

California Contract Cities Association
City of Artesia
City of Pico Rivera
City of Vacaville

Oppose Unless Amended

League of California Cities

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