



- (2) The site is located on an infill parcel, as specified.
  - (3) The site is not dedicated to industrial use and is not adjoined to a site where more than one-third of the square footage of the site is dedicated to industrial use, as specified.
  - (4) The site is not in an environmentally sensitive area, as specified.
  - (5) The site, if it is located within a neighborhood plan area, permits multifamily development on the site.
  - (6) The site does not contain a historic structure that must be demolished to facilitate the development, as defined.
  - (7) The site, if vacant, satisfies both of the following:
    - (a) The site is not located within a very high fire hazard severity zone, as defined; and,
    - (b) The site does not contain tribal cultural resources.
- iii) *Objective Development Standards.* In order to qualify as a use by right, an affordable housing development project must additionally comply with the following objective development standards:
- (1) The development must be a multifamily housing development and meet specified density requirements.
  - (2) The development must be subject to an environmental assessment related to hazardous materials conducted by the local government, as specified.
  - (3) The development must meet specified air quality and filtration standards for any housing in the development that will be located within 500 feet of a freeway.
  - (4) None of the housing in the development will be located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.
  - (5) The development will comply with objective zoning standards, subdivision standards, and design review standards adopted by the local government that are applicable to the parcel, as specified.

*Mixed-Income Housing Developments along Commercial Corridors*

- b) Deems mixed-income affordable housing development projects to be a use by right and requires local agencies to approve these projects ministerially, as specified, if they comply with the following standards and criteria:
  - i) *Affordability Standards.* The development project must meet or exceed specified affordability requirements.

- ii) *Location Criteria.* The development project shall be located on a site that complies with specified criteria, including but not limited to:
- (1) The site is located in a zone where office, retail or parking are principally permitted uses, as specified.
  - (2) The site is located on an infill parcel, as specified.
  - (3) The project site abuts a commercial corridor, as specified.
  - (4) The site is not dedicated to industrial use and it is not adjoined to a site where more than one-third of the square footage of the site is dedicated to industrial use, as specified.
  - (5) The site is not in an environmentally sensitive area, as specified.
  - (6) The site does not contain residential units affordable to moderate, low, or very low-income housing that must be demolished to facilitate the development.
  - (7) The site does not contain a historic structure that must be demolished to facilitate the development, as defined.
  - (8) The site, if it is located within a neighborhood plan area, permits multifamily development on the site.
  - (9) The site, if it is vacant, satisfies all of the following:
    - (a) The site is zoned for multifamily residential use;
    - (b) The site is not located within a very high fire hazard severity zone, as defined; and,
    - (c) The site does not contain tribal cultural resources.
- iii) *Objective Development Standards.* In order to qualify as a use by right, a mixed-income affordable housing development project must additionally comply with objective development standards, including but not limited to:
- (1) The development must be a multifamily housing development and meet specified density requirements.
  - (2) The development must be subject to an environmental assessment related to hazardous materials conducted by the local government, as specified.
  - (3) The development must meet specified air quality and filtration standards for any housing in the development that will be located within 500 feet of a freeway.
  - (4) None of the housing in the development will be located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.
  - (5) The development will comply with objective zoning standards, subdivision standards, and design review standards adopted by the local government that are applicable to the parcel, as specified.

- (6) Height limits that may exceed those adopted by the local government, as specified.
  - (7) Setback requirement, as specified.
  - (8) The development is only required to provide bike parking, electrical vehicle parking, or parking spaces accessible for persons with disabilities, as specified.
- 2) Requires the Department of Housing and Community Development (HCD) to produce studies in 2027 and 2031 on the outcomes of the Affordable Housing and High Road Jobs Act of 2022.
  - 3) Establishes the California Environmental Quality Act (CEQA), which requires public agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or an environmental impact report (EIR) for this action, unless the project is exempt from CEQA.

**This bill:** Amends the Affordable Housing and High Road Jobs Act of 2022 as follows:

- 1) Requires an AB 2011 development project, rather than the entire property on which the AB 2011 housing development is proposed to be located, to meet certain planning standards.
- 2) Provides that any objective standards imposed by a local government on an AB 2011 housing development project may not prohibit or otherwise inhibit mixed-uses.
- 3) Makes non-substantive and technical changes.

## **Background**

*The Affordable Housing and High Road Jobs Act of 2022.* In response to the housing affordability crisis, the Legislature passed AB 2011 (Wicks, Chapter 647, Statutes of 2022), also known as the Affordable Housing and High Road Jobs Act of 2022. AB 2011 streamlines the approval process for certain housing developments along commercial corridors and in commercial zones, while ensuring labor standards for construction workers and facilitating the development of affordable housing units. The law allows for by-right approval of mixed-income and 100% affordable housing projects on sites currently zoned for office, retail, or parking uses, provided they meet specific affordability, labor, and environmental criteria. This means qualifying projects can bypass certain discretionary local

approvals, such as conditional use permits, making it easier and faster to build housing.

## Comments

- 1) *Author's statement.* “California continues to face a severe housing crisis with soaring home prices and rents making it increasingly difficult for residents to find affordable and safe housing. Despite ongoing efforts to develop affordable and mixed-income housing, developers still face regulatory hurdles that slow the construction of new units. Building on the pathway created by AB 2011 (2022), AB 2118 clarifies existing statute to allow for mixed-use projects and ensure both local and state permits are subject to streamlined approval. With added clarity we promote the development of new units and provide more opportunities for affordable housing. ”
- 2) *Zoning codes and designations.* Zoning codes are generally adopted by cities and counties to identify allowable activities (*e.g.*, office, retail, housing, etc.) as well as the allowed intensity of those activities (*e.g.*, height, density, etc.) in specific areas of their jurisdiction. Zoning codes are as varied as cities and counties themselves. Some jurisdictions opt for broad, all-encompassing zoning designations that allow multiple uses. Others adopt remarkably specific zoning designations that regulate allowable uses to a fine degree of detail. In addition to identifying the types of uses allowed (and not allowed) within a specific zone, cities and counties may denote the conditions under which a use is allowed. For example, a city may allow single-family housing construction as a use by right in a low density residential zone, but require a conditional use permit for multifamily developments of more than five units in that same zone.

Cities and counties may also grant variances from strict application of the code to allow developments that otherwise would not comply with the strict interpretation of the zoning code. The process for granting a variance may be embedded in the zoning code and is typically subject to a hearing by the zoning administrator or the legislative body of the city or county.

- 3) *Zoning ordinances and CEQA.* CEQA establishes a process for evaluating the environmental effects of a project. Under CEQA, a local agency carrying out a discretionary project must first determine if the project may have a significant effect on the environment. Projects can include jurisdiction-wide efforts such as the update of a general plan, approval of jurisdiction-wide contracts (*e.g.*, waste hauling contracts or water service), and zoning ordinance amendments. A project can also include individual development actions such as the approval of housing developments, stadiums, gas storage facilities, and other types of developments. In the case of any discretionary project, if a local agency finds

that the potential for significant environmental impacts exists, CEQA requires the agency to prepare and certify the completion of an environmental impact report (EIR). While CEQA includes certain statutory and categorical exemptions, the provisions of CEQA explicitly apply to “discretionary projects proposed to be carried out or approved by public agencies, including, but not limited to, the enactment and amendment of zoning ordinances, the issuance of zoning variances, the issuance of conditional use permits, and the approval of tentative subdivision maps unless the project is exempt from this division. ” (Emphasis added).

- 4) *Housing development projects and CEQA.* In light of the state’s ongoing housing crisis, the Legislature created several statutory exemptions from CEQA for specific types of housing development projects in order to increase the production of housing. The Legislature also created several statutory schemes that require local governments to approve specified housing development projects ministerially. Ministerial approvals remove a project from all discretionary decisions of a public agency, and thus are not subject to CEQA which only applies to discretionary approvals.

Bypassing CEQA can provide a tremendous benefit to property owners, developers, local governments, and other parties involved in the approval of a project as it allows for the project to be completed in an expedited fashion. The Legislature balances the risk of allowing projects to proceed without a full environmental review by ensuring that these projects comply with scores of objective standards and criteria and that they are not located on environmentally sensitive sites. These standards and criteria are an expression of the state’s values and ensure that exempt projects do not result in harm to public health and safety and the environment.

- 5) *Authorizing residential development in commercial zones.* In addition to streamlining CEQA review at the project level for specific types of housing developments, the Legislature recently enacted several bills to facilitate the production of more housing by increasing the sites available for residential development. Notably, AB 2011 (Wicks) --- the provisions of which were substantively amended by AB 2243 (Wicks) --- and the Middle Class Housing Act of 2022 (SB 6, Caballero, Chapter 659, Statutes of 2022) both made certain types of housing developments an allowable use on land zoned for commercial uses; these bills effectively rezoned eligible parcels statutorily and increased the stock of land that could be developed into housing in California. These bills obviated the need for a local government to conduct a CEQA review in order to rezone certain commercial parcels to allow housing development on these parcels.

Additionally, AB 2011 required local governments to ministerially approve housing developments on these parcels if they included specific levels of affordable housing and met other development criteria. Working in tandem, AB 2011's statutory rezoning of commercial parcels, and its requirement for local governments to approve affordable housing projects ministerially, can dramatically expedite the approval and development of much needed housing in California.

This bill specifies that certain objective standards, such as setback requirements, apply to the AB 2011 development project itself rather than the entire property where the AB 2011 development project will occur. Additionally, this bill prohibits local governments from imposing objective standards on an AB 2011 development project that will prohibit a mixed-use development.

6) *Double referral.* This bill is also referred to the Local Government Committee.

### **Related/Prior Legislation**

**AB 893 (Fong, Chapter 500, Statutes of 2025)** — expanded the Affordable Housing and High Road Jobs Act of 2022, to apply to campus development zones, as defined.

**AB 2243 (Wicks, Chapter 272, Statutes of 2024)** — made a series of changes to the Affordable Housing and High Road Jobs Act.

**SB 4 (Weiner, Chapter 771, Statutes of 2023)** — establishes the Affordable Housing on Faith and Higher Education Lands Act of 2023, which, until January 1, 2036, enables 100% affordable housing to be a use by right on land owned by religious institutions and independent institution of higher education.

**AB 2011 (Wicks, Chapter 647, Statutes of 2022)** — established the Affordable Housing and High Roads Jobs Act, which required specified housing development projects to be a use by right on specified sites zoned for retail, office, or parking, as specified.

**FISCAL EFFECT:** Appropriation: No    Fiscal Com. : Yes    Local: Yes

**POSITIONS:** (Communicated to the committee before noon on Wednesday, June 10<sup>th</sup>, 2026. )

**SUPPORT:**

Student Homes Coalition (Sponsor)  
Abundant Housing Los Angeles  
California Yimby  
Circulate Planning & Policy  
East Bay Yimby  
Fieldstead and Company, INC.  
Grow the Richmond  
Housing Action Coalition  
Inner City Law Center  
Monterey Bay Economic Partnership  
Mountain View Yimby  
Napa-solano for Everyone  
Northern Neighbors Sf  
Peninsula for Everyone  
San Diego Housing Federation  
San Francisco Yimby  
San Jose Yimby  
San Mateo Forward  
Santa Cruz Yimby  
Santa Rosa Yimby  
South Bay Yimby  
Spur  
The Two Hundred for Homeownership  
Ventura County Yimby  
Yes! in Redwood City  
Yimby Action  
Yimby Los Angeles  
Yimby Monterey Peninsula  
Yimby Slo

**OPPOSITION:**

None received.

**-- END --**