

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 2415 (Hoover) – As Amended March 19, 2026

**SUBJECT:** Transit-oriented housing developments: alternative plans

**SUMMARY:** Revises SB 79 (Wiener), Chapter 512, Statutes of 2025, to add additional historic preservation protections. Specifically, **this bill**:

- 1) Allows a local government, through a transit-oriented development (TOD) local alternative plan, to reduce the site capacity in a TOD zone in total units or residential floor area by more than 50% if the following conditions are met:
  - a) The city has a population of less than 150,000;
  - b) A majority of the TOD station area is part of a local historic district that was designated before January 1, 2000; and
  - c) The city has more than one TOD zone.

**EXISTING LAW:**

- 1) Creates, pursuant to SB 79, a streamlined, ministerial approvals process for housing development projects meeting certain objective standards within a specified distance of TOD stops as follows:
  - a) Makes housing development projects an allowable use on any site zoned for residential, mixed-use, or commercial development within one-half mile of a TOD stop in cities with a population of 35,000 or more, and within one-quarter mile of a TOD stop in cities with a population of less than 35,000.
  - b) Establishes minimum land use standards, including requirements related to height, density, and floor area ratio, for TOD housing projects based on proximity to the TOD stop and the population of the jurisdiction. (Government Code (GOV) 65912.157)
- 2) Allows a local government, in its TOD alternative plan, to reduce the maximum allowed density for any individual site by more than 50% below the residential capacity permitted under SB 79 if the site contains a historic resource designated on a local register, so long as sites excluded do not cumulatively exceed 10% of the eligible area of any TOD zone. (GOV 65912.161)

**FISCAL EFFECT:** Unknown.

**COMMENTS:**

**Author's Statement:** According to the author, "As Californians continue to face a housing crisis, it is the role of the legislature to increase affordability and availability. However, these ambitions cannot come at the expense of our history, culture, and community. Policies, such as those found in SB 79 of 2025, help increase housing development near public transit. Unfortunately, not all

transit zones can accommodate such development without sacrificing the existing environment. This is the case for the Folsom Historic District. While many preservation efforts focus on landmark buildings or famous figures, Folsom understood the value of safeguarding an entire everyday small-town environment—the walkable grid, mixed uses, and incremental development patterns. Historic Folsom’s commercial core and residential neighborhoods are thriving—economically, culturally, and civically. AB 2415 helps preserve historic districts, like the one in Folsom, while still advancing the state’s housing goals.”

***California’s Housing Crisis:*** California’s housing crisis is a half-century in the making.<sup>1</sup> 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.<sup>2</sup> One in three households in the state doesn’t earn enough money to meet their basic needs.<sup>3</sup> In 2024, over 187,000 Californians experienced homelessness on a given night.<sup>4</sup>

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 6<sup>th</sup> 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.<sup>5</sup> 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.<sup>6</sup>

***Planning for Housing:*** Historically, housing planning and land use decisions in California have been delegated to local governments, which exercise primary authority over land use, zoning, permitting, and development approvals through their police power. While the state has long required each jurisdiction to adopt a housing element identifying how it will accommodate its share of regional housing need, these requirements historically lacked meaningful enforcement mechanisms. In addition, earlier iterations of Housing Element law and the Regional Housing Needs Allocation (RHNA) process required significantly less upzoning and did not compel jurisdictions to adopt zoning that could realistically accommodate assigned housing needs. As a result, jurisdictions could comply on paper while maintaining restrictive zoning and development standards that limited actual housing production. Local discretionary approval processes further

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<sup>1</sup> California Department of Housing and Community Development, *A Home for Every Californian: 2022 Statewide Housing Plan*. March 2022, <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

<sup>2</sup> IBID.

<sup>3</sup> IBID.

<sup>4</sup> U.S. Department of Housing and Urban Development, Point in Time Counts.

<https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>

<sup>5</sup> <https://www.hcd.ca.gov/policy-research/housing-challenges.shtml>

<sup>6</sup> UC Berkeley Turner Center Testimony by Ben Metcalf, Managing Director, at the State Housing Production Legislation: Actions, Outcomes, and Opportunities Informational Hearing, February 12, 2025

allowed projects to be delayed, reduced in scale, or denied based on subjective criteria, contributing to significant constraints on housing supply, particularly in high-opportunity areas.

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. The state has taken some strides to facilitate additional housing typologies in exclusionary zoning districts, namely through State ADU Law and SB 9 (Atkins), Chapter 161, Statutes of 2021, effectively making single-family zoned parcels eligible to accommodate up to four dwelling units. However, much of California's residential land remains off-limits for denser development, regardless of how well-situated the land may be when it comes to access to jobs, transportation, and other opportunities.

In recent years, the state has taken a series of actions to address local constraints on housing production by both expanding allowable residential density and shifting project approvals from discretionary review to more predictable, ministerial processes governed by objective standards. These efforts include allowing accessory dwelling units (ADUs) by right, enabling additional density in single-family zones, strengthening housing element requirements, and limiting the ability of local governments to deny, delay, or reduce the density of housing development projects that comply with applicable standards. The state has also established multiple by-right approval pathways for qualifying developments, particularly in infill and transit-accessible areas. For example, SB 684 (Caballero), Chapter 783, Statutes of 2023, and SB 1123 (Caballero), Chapter 294, Statutes of 2024, create a streamlined process for small subdivisions in urban infill areas, enabling additional housing production at a neighborhood scale. AB 2011 (Wicks), Chapter 647, Statutes of 2022, establishes a ministerial approval pathway for qualifying housing development on commercially zoned sites, while Density Bonus Law provides additional density, incentives, and concessions for eligible projects. More recently, AB 507 (Haney), Chapter 493, Statutes of 2025, facilitates the conversion of underutilized office buildings to housing through streamlined approvals, and SB 79 (Wiener), Chapter 512, Statutes of 2025, establishes minimum zoning standards near major transit stops, increasing allowable density and limiting local discretion.

**SB 79:** As mentioned above, SB 79 was one of the state's most recent attempts to encourage additional residential density in climate-smart locations. SB 79 establishes a statewide framework to increase residential density near major transit stops by making qualifying housing development an allowable use on sites zoned for residential, mixed-use, or commercial development within specified distances of transit. The bill sets minimum statewide standards for height, density, and residential floor area ratio based on a project's proximity to high-quality transit, and limits the ability of local governments to impose standards that would physically preclude achieving those thresholds. Projects must include at least five units and comply with specified affordability, labor, and antidisplacement requirements, including prohibitions on demolishing rent-restricted housing and requirements to provide deed-restricted affordable units for developments containing more than 10 units.

SB 79 applies to cities with a population of at least 35,000 that have qualifying high-quality transit stops, and requires that, beginning July 1, 2026, housing development projects be an allowable use on qualifying sites within one-half mile of a (TOD) stop (or one-quarter mile in smaller jurisdictions). The bill establishes a series of implementation deadlines, including

requiring the Department of Housing and Community Development (HCD) to issue guidance by July 1, 2026 on how SB 79 capacity is counted toward a jurisdiction's housing element sites inventory, and requiring MPOs to prepare maps of TOD stops and zones to guide implementation. Local governments may adopt implementing ordinances or local TOD alternative plans, subject to HCD review, prior to July 1, 2026, to tailor development standards, so long as the plan maintains equivalent overall residential capacity. SB 79 also provides that, beginning January 1, 2027, denial of a qualifying project in a high-resource area is presumed to violate the HAA, subject to specified exceptions.

Within this framework, SB 79 provides local governments with the ability to craft local alternative plans and implement ordinances. This includes providing local governments with limited local flexibility to reduce development intensity on certain sites. A local TOD alternative plan may reduce the allowable density on an individual site by up to 50% below SB 79's baseline standards, and may further reduce or exempt sites designated as historic resources on a local register, provided that such exemptions do not cumulatively exceed 10% of the total eligible area within a TOD zone. In addition, SB 79 allows local governments, through an implementing ordinance, to fully exempt sites designated as historic resources on a local register as of January 1, 2025 from SB 79 until one year prior to the start of the seventh housing element cycle.

***Historic Preservation, Districts, and Landmarks in California:*** Historic preservation in California operates across local, state, and federal levels, with each level maintaining its own designation processes and regulatory frameworks. Historic resources may include individual landmarks, such as buildings or structures associated with significant events, persons, or architectural styles, as well as historic districts, which are geographically defined areas containing a concentration of historically or culturally significant properties. These resources may be listed on local registers, the California Register of Historical Resources, or the National Register of Historic Places. In California, properties listed on the state or national register are generally treated as "historical resources" for purposes of environmental review, with any proposed development on those sites requiring analysis under the California Environmental Quality Act (CEQA). Notably, listing on the California Register or National Register may occur through state or federal nomination processes that do not require local government approval, meaning properties may receive historic designation even where a local jurisdiction has not chosen to designate or protect them.

The regulatory implications of historic designation vary depending on the level and type of designation. Local governments typically establish and regulate historic districts and landmarks through local ordinances, which may impose restrictions on demolition, alterations, or new construction to preserve the character of designated areas. Within historic districts, individual properties may be classified as "contributing" or "non-contributing" resources, with contributing properties retaining their historic integrity and contributing to the district's overall historical, architectural, or cultural significance, typically because they were constructed during the district's period of significance and reflect its defining characteristics. Non-contributing properties, meanwhile, are geographically located in the district but do not maintain those character-defining features. Unlike local historic designations, which are typically implemented through local land use controls, state and federal designations primarily operate through environmental review processes, most notably under CEQA in California.

State housing laws vary in how they treat historic resources when establishing streamlined or ministerial approval pathways. Some laws, such as SB 9 (Atkins), Chapter 162, Statutes of 2021, initially took a more categorical approach by excluding parcels located within historic districts or containing designated historic resources from its requirements; however, subsequent amendments under AB 1061 (Quirk-Silva), Chapter 505, Statutes of 2025, narrowed these exclusions by eliminating the blanket district-wide prohibition and instead focusing on protections for individually designated resources and contributing structures. Other state streamlining and upzoning laws continue to exclude sites containing historic resources more broadly. SB 79, by contrast, takes a more limited and locally driven approach, allowing local governments to reduce development intensity or exempt sites designated as historic resources on a local register through implementing ordinances or alternative plans, subject to specified caps and capacity requirements. As a result, SB 79's framework primarily relies on local designation to determine where historic preservation protections apply, rather than uniformly recognizing historic resources designated at the state or national level. Furthermore, for

SB 79, by contrast, takes a more limited and locally driven approach to historic preservation. Rather than broadly exempting historic resources, SB 79 allows local governments to reduce development intensity on individual sites by up to 50%, or fully exempt sites, only if those properties are designated as historic resources on a local register, and only through adoption of an implementing ordinance or a locally adopted transit-oriented development (TOD) alternative plan subject to review by HCD. Even within that framework, SB 79 places constraints on the use of these exemptions, including a 10% cap on the total amount of land within a TOD zone that may be excluded from SB 79 in a local alternative plan around any given major transit stop. In addition, SB 79 allows local governments to temporarily exempt locally designated historic resources, as of January 1, 2025, from its provisions until shortly before the next housing element cycle. As a result, SB 79's historic preservation framework primarily relies on local designation to determine where protections apply, rather than uniformly recognizing historic resources listed on the California Register or National Register. Under SB 79, only individually listed local resources, and not districts, are afforded these protections.

***This Bill:*** This bill amends SB 79 by modifying the requirements applicable to local TOD alternative plans. Under existing law, a local TOD alternative plan may not reduce the residential development capacity of any individual TOD zone, measured in total units or residential floor area, by more than 50%. This bill creates a limited exception to that requirement by allowing a local government to reduce the residential capacity in up to one TOD zone by more than 50%, if specified conditions are met. Specifically, the exception applies only in cities with a population of less than 150,000, where a majority of the station area is located within a local historic district designated prior to January 1, 2000, and where the jurisdiction contains more than one TOD zone.

This targeted exception would allow certain jurisdictions with older, locally designated historic districts to further limit development intensity in transit-rich areas, beyond what is currently permitted under SB 79. The requirement that the historic district be designated prior to January 1, 2000 may help prevent jurisdictions from newly designating historic districts solely to avoid SB 79's upzoning requirements, and instead focuses the exemption on long-established historic areas. Proponents may argue that this flexibility is necessary to preserve historically significant neighborhoods and avoid conflicts between state upzoning requirements and long-standing local preservation goals.

**Arguments in Support:** The City of Folsom writes in support: “AB 2415 recognizes that historic districts serve unique public purposes that cannot be replicated once lost. By allowing the transfer of high-density housing obligations from our historic district to other transit-oriented development locations within the city through the development of an alternative plan, the bill provides a flexible, commonsense tool that supports both statewide housing objectives and the preservation of irreplaceable cultural resources.”

**Arguments in Opposition:** South Pasadena Residents for Responsible Growth writes in opposition: “This bill is written so that the city of Pasadena could exempt one of the most useful train stations from SB 79. The city of Pasadena has not been a good actor in trying to solve the housing crisis. When SB 9 was enacted they tried to claim a significant portion of the city was exempted because of their “Landmark Districts.” Rob Bonta put Pasadena on notice for violating state housing laws for this action.”

**Committee Amendments:** The Committee may wish to consider the following amendment to align the bill text with existing statutory language in SB 79:

**(i) The local jurisdiction is a city.**

(i) The city has a population of less than 150,000.

(ii) A majority of the station transit-oriented development zone is part of a local historic district that was designated before January 1, 2000.

(~~III~~) The city has more than one transit-oriented development zone.

**Related Legislation:**

*AB 2576 (Harabedian)*, of this legislative session, would allow local to adopt an ordinance exempting, through the first year of the 7<sup>th</sup> housing element cycle, the following projects from the provisions of SB 79: individually listed sites on a state or federal register that were designated prior to January 1, 2025; and contributing structures within a historic district that was designated prior to January 1, 2025.

*SB 722 (Wahab)*, of this legislative session, prohibits the use of SB 79 on mobilehome parks.

*SB 1361 (Durazo)*, of this legislative session, would provide an exemption from SB 79 for a county, a city, a city and county, a single or multicounty council of governments, a regional transportation agency, a transit agency or district, or a county transportation agency that has adopted a policy by January 1, 2026, to complete at least 10,000 housing units, at least 50% of which will be income restricted, by January 1, 2032, except for certain transit stops.

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

*AB 1061 (Quirk-Silva)*, Chapter 505, Statutes of 2025, narrowed historic preservation exclusions in SB 9 by eliminating the blanket district-wide prohibition and instead focusing on protections for individually designated resources and contributing structures.

**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**

City of Folsom  
Folsom Chamber of Commerce  
Folsom Historic District Association  
Folsom History  
Historic Folsom Residents Association  
The Heritage Preservation League of Folsom  
Individuals (393)

**Opposition**

South Pasadena Residents for Responsible Growth

**Analysis Prepared by:** Dori Ganetsos / H. & C.D. / (916) 319-2085