

Date of Hearing: April 15, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 2576 (Harabedian) – As Amended March 19, 2026

SUBJECT: Transit-oriented development

SUMMARY: Amends SB 79 (Wiener), Chapter 512, Statutes of 2025, to add additional historic preservation protections, delay implementation by one year, and increase the population threshold under which certain SB 79 requirements apply to cities from 35,000 to 40,000.

Specifically, **this bill:**

- 1) Defines “historic resource,” for purposes of SB 79, to mean a historic resource listed on a local, state, or national historic register and including, but not limited to, a historic district and local landmark district.
- 2) Increases, from 35,000 to 40,000, the population threshold used to determine whether SB 79’s upzoning standards apply within one-half mile (instead of one-quarter mile) of a qualifying transit-oriented development (TOD) stop.
- 3) Delays the implementation of all provisions of SB 79 by one year.
- 4) Allows an SB 79 TOD local alternative plan to exceed the 50% cap on reducing the developmental capacity of any given site by allowing local governments to exempt sites with any historic resource, not just those listed on a local register, from the upzoning provisions of SB 79 through their local plans, and deletes the existing requirement that the cumulative amount of historic resource exemptions in any TOD zone cannot exceed 10% of the eligible area.
- 5) Allows a local government to adopt an ordinance exempting sites designated as a historic resource as of January 1, 2025 from the provisions of SB 79 until one year after the adoption of a seventh cycle housing element.

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) Establishes the following timelines in SB 79:

- a) Requires the Department of Housing and Community Development (HCD) to develop standards on how to allow for residential capacity under SB 79 to be counted in a jurisdiction's housing element sites inventory by July 1, 2026; (GOV 65912.160)
 - b) Requires Metropolitan Planning Organizations (MPOs) to create a map of TOD stops and zones within their region in accordance with HCD's guidelines, with a rebuttable presumption of validity for use by project applicants and local governments on an unspecified timeline; (GOV 65912.160)
 - c) Applies SB 79 to local governments starting July 1, 2026; (GOV 65912.157)
 - d) Allows a local agency to adopt an SB 79 implementing ordinance or local TOD alternative plan, which must be deemed compliant by HCD and meet certain requirements to tailor SB 79 locally, while still generally maintaining the same realistic capacity for residential development, before July 1, 2026; (GOV 65912.157)
 - e) Allows transit agencies to develop TOD zoning standards for district-owned real property in TOD zones on land that was owned by the agency on or before January 1, 2026; (GOV 65912.158) and
- 3) Makes the denial of a housing development project in a high-resource area a presumed violation of the Housing Accountability Act, and the local government immediately liable for penalties under the HAA, unless the local government demonstrates it has a health, life, or safety reason for denying the project, beginning on January 1, 2027. (GOV 65912.157)
 - 4) 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)
 - 5) Allows a local government, through an SB 79 implementing ordinance, to fully exempt sites designated as a historic resource on a local register as of January 1, 2025 from the provisions of SB 79 until one year after the adoption of a seventh cycle housing element. (GOV 65912.161)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "Assembly Bill 2576 makes targeted, practical improvements to SB 79 to ensure that California can advance transit-oriented housing while protecting the historic places and communities that define our cities and neighborhoods. As SB 79 is implemented, it is important that historic districts and resources listed at the local, state, and national levels are clearly recognized and fully protected. This clean-up legislation preserves the intent of expanding housing near transit while promoting thoughtful implementation that respects community history, reduces unintended consequences, and supports equitable outcomes statewide."

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

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.⁵ 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.⁶

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.”⁷ 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.”⁸

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

- 1) Encourage greater diversity of housing types in all neighborhoods; and

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

² IBID.

³ IBID.

⁴ 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>

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

⁶ 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

⁷ <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

⁸ IBID.

- 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: 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 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 accessory dwelling unit (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 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. SB 79 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. SB 79 developments must include at least five units and comply with specified affordability, labor, and anti-displacement 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 jurisdictions within "urban transit counties" 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 cities). SB 79 contains 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 implementing 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 following the adoption of a seventh cycle housing element.

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 occurs 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 retain 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 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 one year before the next housing element cycle. SB 79’s historic preservation framework 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 proposes the following changes to SB 79:

- 1) **Timing.** First, this bill delays all implementation timelines in SB 79 by one year. This includes the deadline for HCD to issue guidance on how SB 79 capacity is counted toward housing element site inventories, the date on which SB 79’s zoning and development standards become operative for local governments, and the date on which denial of a qualifying SB 79 project in a high-resource area is presumed to violate the HAA. Proponents state that additional time is needed for local governments to understand SB 79’s requirements and adopt implementing ordinances or alternative plans, while opponents raise concerns that delaying implementation would postpone housing production and the enforcement of key accountability provisions.

- 2) **Population Threshold.** This bill also modifies the population threshold that determines the geographic scope of SB 79's upzoning provisions. Under current law, cities with a population of 35,000 or more must apply SB 79's standards within one-half mile of qualifying transit stops, while smaller cities apply those standards within one-quarter mile. This bill increases that threshold to 40,000, thereby reducing the number of cities subject to the broader one-half mile applicability and limiting the extent of upzoning in smaller cities.
- 3) **Historic Preservation.** Lastly, this bill substantially expands SB 79's treatment of historic resources. Under current law, SB 79 primarily allows exemptions or reduced development intensity for sites designated as historic resources on a local register, subject to limits such as a cap on the total amount of land within a TOD zone that may be excluded. This bill broadens that framework by redefining "historic resource" to include properties and districts listed on local, state, or national registers, and by removing the existing cap on the cumulative amount of land that may be exempted. In doing so, this bill shifts SB 79 from a locally bounded historic preservation framework to one that recognizes a broader universe of designated resources, while also expanding local governments' ability to exempt those sites from the bill's upzoning requirements. Preservation advocates and some local governments may support these changes as strengthening protections for historically significant resources, while some housing advocates and developers may raise concerns that expanding exemptions could reduce the amount of land available for TOD housing projects.

Arguments in Support: The City of Beverly Hills writes in support: "AB 2576 addresses the challenges posed by SB 79 by extending key deadlines by one year. These extensions give local governments additional time to interpret the complex provisions of SB 79, align zoning codes, and develop alternative TOD plans that meet state housing goals while addressing local needs. This extra time helps jurisdictions navigate the intricate requirements without facing immediate penalties, fostering a smoother transition to compliance."

By delaying implementation deadlines and increasing the population threshold for certain requirements, the bill provides local jurisdictions like the City of Beverly Hills—a built-out city with a population just under 33,000—with additional time to adopt ordinances and alternative TOD plans that align with the Department of Housing and Community Development's (HCD's) standards."

Arguments in Opposition: California YIMBY, SPUR, Streets For All, Bay Area Council, Inner City Law Center, Abundant Housing Los Angeles, and the Greenbelt Alliance write in opposition: "We support thoughtful protections for historic places, but as drafted, AB 2576 would make implementation of SB 79 (Wiener, 2025) significantly more difficult and less effective. SB 79 is designed to unlock housing near high-quality transit, which is an essential strategy for addressing California's housing shortage, reducing emissions, and improving affordability."

However, California's most transit-rich areas are often also the most exclusionary when it comes to housing. Many of these neighborhoods have long histories of restrictive zoning, limiting multifamily housing, and barriers that prevent new residents, especially lower-income households, from accessing opportunity-rich communities. SB 79 is intended to address this imbalance by requiring jurisdictions to allow more housing near transit. AB 2576 would undermine that goal by adding new exemptions and delays that disproportionately affect these high-opportunity, transit-served areas."

Committee Amendments: The Committee may wish to consider the following amendments to provide additional historic preservation protections, while maintaining the legislative intent of SB 79:

- 1) Striking the existing provisions from the bill.
- 2) Permitting local governments to adopt an ordinance exempting, through the first year of the seventh housing element cycle, the following projects from the provisions of SB 79:
 - a) Individually listed sites on a state or federal register that were designated prior to January 1, 2025; and
 - b) Contributing structures within a historic district that was designated prior to January 1, 2025.

Related Legislation:

AB 2415 (Hoover), of this legislative session, would allow a city to reduce the capacity in one TOD zone by more than 50% if a city has a population of less than 150,000, a majority of the station area is part of a local historic district designated before January 1, 2000, and the city has more than one TOD zone.

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

California Preservation Foundation
City of Beverly Hills
City of Oceanside
Individuals (1)

Opposition

Abundant Housing LA
Bay Area Council
California YIMBY
Greenbelt Alliance
Inner City Law Center
South Pasadena Residents for Responsible Growth
SPUR
Streets for All

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