

ASSEMBLY THIRD READING

AB 2576 (Harabedian)

As Amended April 16, 2026

Majority vote

SUMMARY

Expands the historic sites exclusion in SB 79 (Wiener), Chapter 512, Statutes 2025, (SB 79) to include contributing sites within a historic district and parcels individually listed as a historical resource in the State Historic Resources Inventory designated before January 1, 2025.

Major Provisions

- 1) Excludes, from SB 79, contributing sites within a historic district included on the State Historic Resources Inventory, as specified, and a parcel individually listed as a historical resource included in the State Historic Resources Inventory, as specified, that were designated before January 1, 2025.
- 2) Makes technical and conforming changes.

COMMENTS

SB 79: 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 transit-oriented development (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 Metropolitan Planning Organizations 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 Housing Accountability Act, 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 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 states 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 expands the historic site exclusion within SB 79 to allow local governments to adopt an ordinance exempting, through the first year of the seventh housing element cycle, the following properties from SB 79:

- 1) Individually listed sites on a state or federal register that were designated prior to January 1, 2025; and
- 2) Contributing structures within a historic district that was designated prior to January 1, 2025.

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."

Arguments in Support

The City of South Pasadena writes in support: "AB 2576 makes an important structural correction to SB 79's treatment of historic resources. Under current law, a city's alternative plan may exclude sites with a historic resource, but only those appearing on a local historic register, and only up to 10% of the eligible area. AB 2576 addresses both limitations."

Arguments in Opposition

None on file for current bill version.

FISCAL COMMENTS

None.

VOTES

ASM HOUSING AND COMMUNITY DEVELOPMENT: 11-0-1

YES: Haney, Patterson, Ávila Farías, Caloza, Garcia, Kalra, Lee, Quirk-Silva, Tangipa, Wicks, Wilson

ABS, ABST OR NV: Ta

ASM LOCAL GOVERNMENT: 9-0-1

YES: Carrillo, Johnson, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

ABS, ABST OR NV: Ta

UPDATED

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CONSULTANT: Dori Ganetsos / H. & C.D. / (916) 319-2085

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