

Date of Hearing: June 22, 2026

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Isaac G. Bryan, Chair

SB 958 (Weber Pierson) – As Amended June 15, 2026

SENATE VOTE: 37-0

SUBJECT: California Environmental Quality Act: environmental impacts: building height

SUMMARY: For purposes of the California Environmental Quality Act (CEQA), provides that building height is not a significant impact on the environment for specified non-industrial infill projects.

EXISTING LAW:

- 1) Requires lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. (Public Resources Code (PRC) 21000 *et seq.*)
- 2) Defines "environment" as the physical conditions that exist within the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, noise, or objects of historic or aesthetic significance. (PRC 21060.5)
- 3) Defines "significant effect on the environment" as a substantial, or potentially substantial, adverse change in the environment. (PRC 21068)

THIS BILL:

- 1) Prohibits the environmental impacts of a project that are associated with increased building height alone, including air circulation, noise and light refraction or reflection, or the potential to attract wildlife, from being considered significant impacts on the environment if the project meets the following conditions:
 - a) The use and density of the project is otherwise analyzed in a certified EIR.
 - b) The project is on a previously graded infill site.
 - c) There are no sensitive biological resources physically present on the site.
 - d) The project is not an industrial use project.
 - e) Requires a project that is proposed to be constructed on a site that is greater than 40 acres that has an estimated construction valuation that exceeds \$100 million and that is subject to a project-specific EIR to create high-wage, highly-skilled jobs that pay prevailing wages and living wages, employ a skilled and trained workforce, and provide construction jobs and permanent jobs for Californians.

- f) Defines “jobs that pay prevailing wages” as construction workers employed in the execution of the project will receive at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations.

FISCAL EFFECT: According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

COMMENTS:

- 1) **Background.** This bill is intended to advance the Midway Rising project in the City of San Diego, notwithstanding adverse court decisions, most recently by the Fourth District Court of Appeal in 2025, regarding the City’s environmental review.

Midway Rising is a proposed development in the City of San Diego that covers 49 acres of City-owned land at the San Diego Sports Arena site in the Midway-Pacific Highway community (west of I-5 and south of I-8). The project is envisioned to include a 16,000-seat sports arena, 14 acres of parks and public space, a mixed-use entertainment, arts, and cultural district, and 4,250 housing units (2,000 of which will be affordable at 80% below area median income). The project is intended to replace an older stadium and associated parking lots.

The project is located within an area of San Diego that is subject to San Diego’s Coastal Height Limit Overlay Zone, which was established by the voters in 1972 and generally limits building heights to 30 feet west of I-5 to protect coastal views. In 2018, the City completed a program environmental impact report (PEIR) for the land use plans governing the area to enable development of the project. Because both the arena and several residential buildings exceeded the 30-foot height limit, the City submitted a ballot measure to voters in 2020 to raise the height limit for the project area. The City relied on the PEIR as the environmental analysis for the project. However, the Fourth District Court of Appeals invalidated that ballot measure because the PEIR did not consider potential environmental impacts of removing the height limit. While that appeal was pending, in 2022 the City prepared a supplemental environmental impact report (SEIR) and approved a second ballot measure to remove the height limit from the same area. The Fourth District also invalidated the second ballot measure for similar reasons. The Court noted:

The 2022 draft SEIR recognized removal of the Coastal Zone height limit was a changed circumstance from the 2018 PEIR. Yet, for almost every category of potential environmental impacts the initial study addressed, it said the PEIR adequately examined potential impacts because the project ‘would be limited to the [Midway Rising] area footprint and land use, density, and zoning analyzed in the 2018 PEIR.

The Court went on to identify a litany of impacts that could be related to building height that were not examined in the PEIR.

While the most immediate effect of this bill is to clear a path for the City to approve the Midway Rising project, the Fourth District’s findings regarding the City’s failure to analyze

the environmental impacts of building height have broader implications. Likewise, this bill has a broader effect.

This bill's exemption from consideration of impacts is strictly limited to building height, and only for projects that meet the bill's other conditions. For example, building design or features that may cause significant impacts independent of increased building height are not excluded from CEQA review by the bill. Also, the bill suggests that building height alone may be considered a significant impact for any project that does not meet the bill's several conditions.

2) Author's statement:

SB 958 is about providing clarity and certainty within the CEQA process while maintaining strong environmental protections. Recent court decisions have created confusion regarding how environmental impacts associated solely with increased building height should be analyzed, creating uncertainty for housing, mixed-use, and infill projects throughout California. This bill establishes a narrow and thoughtful clarification in state law to ensure that projects are evaluated based on meaningful environmental impacts rather than speculative claims tied only to height itself. As California continues to confront interconnected housing, climate, and affordability challenges, we must support well-planned infill development near jobs, transit, and existing infrastructure while preserving the integrity of CEQA's environmental review process. SB 958 strikes that balance and helps ensure that projects approved through robust public planning processes can move forward with greater predictability and transparency.

REGISTERED SUPPORT / OPPOSITION:

Support

San Diego Regional Chamber of Commerce

Opposition

Peninsula Community Planning Board

Analysis Prepared by: Lawrence Lingbloom / NAT. RES. /