

BILL: AB 2576 (Harabedian, D–Pasadena)
Amended March 19, 2026
Introduced February 20, 2026

SUBJECT: AB 2576 makes technical and implementation updates to state law governing high-density development near transit stations pursuant to SB 79 (Chapter 512, Statutes of 2025)

STATUS: Pending in Assembly Committee on Housing and Community Development
Amended

SUMMARY AS OF MARCH 26, 2026:

AB 2576 is a clean-up and implementation bill related to SB 79 (Chapter 512, Statutes of 2025), which established statewide requirements to facilitate high-density development near major transit stops. The bill makes targeted technical and policy refinements to support more effective implementation of those provisions.

Existing law requires that qualifying housing development projects located near major transit stops be permitted as an allowed use if they meet specified density, affordability, and development standards. AB 2576 would delay key implementation timelines by one year, including deadlines for local governments to adopt compliant zoning or alternative plans and the timing of enforcement provisions. The bill also increases the population threshold for certain requirements from 35,000 to 40,000, modifying applicability for some jurisdictions.

The bill also refines provisions related to transit-oriented development zones, including clarifying the definition of historic resources and removing the cap on the amount of land that may be excluded from development standards due to historic designation. AB 2576 further refines environmental review standards.

EFFECTS ON ORANGE COUNTY:

AB 2576 is directly relevant to the Orange County Transportation Authority’s (OCTA) implementation of SB 79, which established statewide requirements to facilitate transit-oriented housing development near major transit stops. SB 79 includes a number of provisions that are undefined, ambiguous, or internally inconsistent, making it difficult to determine how the law will be applied across jurisdictions and transit systems.

In Orange County, these uncertainties are particularly significant given the role of Metrolink service and the future OC Streetcar in determining whether the county qualifies as an “urban transit county,” which would trigger the law’s applicability. Once applicable, SB 79 could affect a wide range of station areas, including Metrolink stations and OC Streetcar stops, with implications for local land use authority, development standards, and project approvals.

AB 2576 helps address these implementation challenges by providing additional time refinements to definitions, mapping and implementation, including for local jurisdictions to update zoning and planning frameworks. A delay to implementation timelines was also included among amendments recommended by the OCTA Board of Directors for any SB 79 clean-up legislation, and this bill reflects that approach. These refinements may help reduce uncertainty for local governments, transit agencies, and project sponsors as the state develops further guidance through the Department of Housing and Community Development and regional planning agencies.

Overall, AB 2576 represents a pragmatic clean-up measure that improves the workability of SB 79 by addressing ambiguities, refining implementation timelines, and supporting better coordination between state, regional, and local entities. These changes may help ensure that transit-oriented development policies are implemented in a more predictable and feasible manner in Orange County. A SUPPORT position is consistent with OCTA's 2025-26 State Legislative Platform principle to "Support legislation to amend the implementation of SB 79 (Chapter 512, Statutes of 2025) by updating definitions and making other changes as needed to ensure continued community support for transit projects."

OCTA POSITION:

Staff recommends: SUPPORT

AMENDED IN ASSEMBLY MARCH 19, 2026

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 2576

Introduced by Assembly Member Harabedian

February 20, 2026

An act to amend ~~Section 65580~~ Sections 65912.156, 65912.157, 65912.158, 65912.160, and 65912.161 of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

AB 2576, as amended, Harabedian. ~~Local planning; housing element.~~
Transit-oriented development.

Existing law provides that a housing development project shall be an allowed use as a transit-oriented housing development if specified conditions and requirements are met, including certain requirements pertaining to cities with a population of at least 35,000. Existing law defines various terms for these purposes. Existing law provides that these provisions do not apply to a local agency until January 1, 2026, unless the local agency adopts an ordinance or local transit-oriented development alternative plan, as defined, deemed compliant by the Department of Housing and Community Development before July 1, 2027. Existing law specifies that, beginning on January 1, 2027, a local government that denies a housing development project meeting the requirements referenced above that is located in a high-resource area is presumed to be in violation of specified law and immediately liable for specified penalties.

This bill would delay each of those dates, and certain related dates, by one year. The bill would also increase the population threshold for

certain requirements to apply to cities, as described above, from 35,000 to 40,000.

Existing law specifies exclusions from the provisions described above, including that a site is covered by a local transit-oriented development alternative plan adopted by a local government, and a site with a historic resource designated as of January 1, 2025, on a local register. Existing law places specified limitations on the reduction of maximum allowed density for certain individual sites, except for sites that meet certain criteria, including a site with a historic resource designated on a local register, as specified. Under existing law, sites with historic resources excluded under this latter provision may not cumulatively exceed 10% of the eligible area of any transit-oriented development zone.

This bill would define “historic resource” for these purposes to mean a historic resource listed on a local, state, or national historic register. The bill would remove the above-described limitation on the exclusion of sites with a historic resource to 10% of the eligible area of a transit-oriented development zone.

~~Existing law, the Planning and Zoning Law, requires each city, county, and city and county to prepare and adopt a general plan that contains certain mandatory elements, including a housing element. That law includes findings and declarations relating to the vital importance of the availability of housing.~~

~~This bill would make nonsubstantive changes to those provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 65912.156 of the Government Code is
- 2 amended to read:
- 3 65912.156. For purposes of this chapter, the following
- 4 definitions apply:
- 5 (a) “Adjacent” means within 200 feet of any pedestrian access
- 6 point to a transit-oriented development stop.
- 7 (b) “Commuter rail” means a public rail transit service not
- 8 meeting the standards for heavy rail or light rail, excluding
- 9 California High-Speed Rail and Amtrak Long Distance Service.
- 10 (c) “Department” means the Department of Housing and
- 11 Community Development.

1 (d) “Heavy rail transit” means a public electric railway line with
 2 the capacity for a heavy volume of traffic using high-speed and
 3 rapid acceleration passenger rail cars operating singly or in multicar
 4 trains on fixed rails, separate rights-of-way from which all other
 5 vehicular and foot traffic are excluded, and high platform loading.
 6 “Heavy rail transit” does not include California High-Speed Rail.

7 (e) “High-frequency commuter rail” means a commuter rail
 8 service operating a total of at least 48 trains per day across both
 9 directions, not including temporary service changes of less than
 10 one month or unplanned disruptions, and not meeting the standard
 11 for very high frequency commuter rail, at any point in the past
 12 three years.

13 (f) “High-resource area” means an area designated as highest
 14 resource or high resource on the most recently adopted version of
 15 the opportunity area maps published by the California Tax Credit
 16 Allocation Committee and the department.

17 (g) “*Historic resource*” means a historic resource listed on a
 18 local, state, or national historic register and includes, but is not
 19 limited to, a historic district and local landmark district.

20 ~~(g)~~

21 (h) “Housing development project” has the same meaning as
 22 defined in Section 65589.5, but does not include a project of which
 23 any portion is designated for use as a hotel, motel, bed and
 24 breakfast inn, or other transient lodging. For the purposes of this
 25 subdivision, the term “other transient lodging” does not include
 26 either of the following:

27 (1) A residential hotel, as defined in Section 50519 of the Health
 28 and Safety Code.

29 (2) After the issuance of a certificate of occupancy, a resident’s
 30 use or marketing of a unit as short-term lodging, as defined in
 31 Section 17568.8 of the Business and Professions Code, in a manner
 32 consistent with local law.

33 ~~(h)~~

34 (i) “Light rail transit” includes streetcar, trolley, and tramway
 35 service. “Light rail transit” does not include airport people movers.

36 ~~(i)~~

37 (j) “Net habitable square footage” means the finished and heated
 38 floor area fully enclosed by the inside surface of walls, windows,
 39 doors, and partitions, and having a headroom of at least six and
 40 one-half feet, including working, living, eating, cooking, sleeping,

1 stair, hall, service, and storage areas, but excluding garages,
 2 carports, parking spaces, cellars, half-stories, and unfinished attics
 3 and basements.

4 ~~(j)~~

5 (k) “Low-resource area” means an area designated as low
 6 resource on the most recently adopted version of the opportunity
 7 area maps published by the California Tax Credit Allocation
 8 Committee and the department.

9 ~~(k)~~

10 (l) “Rail transit” has the same meaning as defined in Section
 11 99602 of the Public Utilities Code.

12 ~~(l)~~

13 (m) “Residential floor area ratio” means the ratio of net habitable
 14 square footage dedicated to residential use to the area of the lot.

15 ~~(m)~~

16 (n) “Transit-oriented development zone” means the area within
 17 one-half mile of a transit-oriented development stop.

18 ~~(n)~~

19 (o) “Tier 1 transit-oriented development stop” means a
 20 transit-oriented development stop within an urban transit county
 21 served by heavy rail transit or very high frequency commuter rail.

22 ~~(o)~~

23 (p) “Tier 2 transit-oriented development stop” means a
 24 transit-oriented development stop within an urban transit county,
 25 excluding a Tier 1 transit-oriented development stop, served by
 26 light rail transit, by high-frequency commuter rail, or by bus service
 27 meeting the standards of paragraph (1) of subdivision (a) of Section
 28 21060.2 of the Public Resources Code.

29 ~~(p)~~

30 (q) “Transit-oriented development stop” means a major transit
 31 stop, as defined by Section 21064.3 of the Public Resources Code,
 32 and also including stops on a route for which a preferred alternative
 33 has been selected or which are identified in a regional
 34 transportation improvement program, that is served by heavy rail
 35 transit, very high frequency commuter rail, high frequency
 36 commuter rail, light rail transit, or bus service within an urban
 37 transit county meeting the standards of paragraph (1) of subdivision
 38 (a) of Section 21060.2 of the Public Resources Code. When a new
 39 transit route or extension is planned that was not identified in the
 40 applicable regional transportation plan on or before January 1,

1 2026, those stops shall not be eligible as transit-oriented
 2 development stops unless they would be eligible as Tier 1
 3 transit-oriented development stops. If a county becomes an urban
 4 transit county subsequent to July 1, 2026, then bus service in that
 5 county shall remain ineligible for designation of a transit-oriented
 6 development stop.

7 ~~(q)~~

8 (r) "Urban transit county" means a county with more than 15
 9 passenger rail stations.

10 ~~(r)~~

11 (s) "Very high frequency commuter rail" means a commuter
 12 rail service with a total of at least 72 trains per day across both
 13 directions, not including temporary service changes of less than
 14 one month or unplanned disruptions, at any point in the past three
 15 years.

16 *SEC. 2. Section 65912.157 of the Government Code is amended*
 17 *to read:*

18 65912.157. (a) A housing development project shall be an
 19 allowed use as a transit-oriented housing development on any site
 20 zoned for residential, mixed, or commercial development within
 21 one-half or one-quarter mile of a transit-oriented development
 22 stop, if the development complies with the applicable of all of the
 23 following requirements:

24 (1) A transit-oriented housing development project allowed
 25 under this chapter shall include at least five dwelling units and
 26 meet the greater of the following:

27 (A) A minimum density of at least 30 dwelling units per acre.

28 (B) The minimum density required under local zoning, if
 29 applicable.

30 (2) The average total area of floor space for the proposed units
 31 in the transit-oriented housing development project shall not exceed
 32 1,750 net habitable square feet.

33 (3) For a transit-oriented housing development project within
 34 one-quarter mile of a Tier 1 transit-oriented development stop, all
 35 of the following apply:

36 (A) A local government shall not impose any height limit less
 37 than 75 feet.

38 (B) A local government shall not impose any maximum density
 39 of less than 120 dwelling units per acre.

1 (C) A local government shall not enforce any other local
2 development standard or combination of standards that would
3 physically preclude achieving a residential floor area ratio of up
4 to 3.5.

5 (D) A development that achieves a minimum density of 90
6 dwelling units per acre and that otherwise meets the eligibility
7 requirements of Section 65915, including, but not limited to,
8 affordability requirements, shall be eligible for additional
9 concessions pursuant to Section 65915, as specified in subdivision
10 (d).

11 (4) For a transit-oriented housing development project further
12 than one-quarter mile but within one-half mile of a Tier 1
13 transit-oriented development stop, and within a city with a
14 population of at least ~~35,000~~, 40,000, all of the following apply:

15 (A) A local government shall not impose any height limit less
16 than 65 feet.

17 (B) A local government shall not impose any maximum density
18 standard of less than 100 dwelling units per acre.

19 (C) A local government shall not enforce any other local
20 development standard or combination of standards that would
21 physically preclude achieving a residential floor area ratio of up
22 to 3.

23 (D) A development that achieves a minimum density of 75
24 dwelling units per acre and that otherwise meets the eligibility
25 requirements of Section 65915, including, but not limited to,
26 affordability requirements, shall be eligible for additional
27 concessions pursuant to Section 65915, as specified in subdivision
28 (d).

29 (5) For a transit-oriented housing development project within
30 one-quarter mile of a Tier 2 transit-oriented development stop, all
31 of the following apply:

32 (A) A local government shall not impose any height limit less
33 than 65 feet.

34 (B) A local government shall not impose any maximum density
35 standard of less than 100 dwelling units per acre.

36 (C) A local government shall not enforce any other local
37 development standard or combination of standards that would
38 physically preclude achieving a residential floor area ratio of up
39 to 3.

1 (D) A development that achieves a minimum density of 75
2 dwelling units per acre and that otherwise meets the eligibility
3 requirements of Section 65915, including, but not limited to,
4 affordability requirements, shall be eligible for additional
5 concessions pursuant to Section 65915, as specified in subdivision
6 (d).

7 (6) For a transit-oriented housing development project further
8 than one-quarter mile but within one-half mile of a Tier 2
9 transit-oriented development stop, and within a city with a
10 population of at least ~~35,000~~, 40,000, all of the following apply:

11 (A) A local government shall not impose any height limit less
12 than 55 feet.

13 (B) A local government shall not impose any maximum density
14 standard of less than 80 dwelling units per acre.

15 (C) A local government shall not enforce any other local
16 development standard or combination of standards that would
17 physically preclude achieving a residential floor area ratio of up
18 to 2.5.

19 (D) A development that achieves a minimum density of 60
20 dwelling units per acre and that otherwise meets the eligibility
21 requirements of Section 65915, including, but not limited to,
22 affordability requirements, shall be eligible for additional
23 concession pursuant to Section 65915, as specified in subdivision
24 (d).

25 (b) For purposes of this chapter, the distance of a transit-oriented
26 housing development project from a transit-oriented development
27 stop shall be measured in a straight line from the nearest edge of
28 the parcel containing the proposed project to a pedestrian access
29 point for the transit-oriented development stop.

30 (c) A local government may still enact and enforce standards,
31 including an inclusionary zoning requirement that do not, alone
32 or in concert, prevent achieving the applicable development
33 standards of subdivision (a). A local government shall not adopt
34 any requirement, including, but not limited to, increased fees or
35 inclusionary zoning requirements, that applies to a project solely
36 or partially on the basis that the project is seeking approval as a
37 transit-oriented housing development, except as necessary for the
38 requirements of this chapter.

39 (d) A transit-oriented housing development project under this
40 section shall be eligible for a density bonus, incentives or

1 concessions, waivers or reductions of development standards, and
2 parking ratios pursuant to Section 65915 or a local density bonus
3 program, using the density allowed under this section as the base
4 density. If a development proposes a height under this section in
5 excess of the local height limit, then a local government shall not
6 be required to grant a waiver, incentive, or concession pursuant to
7 Section 65915 for additional height beyond that specified in this
8 section, except as provided in subparagraph (D) of paragraph (2)
9 of subdivision (d) of Section 65915. A development shall be
10 eligible for the following additional concessions, if it meets the
11 applicable density threshold specified for its location:

12 (1) For a development providing housing for extremely low
13 income households, three additional concessions.

14 (2) For a development providing housing for very low income
15 households, two additional concessions.

16 (3) For a development providing housing for low-income
17 households, one additional concession.

18 (e) Notwithstanding any other law, a transit-oriented housing
19 development project that meets any of the eligibility criteria under
20 subdivision (a) and is immediately adjacent to a transit-oriented
21 development stop shall be eligible for an adjacency intensifier to
22 increase the height limit by an additional 20 feet, the maximum
23 density standard by an additional 40 dwelling units per acre, and
24 the residential floor area ratio by 1 prior to the application of
25 Section 65915.

26 (f) A development proposed pursuant to this section shall
27 comply with Section 66300.6, including any local requirements
28 or processes implementing the provisions of Section 66300.6. This
29 subdivision shall apply to any city or county.

30 (g) A development proposed pursuant to this section shall
31 comply with any applicable local demolition and antidisplacement
32 standards established through a local ordinance.

33 (h) A development proposed pursuant to this section shall not
34 be located on either of the following:

35 (1) A site containing more than two units where the development
36 would require the demolition of housing that is subject to any form
37 of rent or price control through a public entity's valid exercise of
38 its police power that has been occupied by tenants within the past
39 seven years.

1 (2) A site that was previously used for more than two units of
2 housing that were demolished within seven years before the
3 development proponent submits an application under this section
4 and any of the units were subject to any form of rent or price
5 control through a public entity's valid exercise of its police power.

6 (i) A development proposed pursuant to this section shall include
7 housing for lower income households by complying with one of
8 the following requirements:

9 (1) (A) Any of the following:

10 (i) At least 7 percent of the total units, as defined in
11 subparagraph (A) of paragraph (9) of subdivision (o) of Section
12 65915, are dedicated to extremely low income households, as
13 defined in Section 50106 of the Health and Safety Code.

14 (ii) At least 10 percent of the total units, as defined in
15 subparagraph (A) of paragraph (9) of subdivision (o) of Section
16 65915, are dedicated to very low income households, as defined
17 in Section 50105 of the Health and Safety Code.

18 (iii) At least 13 percent of the total units, as defined in
19 subparagraph (A) of paragraph (9) of subdivision (o) of Section
20 65915, are dedicated to lower income households, as defined in
21 Section 50079.5 of the Health and Safety Code.

22 (B) This paragraph shall not apply to any development of 10
23 units or less.

24 (C) All units dedicated to extremely low income, very low
25 income, and low-income households pursuant to subparagraph (A)
26 shall meet both of the following:

27 (i) The units shall have an affordable housing cost, as defined
28 in Section 50052.5 of the Health and Safety Code, or an affordable
29 rent, as defined in Section 50053 of the Health and Safety Code.

30 (ii) The development proponent shall agree to, and the local
31 agency shall ensure, the continued affordability of all affordable
32 rental units included pursuant to this section for 55 years and all
33 affordable ownership units included pursuant to this section for a
34 period of 45 years.

35 (2) If a local inclusionary housing requirement mandates a
36 higher percentage of affordable units or a deeper level of
37 affordability than that described in paragraph (1), then the local
38 inclusionary housing requirement mandate shall apply in place of
39 the requirements in paragraph (1).

1 (j) A development proposed pursuant to this chapter shall be
2 consistent with the height, noise, and safety standards of an adopted
3 airport land use compatibility plan or Department of Defense Air
4 Installation Compatible Use Zones developed pursuant to Section
5 21675 of the Public Utilities Code, and of otherwise applicable
6 objective fire safety standards established pursuant to the California
7 Building Code, the California Fire Code, the California,
8 Wildland-Urban Interface Code, the Health and Safety Code, the
9 Public Resources Code, or Chapter 6.8 (commencing with Section
10 51175) of Part 1 of Division 1 of Title 5 of this code.

11 (k) Any transit-oriented housing development pursuant to this
12 section shall meet the labor standards of subparagraphs (A), (B),
13 (C), (D), (F), and (G) of paragraph (8) of subdivision (a) of Section
14 65913.4 for any building over 85 feet in height, which shall be
15 applicable to the building.

16 (l) For purposes of subdivision (j) of Section 65589.5, a
17 proposed housing development project that is consistent with the
18 applicable standards from this chapter, as well as applicable local
19 objective general plan and zoning standards that do not alone or
20 in concert prevent achieving those standards, and as modified by
21 any incentive, concession, or waiver under Section 65915, shall
22 be deemed consistent, compliant, and in conformity with an
23 applicable plan, program, policy, ordinance, standard, requirement,
24 or other similar provision. This subdivision shall not require a
25 ministerial approval process or modify the requirements of Division
26 13 (commencing with Section 21000) of the Public Resources
27 Code.

28 (m) Beginning on January 1, ~~2027~~, 2028, a local government
29 that denies a housing development project meeting the requirements
30 of this section that is located in a high-resource area shall be
31 presumed to be in violation of the Housing Accountability Act
32 (Section 65589.5) and immediately liable for penalties pursuant
33 to subparagraph (B) of paragraph (1) of subdivision (k) of Section
34 65589.5, unless the local government demonstrates, pursuant to
35 the standards in subdivisions (j) and (o) of Section 65589.5, that
36 it has a health, life, or safety reason for denying the project.

37 (n) This section shall not apply to a local agency until July 1,
38 ~~2026~~, 2027, unless the local agency adopts an ordinance or local
39 transit-oriented development alternative plan deemed compliant
40 by the department before July 1, ~~2026~~. 2027. It shall not apply

1 within an unincorporated area of a county until the 7th regional
2 housing needs allocation cycle.

3 *SEC. 3. Section 65912.158 of the Government Code is amended*
4 *to read:*

5 65912.158. (a) For the purposes of this section, “agency
6 transit-oriented development project” means a housing
7 development project or ~~mixed-use~~ *mixed-use* residential project
8 that meets all of the following requirements:

9 (1) A minimum of 50 percent of the total square footage of the
10 project is dedicated to residential purposes.

11 (2) A minimum of 20 percent of the total number of units shall
12 be restricted for the affordable lower income households and shall
13 be subject to a recorded affordability restriction for at least 55
14 years in the case of rental units and 45 years in the case of ~~owner~~
15 ~~occupied~~ *owner-occupied* units, unless a local ordinance or the
16 terms of federal, state, or local tax credit, or other project financing
17 requires a longer period of affordability.

18 (3) The average total floor area of floor space for the proposed
19 units in the housing development project shall not exceed 1,750
20 net habitable square feet.

21 (4) The parcel or parcels on which the project is located is an
22 infill site, as defined in Section 21061.3 of the Public Resources
23 Code.

24 (5) The transit-oriented development parcels on which the
25 transit-oriented development project would be located was not
26 acquired through eminent domain on or after July 1, 2025.

27 (6) The parcels on which the transit-oriented development
28 project would be located are owned by the agency and either:

29 (A) The parcels are adjacent to a transit-oriented development
30 stop for which the agency operates service, or form a contiguous
31 area adjacent to such a transit-oriented development stop.

32 (B) At least 75 percent of the project area is located within
33 one-half mile of a transit-oriented development stop for which the
34 agency operates service or plans to provide service and was owned
35 by the agency on or before January 1, ~~2026~~ 2027.

36 (b) (1) A transit agency’s board of directors may adopt by
37 resolution agency transit-oriented development zoning standards
38 for district-owned real property located in a transit-oriented
39 development zone. These standards shall establish minimum local
40 zoning requirements for height, density, residential floor area ratio,

1 and allowed uses, that shall apply to an agency transit-oriented
2 development project, that shall be consistent with Section
3 65912.157.

4 (2) Adopted agency transit-oriented development zoning
5 standards shall establish, for each transit station, the lowest
6 permissible maximum standard for height, density, and residential
7 floor area ratio, and a list of approved residential, retail, and
8 commercial uses.

9 (3) The agency transit-oriented development zoning standards
10 adopted by the board of directors shall not adopt a lowest
11 permissible maximum standard for density or residential floor area
12 ratio below the level permitted under Section 65912.157, and shall
13 not prohibit residential use.

14 (4) The agency transit-oriented development zoning standards
15 shall not establish density standards that exceed 200 percent of the
16 maximum density established in Section 65912.157.

17 (c) The adoption of, and amendments to, the agency
18 transit-oriented development zoning standards shall comply with
19 all of the following:

20 (1) The transit agency shall hold a public hearing to receive
21 public comment on the proposed agency transit-oriented
22 development zoning standards or proposed changes to the agency
23 transit-oriented development zoning standards. The transit agency
24 shall conduct direct outreach to relevant local governments and to
25 communities of concern around each station. Before or during the
26 scoping meeting, the transit agency shall consult with each local
27 government in which the station is located, as well as any relevant
28 infrastructure agencies. The consultation required pursuant to this
29 section shall include all of the following:

30 (A) A review of the housing needs of the jurisdiction.

31 (B) A review of the transit-oriented development approved and
32 built in the past year in the jurisdiction.

33 (C) A review of any transit-oriented development projects
34 proposed by the transit agency in the jurisdiction for the past year.

35 (D) A discussion of any obstacles to development of any project
36 proposed by the transit agency.

37 (2) Not less than 30 days before a public hearing of the board
38 to consider the agency transit-oriented development zoning
39 standards, the transit agency shall provide public notice and make
40 the draft standards available to the public.

1 (3) The board shall adopt or reject any proposed agency
2 transit-oriented development zoning standards at a publicly noticed
3 meeting of the board not less than 30 days following the original
4 public hearing.

5 (d) Objective standards adopted pursuant to paragraph (b) shall
6 not preempt or otherwise displace local discretionary standards
7 that apply to hotel, motel, bed and breakfast, or other transient
8 lodging use, including short-term lodging, as defined in Section
9 17568.8 of the Business and Professions Code. For the purposes
10 of this subdivision, the term “other transient lodging” does not
11 include a residential hotel, as defined in Section 50519 of the
12 Health and Safety Code.

13 (e) Where local zoning is inconsistent with the agency
14 transit-oriented development zoning standards for a station, the
15 local jurisdiction may adopt a local zoning ordinance that conforms
16 to the transit-oriented development zoning standards.

17 (f) (1) A local government shall not be required to approve any
18 height limit in excess of the standard for development adjacent to
19 the transit-oriented development stop under Section 65912.157.

20 (2) The transit agency shall make a finding as to whether the
21 local zoning ordinance conforms to the agency transit-oriented
22 development zoning standards. Local zoning shall remain in place
23 unless the transit agency determines that it does not conform to
24 the agency transit-oriented development zoning standards. If,
25 according to the transit agency’s finding, the local zoning ordinance
26 does not conform to the agency transit-oriented development
27 zoning standards after two years of the date that the agency
28 transit-oriented development zoning standards are adopted by the
29 board for that station, the agency transit-oriented development
30 zoning standards shall become the local zoning for any
31 district-owned parcels that are eligible under this section, except
32 for any height limit in excess of the standard for development
33 adjacent to the transit-oriented development stop under Section
34 65912.157. For each station, a local jurisdiction may update zoning
35 for transit agency-owned land to comply with agency
36 transit-oriented development zoning standards until the time that
37 the transit agency enters into an exclusive negotiating agreement
38 with a developer for an agency transit-oriented development
39 project.

1 (g) (1) The transit agency's approval of agency transit-oriented
2 development zoning standards shall be subject to review under the
3 California Environmental Quality Act (Division 13 (commencing
4 with Section 21000) of the Public Resources Code). The district
5 shall serve as the lead agency for California Environmental Quality
6 Act review for transit-oriented development zoning standards.

7 (2) Any subsequent California Environmental Quality Act
8 review of rezoning to conform with agency transit-oriented
9 development zoning standards, and of eligible transit-oriented
10 development projects proposed and on district-owned land, shall
11 incorporate the environmental review document certified for the
12 transit-oriented development zoning standards consistent with
13 Section 21094 of the Public Resources Code. A public agency
14 shall not prepare an environmental impact report or mitigated
15 negative declaration for rezoning pursuant to paragraph (2) of
16 subdivision (f) to implement agency transit-oriented development
17 zoning standards or for a transit-oriented development project
18 subsequent to the transit agency's certification of an environmental
19 review document for approval of agency transit-oriented
20 development zoning standards unless the public agency finds,
21 based on substantial evidence, that the rezoning or transit-oriented
22 development project creates a significant effect on the environment
23 that was not analyzed in the prior environmental review document,
24 and mitigated or avoided.

25 (h) A local agency may adopt objective, written development
26 standards, conditions, and policies that apply to development on
27 district-owned property, provided that they demonstrate their
28 consistency with the agency transit-oriented development zoning
29 standards. In the event that the agency transit-oriented development
30 zoning standards, objective planning standards, general plan, or
31 design review standards are mutually inconsistent, the agency
32 transit-oriented development zoning standards shall be the
33 controlling standards. To the extent that the zoning standards do
34 not resolve inconsistencies, the general plan shall be the controlling
35 standard.

36 (i) Zoning in effect as a result of this section shall be considered
37 the same as locally approved zoning for all purposes, including
38 the Density Bonus Law and the Housing Accountability Act.

39 (j) Any agency transit-oriented development project shall
40 comply with the antidisplacement requirements of Section 66300.6.

1 (k) A local government shall not be required to approve any
2 height limit under this section greater than the height limit specified
3 in this chapter for development adjacent to the relevant tier of a
4 transit-oriented development stop. A transit agency shall not set a
5 maximum height, density, or residential floor area ratio below that
6 which would be allowed for the site under this chapter.

7 (l) If nonresidential development is included in an agency
8 transit-oriented development project, at least 25 percent of the total
9 planned units affordable to lower income households shall be made
10 available for lease or sale and permitted for use and occupancy
11 before or at the same time with every 25 percent of nonresidential
12 development made available for lease or sale and permitted for
13 use and occupancy.

14 (m) The development applicant for an agency transit-oriented
15 development project proposed pursuant to this section shall certify
16 that the labor standards in paragraphs (8) and (9) of subdivision
17 (a) of Section 65913.4 will be met in project construction, and
18 those standards shall apply if the project is approved by the public
19 agency. Notwithstanding the preceding sentence, this subdivision
20 shall not apply if all contractors and subcontractors performing
21 work on the development are subject to a project labor agreement
22 with the transit agency that was entered into before July 1, 2026,
23 that requires the payment of prevailing wages to all construction
24 workers employed in the execution of the development and
25 provides for the enforcement of that obligation through an
26 arbitration procedure. For the purposes of this subdivision, “project
27 labor agreement,” has the same meaning as set forth in paragraph
28 (1) of subdivision (b) of Section 2500 of the Public Contract Code.

29 *SEC. 4. Section 65912.160 of the Government Code is amended*
30 *to read:*

31 65912.160. (a) The department shall oversee compliance with
32 this chapter.

33 (b) The department shall promulgate standards on how to allow
34 for capacity pursuant to this chapter to be counted in a city or
35 county’s inventory of land suitable for residential development
36 pursuant to Section 65583.2, no later than July 1, ~~2026~~ 2027.

37 (c) (1) A local government may enact an ordinance to make its
38 zoning code consistent with the provisions of this chapter, subject
39 to review by the department pursuant to subdivision (d). This
40 ordinance may include objective development standards,

1 conditions, and policies, applying to transit-oriented housing
2 developments, that are demonstrated by a preponderance of
3 evidence to not physically preclude, alone or in concert, the
4 applicable housing development standards of Section 65912.157.

5 (2) The ordinance described in paragraph (1) shall not be
6 considered a project under Division 13 (commencing with Section
7 21000) of the Public Resources Code.

8 (d) If a local government adopts an ordinance to come into
9 compliance with this section, the following provisions shall apply:

10 (1) (A) At least 14 days prior to adoption of an ordinance
11 pursuant to this section, the local government shall submit a draft
12 ordinance to the department.

13 (B) The department may review the draft and report its written
14 findings to the planning agency.

15 (2) A local government shall submit a copy of any ordinance
16 enacted pursuant to this section to the department within 60 days
17 of enactment.

18 (3) (A) The department shall, within 90 days, review the enacted
19 ordinance, make a finding as to whether the enacted ordinance is
20 in substantial compliance with this section, and report that finding
21 to the local government.

22 (B) If needed, the department may request an additional 30 days
23 to make a finding as to whether the enacted ordinance is in
24 substantial compliance with this section, and report that finding
25 to the local government.

26 (C) If the department does not provide written findings to the
27 local government within the review period provided for in this
28 paragraph, the ordinance shall be deemed compliant for the
29 purposes of assessing penalties, including those pursuant to
30 subdivision (m) of Section 65912.157.

31 (4) If at any time the department determines that the ordinance
32 does not comply with this section, the department shall notify the
33 local government in writing. The department shall provide the
34 local government a reasonable time, not to exceed 60 days, to
35 respond before taking further action as authorized by this section.

36 (5) The local government shall consider any findings made by
37 the department pursuant to paragraph (4) and shall do one of the
38 following:

39 (A) Amend the ordinance to comply with this section.

1 (B) Enact the ordinance without changes. The local government
 2 shall include findings in its resolution adopting the ordinance that
 3 explain the reasons the local government believes that the
 4 ordinance complies with this section despite the findings of the
 5 department.

6 (6) If the local government does not amend its ordinance in
 7 response to the department's findings or does not adopt a resolution
 8 with findings explaining the reason the ordinance complies with
 9 this section and addressing the department's findings, the
 10 department shall notify the local government and may notify the
 11 Attorney General that the local government is in violation of this
 12 section.

13 (e) The ordinance may designate areas within one-half mile of
 14 a transit-oriented development stop as exempt from the provisions
 15 of this chapter if:

16 (1) The local government makes findings supported by
 17 substantial evidence that there exists no walking path of less than
 18 one mile from that location to the transit-oriented development
 19 stop.

20 (2) A local government with at least 15 transit-oriented
 21 development stops designates the area as an industrial employment
 22 hub. An industrial employment hub shall be a contiguous area of
 23 at least 250 acres designated in the jurisdiction's general plan on
 24 or before January 1, 2025, as an employment lands area; the parcels
 25 within it shall be primarily dedicated to industrial use as defined
 26 in paragraph (3) of subdivision (f) of Section 65912.121; and
 27 housing shall not be a permitted use on any of the sites so excluded.

28 (f) Each metropolitan planning organization shall create a map
 29 of transit-oriented development stops and zones within its region
 30 by tier, as designated under this chapter, in accordance with the
 31 department's guidance pursuant to subdivision (b). This map shall
 32 have a rebuttable presumption of validity for use by project
 33 applicants and local governments.

34 *SEC. 5. Section 65912.161 of the Government Code is amended*
 35 *to read:*

36 65912.161. (a) For purposes of this section, "transit-oriented
 37 development alternative plan" shall mean a plan adopted by the
 38 local agency via the adoption of the housing element, a program
 39 to implement the housing element, the adoption of a specific plan,
 40 a zoning overlay, or enactment of an ordinance; that brings the

1 local agency into compliance with this chapter and that incorporates
2 all of the following:

3 (1) A local transit-oriented development alternative plan shall
4 maintain at least the same total net zoned capacity, in terms of
5 both total units and residential floor area, as provided for in this
6 chapter across all transit-oriented development zones within the
7 jurisdiction.

8 (A) Net zoned capacity in units shall be measured by subtracting
9 the current number of units on the site from the number allowed
10 by the applicable development standards.

11 (B) Net zoned capacity in floor area shall be measured by
12 subtracting the current developed floor area of the site from the
13 amount allowed by the applicable development standards.

14 (2) The plan shall not reduce the maximum allowed density for
15 any individual site on which the plan allows residential use by
16 more than 50 percent below that permitted under this chapter,
17 except for sites meeting any of the following criteria:

18 (A) Sites within a very high fire hazard severity zone, as
19 determined by the Department of Forestry and Fire Protection
20 pursuant to Section 51178, or within the state responsibility area,
21 as defined in Section 4102 of the Public Resources Code.

22 (B) Sites that are vulnerable to one foot of sea level rise, as
23 determined by the National Oceanic and Atmospheric
24 Administration, the Ocean Protection Council, the United States
25 Geological Survey, the University of California, or a local
26 government's coastal hazards vulnerability assessment.

27 (C) ~~Sites with a historic resource designated on a local register,~~
28 ~~so long as sites excluded from the density requirements of this~~
29 ~~paragraph on that basis do not cumulatively exceed 10 percent of~~
30 ~~the eligible area of any transit-oriented development zone.~~
31 *resource.*

32 (D) Sites within one-half mile of a Tier 2 transit-oriented
33 development stop shall not have a density below 30 units per acre
34 with a residential floor area ratio of 1.0, except for sites specified
35 in subparagraphs (A) to (C), *inclusive*, and should be considered
36 for attached entry level ~~owner-occupied~~ *owner-occupied* housing
37 development opportunities.

38 (3) The plan shall not reduce the capacity in any transit-oriented
39 development zone in total units or residential floor area by more
40 than 50 percent.

1 (4) A site's maximum capacity counted toward the plan shall
2 not exceed 200 percent of the maximum density established under
3 this chapter. Any site excluded from the minimum density
4 requirements of subparagraphs (A) to ~~(C)~~ (C), *inclusive*, of
5 paragraph (2) shall not be counted toward the plan's capacity. For
6 purposes of this section, calculations regarding capacity, density,
7 and floor area shall include capacity, density, or floor area available
8 under voluntary local housing incentive programs.

9 (5) A local transit-oriented development alternative plan may
10 consist of an existing local transit-oriented zoning ordinance,
11 overlay zone, specific plan, or zoning incentive ordinance, provided
12 that it meets the requirements of this subdivision.

13 (b) (1) Prior to one year following the adoption of the seventh
14 revision of the housing element, Section 65912.157 shall not apply
15 to any of the following for which the local government has adopted
16 an ordinance in accordance with Section 65912.160 indicating the
17 site's exclusion:

18 (A) A site that has been identified by the local jurisdiction which
19 permits density and residential floor area ratio at no less than 50
20 percent of the standards specified under subdivision (a) of Section
21 65912.157.

22 (B) (i) A site in a transit-oriented development zone in which
23 at least 33 percent of sites in the relevant transit-oriented
24 development zone have permitted density and residential floor
25 area ratio no less than 50 percent of the standards specified under
26 subdivision (a) of Section 65912.157 and which includes sites with
27 densities that cumulatively allow for at least 75 percent of the
28 aggregate density for the transit-oriented development zone
29 specified under subdivision (a) of Section 65912.157.

30 (ii) A site in a transit-oriented development zone around a
31 transit-oriented development stop that is primarily comprised of
32 a low-resource area which includes sites with densities that
33 cumulatively allow for at least 40 percent of the aggregate density
34 for the transit-oriented development zone specified under
35 subdivision (a) of Section 65912.157.

36 (iii) A site in an area designated as low resource on the most
37 recently adopted version of the opportunity area maps published
38 by the California Tax Credit Allocation Committee and the
39 department, and within a jurisdiction that cumulatively allows for
40 at least 50 percent of the total capacity for units and floor area as

1 specified under Section 65912.157 across all transit-oriented
2 development zones.

3 (C) A site that is covered by a local transit-oriented development
4 alternative plan adopted by a local government.

5 (D) Sites within a very high fire hazard severity zone, as
6 determined by the Department of Forestry and Fire Protection
7 pursuant to Section 51178, or within the state responsibility area,
8 as defined in Section 4102 of the Public Resources Code.

9 (E) Sites that are vulnerable to one foot of sea level rise, as
10 determined by the National Oceanic and Atmospheric
11 Administration, the Ocean Protection Council, the United States
12 Geological Survey, the University of California, or a local
13 government's coastal hazards vulnerability assessment.

14 (F) Sites ~~with designated as~~ a historic resource ~~designated as~~
15 of January 1, ~~2025, on a local register.~~ 2025.

16 (2) A local government that has adopted an ordinance pursuant
17 to this subdivision shall indicate on its public zoning map which
18 sites or transit-oriented development zones are and are not covered
19 by Section 65912.157.

20 (c) (1) For the seventh and subsequent revisions of the housing
21 element, a local government may include a local transit-oriented
22 development alternative plan in any of the following ways:

23 (A) (i) Include a local transit-oriented alternative plan in its
24 housing element. When a local government includes a
25 transit-oriented development alternative plan in its housing element
26 the plan shall include an analysis of how the plan maintains at least
27 an equal feasible developable housing capacity as the baseline
28 established by this chapter.

29 (ii) If a local government adopts a housing element that the
30 department has determined to be compliant with this section, then
31 any action to enforce or implement a compliant housing element
32 shall be subject to applicable provisions of housing element law
33 (Article 10.6 (commencing with Section 65580) of Chapter 3).

34 (iii) The initial submission of a transit-oriented development
35 alternative plan shall be included in the local government's first
36 draft submittal referenced in subparagraph (C) of paragraph (1) of
37 subdivision (b) of Section 65585.

38 (iv) Sites identified in a local transit-oriented development
39 alternative plan may be included in the inventory of land suitable

1 for residential development, pursuant to the additional requirements
2 of Section 65583.

3 (B) If a local government does not include the local
4 transit-oriented alternative plan in its housing element, the local
5 government may adopt an alternative plan that has been deemed
6 compliant by the department pursuant to Section 65912.160.

7 (d) Section 65912.157 shall not apply within a jurisdiction that
8 has a local transit-oriented alternative plan that has been approved
9 by the department as satisfying the requirements of this section in
10 effect. The department's approval pursuant to this section shall be
11 valid through the jurisdiction's next amendment to the housing
12 element of its general plan.

13 (e) A local transit-oriented development alternative plan may
14 consist of an existing local transit-oriented zoning ordinance,
15 overlay zone, specific plan, zoning incentive ordinance or existing
16 program, provided that it meets the requirements of this section.

17 ~~SECTION 1. Section 65580 of the Government Code is~~
18 ~~amended to read:~~

19 ~~65580. The Legislature finds and declares all of the following:~~

20 ~~(a) The availability of housing is of vital statewide importance,~~
21 ~~and the early attainment of decent housing and a suitable living~~
22 ~~environment for every Californian, including farmworkers, is a~~
23 ~~priority of the highest order.~~

24 ~~(b) The early attainment of this goal requires the cooperative~~
25 ~~participation of government and the private sector in an effort to~~
26 ~~expand housing opportunities and accommodate the housing needs~~
27 ~~of Californians of all economic levels.~~

28 ~~(c) Providing housing that is affordable to low- and~~
29 ~~moderate-income households requires the cooperation of all levels~~
30 ~~of government.~~

31 ~~(d) Local and state governments have a responsibility to use the~~
32 ~~powers vested in them to facilitate the improvement and~~
33 ~~development of housing to make adequate provision for the housing~~
34 ~~needs of all economic segments of the community.~~

35 ~~(e) The Legislature recognizes that in carrying out this~~
36 ~~responsibility, each local government also has the responsibility~~
37 ~~to consider economic, environmental, and fiscal factors and~~
38 ~~community goals set forth in the general plan and to cooperate~~
39 ~~with other local governments and the state in addressing regional~~
40 ~~housing needs.~~

1 ~~(f) Designating and maintaining a supply of land and adequate~~
2 ~~sites suitable, feasible, and available for the development of~~
3 ~~housing sufficient to meet the locality's housing need for all income~~
4 ~~levels is essential to achieving the state's housing goals and the~~
5 ~~purposes of this article.~~

O