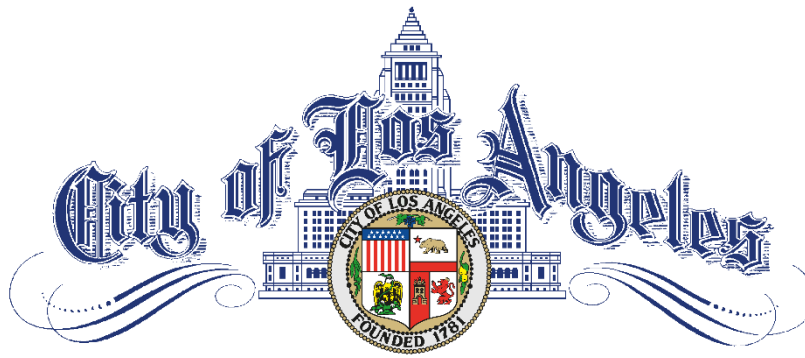




Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R26-0348
JUNE 17, 2026

REPORT RE:

**A LOW-RISE ORDINANCE AMENDING SECTIONS 12.03 AND 12.22.A.38 OF
ARTICLE 2, CHAPTER I OF THE LOS ANGELES MUNICIPAL CODE AND A
PHASED IMPLEMENTATION ORDINANCE, TO LOCALLY IMPLEMENT SENATE
BILL 79, THE “ABUNDANT AND AFFORDABLE HOMES NEAR TRANSIT ACT”
(CITYWIDE)**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File Nos. 25-1083-S3 and 25-1083-S4

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration two enclosed draft ordinances, approved as to form and legality, which together would comprise the City’s local implementation of Senate Bill 79 (Wiener, Stats 2025, Ch.512) also known as the “Abundant and Affordable Homes Near Transit Act” (SB 79). As of July 1, 2026, SB 79 would authorize greater density, height, and development capacity for properties in transit-oriented development areas defined by the State; but would allow local jurisdictions to adopt temporary exemptions to phase implementation, or adopt a local Alternative Plan, as specified. To comply with SB 79, the draft ordinances must be in effect by June 30, 2026, and must be adopted by a three-fourths vote of the City Council (Council) for the included urgency clauses to take effect pursuant to Charter Section 253. The draft ordinances are:

(1) The Low-Rise Ordinance, which if enacted would amend the Mixed Income Incentive Program (MIIP), codified at Los Angeles Municipal Code (LAMC) Section 12.22 A.38 with definitions in LAMC Section 12.03, to establish housing

incentives for low-scale, multi-family housing development in low density zones located within a half-mile area of Opportunity Stations, known as Opportunity Station areas. Opportunity Station areas consist of Higher and Moderate Opportunity Areas, as defined by the California Tax Credit Allocation Committee (CTCAC), and are located around major transit stops (Pub. Res. Code Sec. 21064.3) served by heavy rail, light rail, commuter rail, bus rapid transit, and certain bus lines.

(2) The Phased Implementation Ordinance, which if enacted would temporarily pause SB 79 from taking effect Citywide, to afford the City additional time to consider and implement alternative measures, to incentivize the development of housing in proximity to transit, and to align with the City's existing local land use priorities, housing policies and City initiatives.

Background and Summary of Draft Ordinance Provisions

On December 3, 2025, the Council adopted the November 17, 2025, Planning and Land Use Management Committee (PLUM) recommendation that Planning provide: (1) an ordinance for the delayed effectuation of SB 79, and (2) recommendations for a local Alternative Plan. (Council File No. 25-1083.)

On March 24, 2026, the Council adopted motions that among other items instructed the City to phase implementation of SB 79; to develop a Local Alternative Transit Oriented Development Plan under SB 79; and to expand the existing Corridor Transition Program, which is codified as a part of the Mixed-Income Incentive Program. (Council File No. 25-1083, Motions 4A, 4B, 4C, 4D).

On May 26, 2026, PLUM considered City Planning Commission (CPC) recommendations that the Council adopt two proposed ordinances which incorporate the SB 79 implementation policies of the Council's previously adopted motions, namely: (1) the Phased Implementation Ordinance; and (2) the Low-Rise Ordinance. (Council File Nos. 25-1083-S3, 25-1083-S4; Planning Case Nos. CPC-2026-1797-CA, CPC-2026-1798-MS.) PLUM recommended that the Council adopt CPC's findings and recommendations, and request this Office prepare and transmit final draft ordinances, including a revised Phased Implementation Ordinance with a requirement that Council be notified when the Planning Director makes changes to the eligibility maps. (Council File Nos. 25-1083-S3, 25-1083-S4.)

Council adopted PLUM's recommendations on June 3, 2026 and this Office presents the following draft ordinances that incorporate the Council's requests, along with urgency clauses.

The Low-Rise Ordinance would amend the MIIP and rename the former "Corridor Transition Program" as the new "Low-Rise Program" to better align the program's name with its intended building outcomes and geographic applicability. The amendments would improve project feasibility by revising base incentives, affordability requirements,

multi-bedroom incentives, open space requirements, lot coverage limitations, roadway widening relief, and applicable performance standards.

The Phased Implementation Ordinance, would temporarily pause SB 79's effectiveness Citywide consistent with the site, Transit Oriented Development Zone, and low resource area criteria in Government Code Section 65912.161(b) and would establish permanent exemptions for Industrial Employment Hubs and sites more than one-mile walking distance from a station, consistent with the criteria in Government Code Section 65912.160(e).

A more detailed discussion of both draft ordinances is provided in the Planning Staff Recommendation Report to the CPC dated May 14, 2026, the Planning Report to the Council dated May 26, 2026, and the proposed ordinances, as amended. (Council File Nos. 25-1083-S3, 25-1083-S4; CPC Report to Council dated May 19, 2026.) The draft ordinances only include amendments to Chapter I at this time because there are no additional capacity needs in the Downtown Community Plan area, the only Community Plan presently eligible for Chapter 1A.

After the matter was heard by PLUM, the Southern California Association of Governments (SCAG) released a draft SB 79 Mapping Approach and Methodology document, describing SCAG's assumptions, approaches, and definitions on May 22, 2026. SCAG subsequently issued its draft map on June 1, 2026, with final maps anticipated on or about July 2, 2026. In light of this new information that has been and will continue to be provided by other agencies, including but not limited to SCAG and the California Department of Housing and Community Development (HCD), the Department of City Planning has prepared and will provide updated modeling to reflect this new information as it becomes available.

Charter Findings

Pursuant to Charter Section 559, the CPC approved the draft ordinances and recommended that the Council adopt the draft Ordinances. If the Council chooses to adopt these ordinances, it may comply with the provisions of Charter Section 558 by either adopting the CPC findings, as amended, for each ordinance prepared by the Director of Planning attached to the file, or by making its own findings.

CEQA Findings

The Department of City Planning also recommends that the Council find for both the Low-Rise Ordinance and the Phased Implementation Ordinance that, in the independent judgment of the decision maker, in consideration of the whole of the record, that the Low-Rise Ordinance and Phased Implementation Ordinance are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.085(b), and were assessed in the Housing Element Environmental Impact Report No. ENV-2020-6762-EIR (State Clearinghouse No. 2021010130) certified on November 29, 2021, Addendum No. 1 (ENV-2020-6762-

EIR-ADD1) approved on June 14, 2022, and Addendum No. 2 (ENV-2020-6762-EIR-ADD2) approved on December 10, 2024 (collectively, EIR), and no subsequent or supplemental EIR is required pursuant to CEQA Guidelines Sections 15162 and 15164.

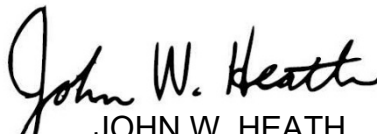
Council Rule 38 Referral

Copies of both draft ordinances have been sent, pursuant to Council Rule 38, to the Department of City Planning, the Department of Building and Safety, the Department of Transportation, and the Los Angeles Housing Department with a request that all comments, if any, be presented directly to the Council at the time this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorneys Kimberly Huangfu at kimberly.huangfu@lacity.org or Parissh Knox at parissh.knox@lacity.org. A member of this Office will be present when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By 
JOHN W. HEATH
Chief Assistant City Attorney

JWH:KH:jr
Transmittal