

**DEPARTMENT OF
CITY PLANNING**

COMMISSION OFFICE
(213) 978-1300

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**CITY OF LOS ANGELES
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KAREN BASS
MAYOR

EXECUTIVE OFFICES
200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
(213) 978-1271

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October 6, 2026

Los Angeles City Council
% Office of the City Clerk
City Hall, Room 395
Los Angeles, CA 90012

Attention: Planning and Land Use Management Committee (PLUM)

**REPORT ON MOTION 4A FOR COUNCIL FILE 25-1083 REGARDING INITIATION OF
LOCAL ALT PLAN IN RESPONSE TO SB 79**

Dear Honorable Members,

Introduction

On March 24, 2026, the City Council adopted [Motion 4a](#) (Council File [25-1083](#)). Directive one of this motion instructs the Department of City Planning (DCP), with assistance from the City Attorney, to prepare the necessary documents to implement a City of Los Angeles transit-oriented development alternative plan (Local Alt Plan), as authorized by Abundant and Affordable Homes Near Transit Act, Senate Bill 79, codified as [Government Code Section 65912.161\(a\)](#). SB 79 provides increased density, floor area ratio, height, and other incentives to encourage housing production near transit. The subject report follows the City Council's June 23, 2026 adoption of the Low-Rise and Phased Implementation ordinances to comply with the state's SB 79 obligations within the City of Los Angeles. The Department of City Planning is presenting information in this report to inform next steps and for further direction.

The Department recommends the following:

1. Direct the Department of City Planning (DCP) to develop a Citywide Local Alt Plan and implement an equitable strategy for SB 79 capacity distribution with Department consideration of the following factors during the preparation of the Local Alt Plan:
 - a. Analyze and recommend whether all 146 station areas are to be included or whether some station areas be subject to SB 79 outright.
 - b. Conduct an analysis and make recommendations as to how capacity might be redistributed within, and among station areas, as limited by state regulations.
 - c. Recommend any shifts in capacity within or between station areas using guiding indicators or qualifications for station areas and sites, as follows:
 - i. Emphasize capacity in High and Higher Opportunity Areas and advance existing goals for Affirmatively Furthering Fair Housing
 - ii. Intensify capacity around high quality transit stations and at transit hubs
 - iii. Evaluate capacity in Environmentally Sensitive Areas, in Very High Fire Hazard Severity Zones (VHFHSZ), in Fire Restriction Areas, and/or proximity to hazardous sources of industrial pollution and develop recommendations, as feasible within the limits of state regulations, to shift capacity away from these areas.
 - iv. Evaluate Historic Resources and develop recommendations, as feasible within the limitations of state regulations, to shift capacity away from these areas.
2. Identify resources for the Local Alt Plan development as contained in the Department's Budget Memo dated May 1, 2026 (Appendix D); and
3. Request DCP to develop and report on a list of recommendations of potential amendments to SB 79 at the state level, as informed by the process of creating a Local Alt Plan, for City Council Consideration.

If the City Council chooses not to pursue a Local Alt Plan, the City will prepare for direct implementation of SB 79 once the temporary pause in the effectuation period terminates (2030).

The report is organized in sections as follows:

- Executive Summary
- Background on SB 79
- Overview and Key Rules
- Implementation Options
- Local Alt Plan Capacity Distribution and Timeline
- Community Information and Engagement Tools
- Local Alt Plan Relationship to other Policy Work Underway
- Resources for Development, Analysis, and Outreach for Local Alt Plan
- Summary and Recommendations
- Appendices:

- A - Site Examples & Maps
- B - Housing & Community Development Department June 22, 2026 Letter
- C - Infrastructure
- D - Department of City Planning Budget Memo - May 1, 2026

Executive Summary

Senate Bill 79 (SB 79), the “Abundant and Affordable Homes Near Transit Act,” was signed into law on October 10, 2025, and establishes new development standards for housing projects within one-half mile of eligible transit-oriented development (TOD) stops, or “station areas.” SB 79 permits jurisdictions to either directly implement SB 79 with no modifications, to temporarily pause the bill and “phase implementation” (if the jurisdiction is able to demonstrate that stations and sites meet established criteria), and/or to adopt a “transit-oriented development alternative plan,” termed a Local Alt Plan, to locally implement the law. The City of Los Angeles has effectively phased implementation of SB 79 Citywide, and this report discusses options to create a Local Alt Plan or prepare for direct implementation of SB 79, with provisions of the bill superseding local zoning regulations by 2030. The development of a Local Alt Plan is not a mandate under SB 79, but rather, it is an option for cities to locally implement SB 79 regulations within identified station areas. In lieu of a Local Alt Plan, the City has the option to prepare for direct implementation of SB 79, with the bill’s development standards going into effect across the City by one year after adoption of the City’s 7th Cycle Housing Element.

The development and adoption of a Local Alt Plan must adhere to a series of strict requirements embedded in SB 79, outlined later in this report, that would ultimately result in changes in development potential for all properties within SB 79 station areas. This report highlights the many decision points for the City throughout a Local Alt Plan development process, pending interpretations and clarifications that are still needed from the State’s Department of Housing and Community Development (HCD), the limitations and requirements for a Local Alt Plan to comply with state law, and the resources that City Planning would need to successfully develop and implement a Local Alt Plan by 2030. Key decisions to be made include whether to pursue a Local Alt Plan now for readiness in 2028, or allow for direct implementation of SB 79 by 2030; and if pursuing a Local Alt plan, how to prioritize where SB 79 exemptions and/or capacity limitations should be implemented and where SB 79 capacity should be directed to maintain the required Citywide capacity. With these decisions and the necessary resources as outlined in Appendix D, City Planning can proceed with station area level analysis and development of a Local Alt Plan implementation strategy.

Compliance with SB 79 (the Abundant and Affordable Homes Near Transit Act) provides an opportunity to further advance the City’s critical priority to increase housing options near transit stations. This next phase of SB 79 local implementation builds on Los Angeles’ existing adopted housing policies. Programs including the Transit Oriented Communities (TOC) program, the Citywide Housing Incentive Program (CHIP), recent Community Plan Update and Transit Neighborhood Plans (TNPs), and the Low-Rise Ordinance implemented as the first phase of SB

79, have all advanced new mixed-income housing near transit. These programs collectively create housing growth near transit with deeper rates of affordability, while protecting areas vulnerable to displacement and environmental pressures. Implementing SB 79 through a Local Alt Plan in compliance with SB 79, is consistent with Los Angeles' commitment to align housing development around transit infrastructure in a way that considers unique neighborhood conditions.

Background on SB 79

SB 79

As stated, the law establishes new development standards for housing projects - including density, floor area ratio, and height limits - within one-half mile of eligible station areas. The law allows for certain exemptions, including sites that are more than one mile walking distance from an eligible transit stop and sites that are part of a designated industrial employment hub, but otherwise SB 79 applies to all zones that permit residential, mixed-use, or commercial uses within the station area, which includes the City's industrial zones that permit commercial uses. The law applies the same density, floor area ratio, and height regulations to all eligible properties, including single-family properties, within a specified radius of a Tier 1 or Tier 2 station.

Tier 1 stations include existing and proposed heavy rail stations, such as the B and D Metro lines and planned Sepulveda Transit Corridor project, and Tier 2 stations include existing and proposed light rail stations, such as the A, C, E, and K Metro Lines and forthcoming East San Fernando Valley Light Rail. Tier 2 stations also include stops on high-frequency commuter rail services such as Metrolink, and qualifying Bus Rapid Transit (BRT), such as the G Line, Sepulveda line 234 bus only lanes, and planned Vermont Avenue BRT and North Hollywood to Pasadena BRT. For additional information on Tier 1 and Tier 2 stations in the City of Los Angeles, please see the section on "Mapping Updates" below and Map 1 in Appendix A.

As stated, SB 79 establishes baseline zoning standards for eligible sites. Specifically, projects are eligible for the following development standards shown in Figure 1 under Government Code Section (GCS) 65912.157.

Figure 1. Development Standards in Tier 1 and Tier 2 SB 79 Station Areas



SB 79 City Council Direction to Date

The City's local implementation approach to SB 79 is informed by a series of reports from DCP on the City's options and requirements for implementation. Ultimately, the City Council directed DCP to move forward with an approach that would temporarily pause the full implementation of SB 79 citywide and allow time for the potential development of a future Local Alt Plan. The Low-Rise and Phased Implementation Ordinances were adopted by City Council on June 23, 2026 to achieve a citywide temporary pause and provide time for more consideration of capacity increases in Low Opportunity areas, Very High Fire Hazard Severity Zones, Historic Areas, and Industrial Areas. The Low-Rise Ordinance established housing incentives in 58 Opportunity Stations and in areas ineligible to pause SB 79, guaranteeing that the City qualified for a general pause of the bill. The department is working on a system to track incoming cases, but as of October 2026, there are no known applications filed for the Low-Rise program.

This report responds to additional instructions from the City Council to provide information and options for consideration related to the development of the second phase of SB 79 implementation through a Local Alt Plan, including the development of a citywide framework to guide how required SB 79 capacity could be redistributed.

SB 79 Implementation in Other Jurisdictions

As a statewide law, SB 79 is impacting many jurisdictions of varying sizes in California. Cities have chosen different approaches, as SB 79 affects different jurisdictions in different ways - some cities have very few station areas, or may already have capacity consistent with the bill within the station areas. Some, including the City of Long Beach and City of Sacramento, are directly implementing SB 79. Other major cities, like the City of San Francisco and the City of San Diego, have pursued locally tailored approaches. The City of San Francisco adopted both a Local Alt Plan and an ordinance with temporary and permanent site exemptions, and the City of San Diego adopted a single ordinance with temporary and permanent exemptions to provide time for the development of a Local Alt Plan. Nearby the City of Los Angeles, the bill applies to jurisdictions including but not limited to the cities of Santa Monica, West Hollywood, Beverly Hills, Culver City, Glendale, and Pasadena. While Beverly Hills adopted a Local Alt Plan, other cities mentioned have pursued a range of approaches including direct implementation of the bill, ordinances to phase implementation, efforts to revise objective design standards applicable to multi-family projects (including those using SB 79), or a combination thereof.

Overview and Key Rules

As previously stated, a Local Alt Plan is not a requirement under SB 79 but may be established in place of directly implementing SB 79 following the parameters of GCS 65912.161(a). Under GCS 65912.160, ordinances that implement a Local Alt Plan are not considered a project under the California Environmental Quality Act (CEQA). Overall, Local Alt Plan rules are based on net capacity and have more stringent requirements on a station area and site basis than the phased implementation criteria. “Net Capacity” is equal to the difference between the capacity otherwise provided via a direct implementation of SB 79 and the existing built out density and floor area in eligible station areas. An overview of the key rules and limitations associated with a Local Alt Plan, as well as issue areas where the Department seeks additional guidance from other implementing agencies, are described in the following sections. Additional discussion on the resources needed to ensure the City complies with the following rules while implementing a Local Alt Plan that meets the City’s policy goals and objectives for Affirmatively Furthering Fair Housing (AFFH) and climate resilience is included later in this report. If the City pursues a Local Alt Plan, DCP will develop one comprehensive Local Alt Plan for the City, rather than individual Local Alt Plans by station area, neighborhood, or council district.

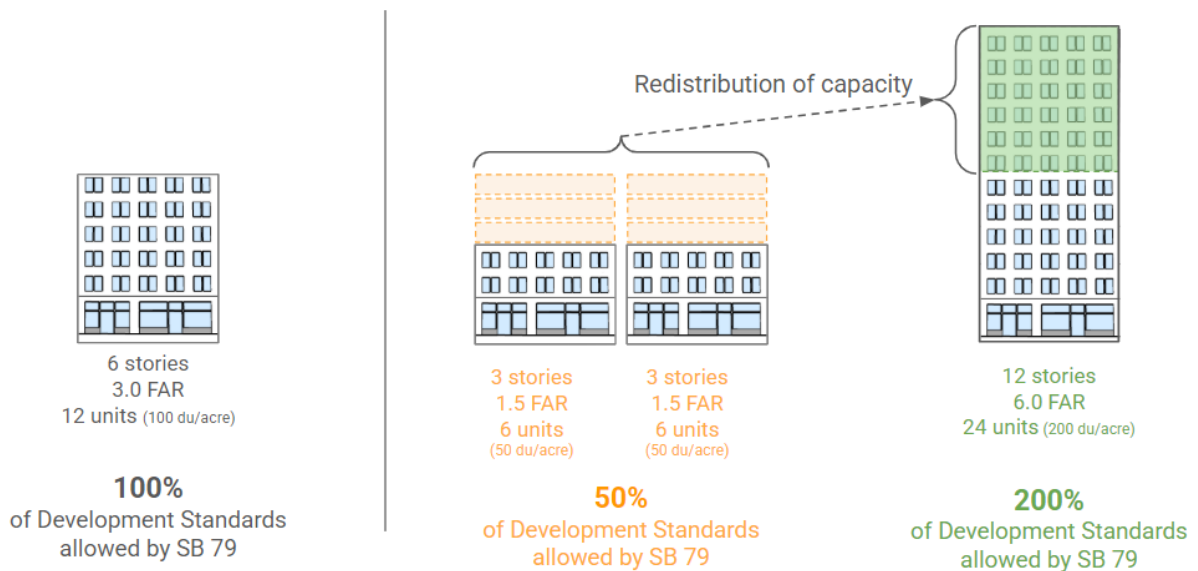
Local Alt Plan Rules

The key parameters of a Local Alt Plan include regulations about capacity at a citywide, station area, and site level, as well as a provision around plan update frequency. Following initial adoption by 2030, a Local Alt Plan must be updated every 8 years as part of the City's Housing Element. With an adopted Local Alt Plan, new stations would not become eligible in the jurisdiction until the subsequent update to the Local Alt Plan, at which time the Local Alt Plan would be amended to include the new stations and required capacity analysis. This differs from direct implementation, which would allow new stations to become eligible as they are added to the Southern California Association of Governments (SCAG) SB 79 eligibility map. For the City to implement a Local Alt Plan consistent with state law, the following requirements would apply:

- A Local Alt Plan cannot reduce overall **citywide net zoned capacity**, which is the difference between the maximum density permitted in GCS 65912.157 and existing buildout.
- Every station area must maintain **at least 50%** of the net capacity established under SB 79 development standards. While capacity may be moved within the station, or made up in another station area, **no station can be fully exempted** from the capacity requirements in a Local Alt Plan.
- No site can be reduced by more than 50% and net capacity can only be counted up to 200% of the development standards in SB 79. This provision pertains regardless of zoning and applies to single-family properties. In practice, this means that all sites, except the listed Site Exceptions below, are required to meet **at least 50%** of the net development standards in SB 79. While an existing high density site in a station area may help account for some capacity, capacity in excess of 200% of the permitted development standards in SB 79 could not count towards overall capacity for the station area or the City.
 - **Site Exception 1:** Very High Fire Hazard Severity Zone (VHFHSZ) sites, sites with locally designated historic resources, and sites in Sea Level Rise Areas **can be** reduced by more than 50%. However, sites reduced below 50% cannot count towards capacity modeling.
 - Excluded local historic resources may not cumulatively exceed 10% of the land area of a station area; 31 station areas are impacted by this and will require some degree of increasing development potential through a Local Alt Plan.
 - **Site Exception 2:** Sites between a quarter to half mile of Tier 2 stops may have density reduced to 30 dwelling units per acre (du/ac) and 1.0 Floor Area Ratio (FAR). However, they cannot be exempted from a Local Alt Plan, and the capacity criteria for the station area and Citywide still apply.

While sites that meet the exceptions above may be reduced, the overall capacity of each station area must maintain at least 50% of what SB 79 allows. Additionally, overall SB 79 net zoned capacity must be maintained citywide. Should the City pursue a Local Alt Plan and choose to implement the available Site Exceptions, consider that in station areas with significant VHFHSZ or Historic Resource sites, the remaining parts of the station area will require substantial additional increases to capacity beyond the standard site requirements of SB 79, in order to off-set exemptions of the areas described above. This is shown below in Figure 2.

Figure 2. Example of Redistributed Capacity within ¼ Mile of a Tier 2 Station



Within a station area, 75% of the land area is between the one-quarter to one-half mile radius of the station, while only 25% is within the one-quarter mile radius closest to the station. Therefore, if the City reduces development standards for properties between the one-quarter to one-half mile radius as permitted under the bill, there will be a proportionally significant amount of capacity that will need to be made up within a much smaller portion of the station area, which may not be feasible for each station area. This is further illustrated in Appendix A.

Eligible station areas across the City are currently zoned with a wide range of designations, from single family to multifamily, commercial, and industrial, and are developed at varying scales. Some station areas have a significant percentage of land with historic resources or in a VHFHSZ, and some station areas have buildings at a scale that exceeds what SB 79 would require, which is illustrated in Figure 2 above. An initial analysis identifies 31 station areas that have more than 10% of the land area in the station area identified as historic resources and 24 station areas partially or fully within a VHFHSZ. Maps and tables identifying these areas are shown in Appendix A. This indicates that, if fully implementing the available exemptions in the bill, the capacity under SB 79 may need to be redistributed from these stations to other stations. Appendix A highlights

several station areas with the existing land uses, VHFHSZ, and historic resources to provide a closer look at the varying land uses and limitations in example station areas today.

Pending Interpretations for Local Alt Plan Requirements

Based on the DCP's review of the guidance provided by local and state agencies and HCD's letter to Los Angeles issued June 22, 2026 (Appendix B), clarifications are still needed pertaining to key issues, including the relationship between a Local Alt Plan and State Density Bonus Law (GCS 65915) and rules for environmentally sensitive areas, public land, open space, and industrial land. The Department will continue to review HCD's guidance and is preparing to request additional clarification of SB 79 as it relates to the development of a potential Local Alt Plan.

Mapping Updates

On June 30, 2026 DCP issued a memo containing several maps associated with the application of the Phased Implementation and Low-Rise Ordinances based on mapping methodology available at the time by the Southern California Association of Governments (SCAG), which is the agency responsible for creating the map of official eligible station areas and zones pursuant to GCS 65912.160(f). On July 2, 2026, SCAG adopted a mapping approach and methodology for identifying qualifying station areas, zones, and tier classifications. At the time of this report, while SCAG's methodology has been adopted, SCAG has not yet provided a final map incorporating the adopted methodology and revisions to the draft eligibility map. Once this is available, City Planning intends to update eligibility maps for the Low-Rise Incentive Areas to be consistent with SCAG's official map. Revisions are expected to include minor changes to the half-mile radii of station areas as station entrance locations are refined. Based on SCAG's adopted mapping approach and methodology, the City has 146 station areas eligible for SB 79, 58 of which qualify as Opportunity station areas and are therefore eligible for the Low-Rise Ordinance.

Implementation Options

Recommendation for SB 79 Implementation: Local Alt Plan

A Local Alt Plan may be implemented through a number of land use and zoning tools, and may include a rezoning program, thereby changing land use and zoning regulations across the City to be consistent with SB 79; or a traditional overlay such as a Specific Plan, Community Plan Implementation Overlay, or Special Districts; or could be achieved through an affordable housing incentive overlay. Each of these options provide the ability, as limited under SB 79, to tailor development capacity and regulations that reflect the City's priorities, including carrying forward objective design standards from other Citywide programs. To effectively develop and implement a Local Alt Plan across all 146 station areas while meeting state deadlines, DCP would establish preset packages of zoning regulations to apply to different neighborhood scenarios. For example, development and design standards would be applied similarly to neighborhoods across SB 79

station areas that have been identified as existing low density areas prioritized for growth near high quality transit; or standards would be applied similarly to industrial areas subject to SB 79, where the City intends to limit the capacity to the extent feasible. DCP would ultimately craft a Local Alt Plan using the tools that can best meet the requirements under SB 79 while addressing the City's priorities for capacity distribution.

As part of the development of a Local Alt Plan, the Department will evaluate all eligible SB 79 station areas for consideration for inclusion in a Local Alt Plan, while potentially allowing for direct implementation of SB 79 in some station areas. The City's consideration for local implementation of SB 79 in certain station areas should be informed by the guiding indicators listed in the next section that balance zoned capacity with local AFFH goals and considerations around environmental risks and quality of transit access.

A Local Alt Plan is recommended for SB 79 implementation, as it allows the City to further climate, housing, and equity goals through the guiding indicators listed below, including the City's AFFH goals. It provides an opportunity for City Council to direct DCP, in developing a Local Alt Plan, to minimize impacts to VHFHSZ areas, station areas with locally designated historic resources, and lower opportunity areas. Development of a Local Alt Plan will include a public engagement process, though it will be limited in timeline and scope, as further explained under "Community Information and Engagement Tools" below. While there are many benefits to a Local Alt Plan, the City should also consider that developing a Local Alt Plan necessitates complex decisionmaking and consensus building, allows a limited amount of site-specific tailoring and exemption from SB 79 rules, and requires substantial resources for staffing and technical consultant work.

Other SB 79 Implementation Option: Direct Implementation

If the City chooses to directly implement SB 79 without a Local Alt Plan, the resulting regulations would be the state standard throughout the City in station areas, without any ability to tailor parcel level zoning and capacity. While direct implementation of SB 79 may advance the City and region's greenhouse gas reduction goals by prioritizing housing near all eligible station areas, it may not align with other City goals for directing housing growth, including in VHFHSZ, on locally designated historic properties, in low resource areas, or in single-family zones. As such, Direct Implementation of SB 79 may not meet the City's AFFH obligations. Without a Local Alt Plan, Direct Implementation would not involve a public process or public outreach and therefore, direct implementation would not require additional staff or consultant resources.

With Direct Implementation, a project can "waive out of" (and not meet) development standards that would otherwise preclude the project from building to the full Floor Area Ratio (FAR) allowed in SB 79. This may include, for example, open space and setback requirements. Furthermore, projects may request bonuses through State Density Bonus Law, to request additional density, floor area, or other incentives. This may lead projects to use State Density Bonus in lieu of the City's local affordable housing incentive programs that locally implement State Density Bonus, such as the Mixed Income Incentive Program (MIIP) adopted in 2025, which requires greater

affordability than State Density Bonus and provides stricter limitations on where relief can be requested.

Because of this, Direct Implementation of SB 79 may not align with the City's adopted housing goals and policies. Implementing SB 79 through a Local Alt Plan allows the City to build upon the success of the adopted MIIP programs and further advance the goals of the adopted Housing Element and the Community Plan's Local Affordable Housing Incentive Programs. A Local Alt Plan could evaluate deeper or greater affordability requirements for eligible projects, and include additional benefits to communities such as multi-bedroom units. These policy objectives have been central to the City's housing policies in recent years, and developing a Local Alt Plan provides an opportunity to implement SB 79 in Los Angeles in a way that is consistent with these goals.

Local Alt Plan Capacity Distribution and Timeline

As discussed above, SB 79 allows cities a limited amount of flexibility to distribute SB 79 capacity within station areas or across station areas. In developing a Local Alt Plan, such distribution may help "make up" the required capacity from exempted areas, or may be done to further the City's growth objectives. Except for identified exemption areas, every eligible site as well as every station area must maintain at least 50% of SB 79 net capacity - a Local Alt Plan may not entirely remove a station area from eligibility. This section provides a framework for distributing capacity within a citywide Local Alt Plan, through recommended "guiding indicators" that prioritize capacity distribution, within a station area or potentially across station areas, based on eligible exemptions and policy objectives. The guiding indicators may be used to distribute SB 79 capacity during development of the Local Alt Plan in a way that best aligns with the City's climate and equity goals. While some sites may minimize growth using the Site Exceptions previously stated, for other sites, minimizing growth would still require at least 50% of SB 79 capacity. In any scenario where a site has capacity reduced from SB 79 development standards, that reduction would only be permitted where capacity exists to be redistributed, as limited by state law, within the station area or to another station area to maintain Citywide capacity.

Guiding Indicators

DCP recommends the following five potential guiding indicators, to ensure that a Local Alt Plan distributes housing capacity in an equitable way consistent with existing city policy. The proposed guiding indicators below minimize capacity growth in areas of environmental risk and with significant environmental hazards, prioritize added capacity near the highest quality transit types, and focus on equitable distribution of affordable and multifamily housing development across all station areas, reflecting the City's commitment to AFFH. The guiding indicators would serve as a policy-informed tool to evaluate where and to what scale capacity distribution should occur among eligible station areas in the City's long-term implementation of SB 79. Prioritization of the guiding indicators would reflect the City's goals in local implementation of SB 79.

1. **Opportunity Maps.** The California Tax Credit Allocation Committee/Housing and Community Development Department (CTCAC/HCD) Opportunity Area Map is a mapping tool prepared by state agencies that takes into account multiple data points to identify areas with characteristics linked to positive economic, educational, and health outcomes for the purpose of AFFH. The mapping methodology assesses economic, educational, and severe environmental burden indicators. Economic indicators take poverty rate, adult education rate, employment rate, and home value into consideration, while educational indicators include math and reading proficiency, high school graduation rate, and student poverty. In Los Angeles, areas identified as high and highest opportunity areas have historically produced less affordable housing than other areas of the City, therefore, the framework discussed herein should prioritize housing production in higher opportunity areas in alignment with AFFH objectives and in so doing reduce displacement pressure in lower opportunity areas. This aligns with the approach of the recently adopted Low-Rise Ordinance that established a definition of an “Opportunity Station” as the area encompassing the one-half mile radius surrounding a Tier 1 or Tier 2 transit-oriented development stop with land area that is more than 50 percent designated as a Moderate Opportunity Area and/or Higher Opportunity Area.
2. **Transit Access.** Various types of transit stops qualify as either Tier 1 or Tier 2 station areas under SB 79, and the framework for a Local Alt Plan can add further nuance to account for quality of transit and proximity to transit hubs. This indicator is aimed at ensuring that more housing capacity goes around the highest quality transit. This indicator would allow the City to prioritize transit lines with separate rights-of-way and the most efficient transit service. The framework should also prioritize station areas that are transit hubs, where multiple heavy rail or light rail lines intersect or where a bus rapid transit (BRT) line intersects with a heavy rail or light rail line. These types of transit rich areas with access to the City’s highest quality transit should be prioritized for housing production. This indicator could also amplify capacity in the ¼ mile radius of Tier 1 and Tier 2 stations, directing the highest intensity of housing to the blocks in closest proximity to the station or stop.
3. **Environmentally Sensitive Areas and Climate Vulnerability.** The City’s housing priorities intend to guide the location of future housing development in a manner that promotes public health and safety, and as such, a Local Alt Plan framework should consider factors related to the health and safety of future residents, including fire risk, heat/climate vulnerability, and proximity to hazardous sources of industrial pollution.

A Very High Fire Hazard Severity Zone (VHFHSZ) designation indicates that an area is at extreme risk of wildfire as assessed by the California Department of Forestry and Fire (CAL FIRE). While a local jurisdiction may adopt a VHFHSZ more comprehensive than CAL FIRE, SB 79 only provides Local Alt Plan carve outs for state-designated VHFHSZs. Projects located in a VHFHSZ are typically subject to more stringent building code and defensible space regulations. The state’s 2025 revised VHFHSZ boundaries expand into

more urbanized areas of the City, particularly in Hollywood, the South Valley, and Northeast LA. Based on preliminary mapping analysis, there are over 24 station areas located wholly or partially within VHFHSZs as identified by CAL FIRE. With the adoption of the Affordable Housing Streamlining Ordinance and Low-Rise Ordinance, the City prioritized protections in “Fire Restriction Areas” (locations that are within both VHFHSZs and within the City’s designated Hillside Areas). Based on this definition, the Department recommends reducing capacity in Fire Restriction areas, where feasible.

In addition to eligible sites that are within existing environmentally sensitive areas, the City may choose to minimize growth in communities most burdened by environmental justice and pollution. Environmental burden indicators are based on the California Office of Environmental Health Hazard Assessment (OEHHA)’s CalEnviroScreen 4.0 tool, which evaluates solid waste sites, ground water threats, cleanup sites, and hazardous waste facilities to measure local sources of pollution, and could also be utilized in the framework to understand the environmental vulnerability of communities within certain station areas. This tool accounts for socioeconomic factors and numerous pollution indicators, including air quality, water contaminants, clean up sites, and sources of hazardous waste and pollution, and could aid in identifying areas where the City may want to limit new housing.

4. **Historic Resources.** The Local Alt Plan should also account for the presence of historic resources in station areas, both individually designated resources or designated districts. In the City, there are two local designations for historic resources. Individual resources are designated as Historic Cultural Monuments (HCMs) and neighborhoods or areas are designated as Historic Preservation Overlay Zones (HPOZs). In HPOZs, the Local Alt Plan should account for resources individually and collectively, evaluating how SB 79-enabled development may affect individual historic sites and the historic integrity of districts as a whole. This may include analyzing the location of SB 79 eligible properties in designated districts, existing development patterns, and the integrity of the district.
5. **Industrial Uses.** The Local Alt Plan framework should evaluate industrial land in station areas to determine how to approach capacity in these areas. It may be appropriate to increase housing capacity in some locations but not others in consideration of environmental contamination or where active industrial hubs are important for local employment. Per HCD guidance, industrially zoned land within station areas is eligible for SB 79 in Los Angeles where such zones allow commercial uses. The framework should examine the existing uses of industrial land, including areas with high employment opportunities, neighborhood-serving commercial uses, airports, and other heavy industrial uses, to determine the compatibility of future residential uses.

As City Planning further analyzes the 146 station areas in the City, capacity distribution will be informed by these guiding indicators. Where possible, DCP will first look to accommodate required SB 79 capacity within a given station area while upholding the guiding indicators stated above. Then, if there is the ability or necessity, as limited by state law, to distribute SB 79 capacity within

and/or across station areas, City Planning will look to generally direct capacity from Lower Opportunity areas to Higher Opportunity areas where feasible, to comply with AFFH. If a Local Alt Plan is developed, City Planning will conduct the necessary analysis and recommendations to ensure that the Plan meets AFFH obligations, and demonstrate that Higher Resource Areas are receiving more housing growth than Lower Resource areas under the Local Alt Plan. The guiding indicators stated above would be used to inform a policy driven approach to station areas. Factoring in the various criteria, such as VHFHSZ and Historic Resources, Opportunity Areas, and access to quality transit, the categories can help guide the development of a Local Alt Plan.

Local Alt Plan Timeline

While a Local Alt Plan is required to be in effect by Fall 2030, the City would need to submit a draft of the Local Alt Plan to HCD for early review in Fall 2028, concurrent with the submittal of the next Housing Element. To meet this goal, there are several nearer term deadlines for the City to effectively implement the Local Alt Plan. Tentative work program phases to meet these deadlines are outlined below.

- **Winter - Spring 2027:** Draft a Local Alt Plan implementation tool, conduct mapping analysis, prepare outreach plan
- **Spring - Fall 2027:** Conduct technical modeling analysis, mapping, and prepare for community engagement
- **Fall 2027 - Spring 2028:** Engage communities through outreach on draft Local Alt Plan
- **Fall 2028:** Deliver Draft Local Alt Plan to HCD for review as part of 7th Cycle Housing Element draft submittal
- **Spring - Fall 2029:** Coordination with HCD, revisions to Local Alt Plan
- **Spring 2030:** Achieve final adoption of Local Alt Plan accompanying Los Angeles' 7th Cycle Housing Element adoption

Community Information and Engagement Tools

The primary objective of a community engagement and outreach strategy will be to educate and inform the public of the requirements of SB 79 and the Local Alt Plan Program. The emphasis will be on explaining what is required and how the Department is implementing the bill; the Department will conduct targeted outreach and address public comments and questions to the extent feasible while adhering to the rules of the state law, and meeting the bill's deadlines. Due to SB 79 rules for a Local Alt Plan, the facilitation of community feedback would be focused on key aspects of the Local Alt Plan that the City has the ability to shape. This may limit how feedback about proposed new density in a station area is incorporated, knowing that capacity changes to a station area in one community will have impacts to capacity in another station area, for the City to maintain its overall SB 79 capacity.

Outreach would be aligned with resources and would be focused and streamlined, given the scale of the program and the timeframe for completion. Multi-media outreach tools and education initiatives will be used to ensure that community members have a clear understanding of the requirements and limitations of a Local Alt Plan, and with a broad reach. The outreach will give prominence to digital engagement through email lists and social media, but could also include the dissemination of informational graphics on DASH and Metro Train and Bus lines and to local libraries. Outreach would involve developing and maintaining a webpage on the Planning Department's website to outline the key steps in the process, share maps and materials, and reflect all recent actions. As the program develops, outreach might include toolkits and training support to Council Office Staff, direct-to-the-public webinars, and virtual office hours. If in-person events occur, they will be limited and fairly apportioned citywide. Sharing a Draft Plan for public review will be an additional opportunity to facilitate feedback, within the timelines provided.

As the Local Alt Plan is refined and moves through the final adoption process, focused community engagement would look to build consensus around the Local Alt Plan Program and its anticipated results, in-lieu of SB 79 going into effect in 2030. Without the adoption of a Local Alt Plan Program, and the resources outlined in this report below, there would not be a community engagement program for direct implementation of SB 79.

Local Alt Plan Relationship to other Policy Work Underway

A variety of policy efforts proceed at the same time in City Planning, requiring coordination and consistent messaging. The relationship between SB 79 implementation and existing long-range policy work programs, including transit-neighborhood plans and the Community Plan Update program, is being evaluated while an initial approach is in progress. The Community Plan Program comprehensively amends Community Plans and introduces new zoning to all properties within the City's 34 plan areas. Two plans have recently been approved and 13 are actively in progress. These long-range planning work programs and the process for the City to comply with SB 79 regulations are underway concurrently. Thus, they are being developed in real time and considerations are made as more information is discovered on practicality, implementation, and program coordination needs. The Community Plans and transit-neighborhood plans are informed through community input and in-depth analysis of planning and land use issues in each area. While most of these planning efforts increase housing capacity, they do so in a nuanced way with finer grain analysis, site-by-site, and with a robust community outreach process.

The Local Alt Plan policy and approach decisions will be made on an accelerated timeline that may introduce new features that amend the zoning code and other regulatory structures City Planning employs, and will need to be coordinated across active policy work programs. This mirrors the recent work and accelerated process taken in establishing Los Angeles' Housing Element compliance and implementation of the Citywide Housing Incentive Program (CHIP) ordinance in 2025. The implementation of the CHIP ordinance in 2025 concurrent to the active and ongoing process of amending Community Plans was informative as the Department considers a work program for a Local Alt Plan. Similarly, if a Local Alt Plan proceeds, outreach and adoption will

occur alongside the next update to the Housing Element, requiring coordination on policy and implementation outcomes. Developing a Citywide program on an accelerated timeline while still advancing other policy work, is complex and requires coordination, as work programs adjust to moving goals and incorporate changes as a result of the concurrent programs.

The active Community Plan Updates are not proposing changes in consideration of SB 79; the draft Plans and draft zoning are proceeding “as is” and will not be reflecting anticipated capacity from SB 79. The Community Plan Updates will continue to approach the draft changes to land use and zoning by implementing best practices and best professional assumptions for land use planning. The Community Plan Teams are analyzing SB 79 as part of the Community Plan Environmental Impact Report (EIR) to adequately disclose the growth that could occur when SB 79 regulations, or a Local Alt Plan to implement SB 79, goes into effect. As such, the Community Plans that are currently underway are not anticipated to be delayed by SB 79.

Depending on the approach to a Local Alt Plan and timing of other active work programs, there may be the opportunity to align capacity changes from SB 79 compliance with work programs underway, while both are being developed and adopted. As well, future Community Plan Updates will likely make changes to zoning to align with SB 79 implementation, once it is established and in effect. This means that the relationship between the Community Plans and SB 79 will evolve over time. Public messaging will be a key point of coordination during the development of a Local Alt Plan while continuing to update Community Plans.

Providing clarity about how programs interact with each other will also be a component of other policy initiatives that impact housing capacity. Note that Interim Control Ordinances (ICOs) are not an instrument that can pause implementation of SB 79.

Resources for Development, Analysis, and Outreach for a Local Alt Plan

The Department of City Planning requires staffing and funding resources to develop, conduct outreach on, and implement a Local Alt Plan. Resources are needed for staff to conduct analysis to inform the capacity distribution, pending Council direction, for station area and site analysis, including specialized work to evaluate Historic Resources in station areas; for work on the implementation tool and community engagement; for the production of graphics, Geographic Information System (GIS) mapping, and computer and web systems support; and to fund contractual services - including technical modeling work to demonstrate compliance with the Local Alt Plan requirements. Without the necessary resources to achieve a Local Alternative Plan, the City will defer to direct implementation of SB 79 provisions Citywide in 2030.

The Department requests the following staffing resources, as outlined in the Department of City Planning's Budget Memo dated May 1, 2026 (Appendix D).

- 1 Senior City Planner
- 3 City Planners
- 6 City Planning Associates
- 1 GIS Specialist

In addition to the staffing resources identified, the Department requests the following funding for contractual services:

- \$580,000 for contractual services for technical studies required for capacity modeling and outreach to demonstrate the City is meeting capacity requirements per the SB 79 state regulations.

Summary and Recommendations

A Local Alt Plan provides a chance to, within constraints, direct growth toward areas with greater transit infrastructure and higher opportunity, while accounting for neighborhood-specific constraints such as VHFHSZ, historic resources, and areas burdened by pollution and environmental justice issues—thereby coming closer to aligning SB 79 implementation with the City's policy goals. While a Local Alt Plan provides some limited opportunity for more contextual planning than direct implementation of SB 79, the limitations imposed by the bill restrict the City's ability to respond to station area or site specific constraints, or to exempt or exclude areas of the City outside of the narrow focused parameters of SB 79.

In pursuing a Local Alt Plan, it is critical that the City move forward with a unified goal to adopt a Local Alt Plan, aligned with the guiding indicators outlined in this report. Due to the Citywide capacity requirements of the bill, shifting capacity from one station area will impact the capacity in another station area, and changes to capacity for a station area midway through the Local Alt Plan process may risk the City not upholding its overall Citywide capacity requirements. Complex decisions and discussions will be necessary to evaluate how and where capacity is redistributed in the City, while upholding the City's policy objectives for AFFH, safeguarding renters, and minimizing incompatibility between industrial and residential uses. Development of a Local Alt Plan will require in-depth analysis and modeling to ensure the City is meeting all requirements of SB 79 while satisfying the recommended guiding indicators highlighted in this report.

Ultimately, DCP recommends the City Council identify resources and instruct the Department to begin work on a Local Alt Plan in consideration of the factors listed in the introduction.

For questions regarding this report, please contact Kiran Rishi, Principal City Planner, at kiran.rishi@lacity.org in the Department of City Planning.

Sincerely,

A handwritten signature in blue ink, appearing to read 'V. Bertoni', with a large, stylized flourish at the end.

VINCENT P. BERTONI, AICP
Director of Planning

Appendix A

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Section 1: Citywide SB 79 Station Areas

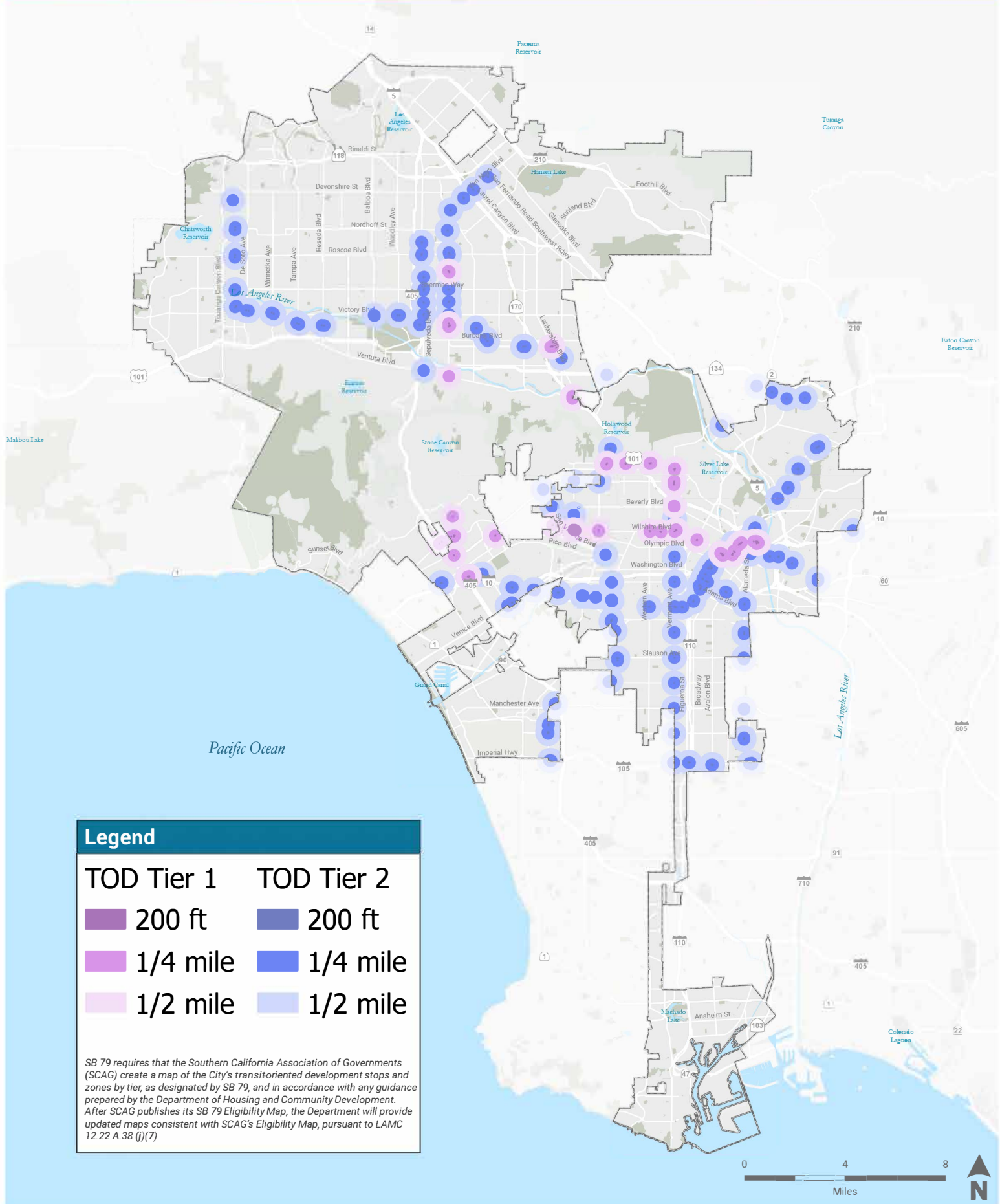
Senate Bill (SB) 79 Station Areas

On July 2, 2026, SCAG adopted a mapping approach and methodology for identifying qualifying TOD stops and zones and tier classifications. Map 1 incorporates the adopted methodology and revisions to the eligible SB 79 Station Areas, consistent with SCAG.

Based on this revised mapping approach, the City has 146 Station Areas, which are organized into two tiers based on transit type and service level. Tier 1 stations include existing and proposed heavy rail stations, such as the B and D Metro lines and planned Sepulveda Transit Corridor project, and Tier 2 stations include existing and proposed light rail stations, such as the A, C, E, and K Metro Lines and forthcoming East San Fernando Valley Light Rail. Tier 2 stations also include stops on high-frequency commuter rail services such as Metrolink, and qualifying Bus Rapid Transit (BRT), such as the G Line, Sepulveda line 234 bus only lanes, and planned Vermont Avenue BRT and North Hollywood to Pasadena BRT.

Map 1. Senate Bill (SB) 79 Station Areas

City of Los Angeles



Section 2: Very High Fire Hazard Severity Zones and Historic Resources

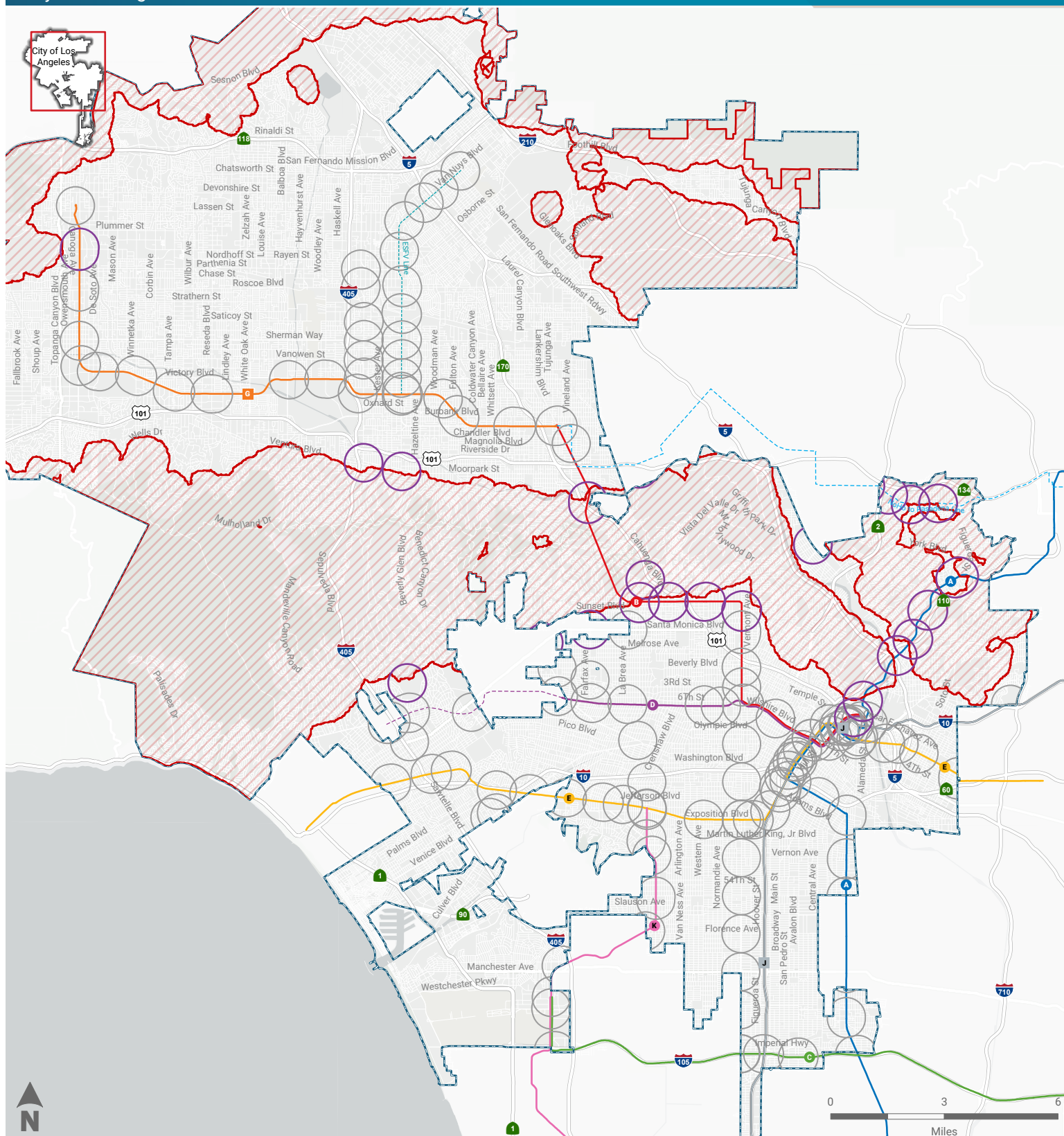
Very High Fire Hazard Severity Zone (VHFHSZ) Considerations

Existing City policy, such as the Los Angeles Safety Element of the General Plan, prioritizes residential growth in areas safe from fire and other environmental risks and the Framework Element of the General Plan encourages minimum density in hillside areas. Map 2 and Table 1, below, display SB 79 Station Areas and the adopted state CAL FIRE 2025 Very High Fire Hazard Severity Zones (VHFHSZ). There are 24 Station Areas that fall (either in whole or in part) within the VHFHSZ, spanning parts of the Northwest and Northeast Valley, adjacent to the Santa Monica Mountains from West LA to Hollywood and throughout the South Valley, and in the hillsides of Northeast Los Angeles. It is important to note, the recently adopted SB 79 Phased Implementation Ordinance temporarily pauses SB 79 in VHFHSZs. These areas each present unique considerations that could be further studied as a part of the Local Alt Plan.

Table 1. SB 79 Station Areas in CAL FIRE 2025 VHFHSZs

Count	Station Area	Percentage of Station Area in VHFHSZ
1.	A-Southwest Museum	100%
2.	K Line-Highland/Odin	99%
3.	NOHO to Pasadena BRT-Colorado Boulevard	95%
4.	A-Heritage Square	82%
5.	RED-Universal City/Studio City	78%
6.	NOHO to Pasadena BRT-Eagle Rock Boulevard	76%
7.	NOHO to Pasadena BRT-Townsend Avenue	74%
8.	NOHO to Pasadena BRT-Olive/Riverside	48%
9.	SP-Ventura/Van Nuys	46%
10.	A-Lincoln/Cypress	46%
11.	A-Highland Park	44%
12.	RED/CRN-Hollywood/Highland	44%
13.	A-Chinatown	34%
14.	RED-Hollywood/Vine	32%
15.	Metro 234 -Ventura Boulevard	30%
16.	SP-UCLA Ackerman Union	28%
17.	RED-Hollywood/Western	26%
18.	NOHO to Pasadena BRT-E Broadway	22%
19.	K Line-SantaMonica/Palm	14%
20.	RED/Vermont BRT-Vermont/Sunset	7%
21.	Metrolink - Glendale	6%
22.	K Line-SantaMonica/Fairfax	2%
23.	Orange Line - Nordhoff	2%
24.	Metro 70 - N Spring Street	1%

City of Los Angeles



- SB 79 requires that the Southern Association of Governments (SCAG) create a map of the City's transit-oriented development stops and zones by tier, as designated by SB 79, and in accordance with any guidance prepared by the Department of Housing and Community Development. After SCAG publishes its SB 79 Eligibility Map, the Department will provide updated maps consistent with SCAG's Eligibility Map, pursuant to LAMC 12.22 A.38(j) (7).

Historic Resource Considerations

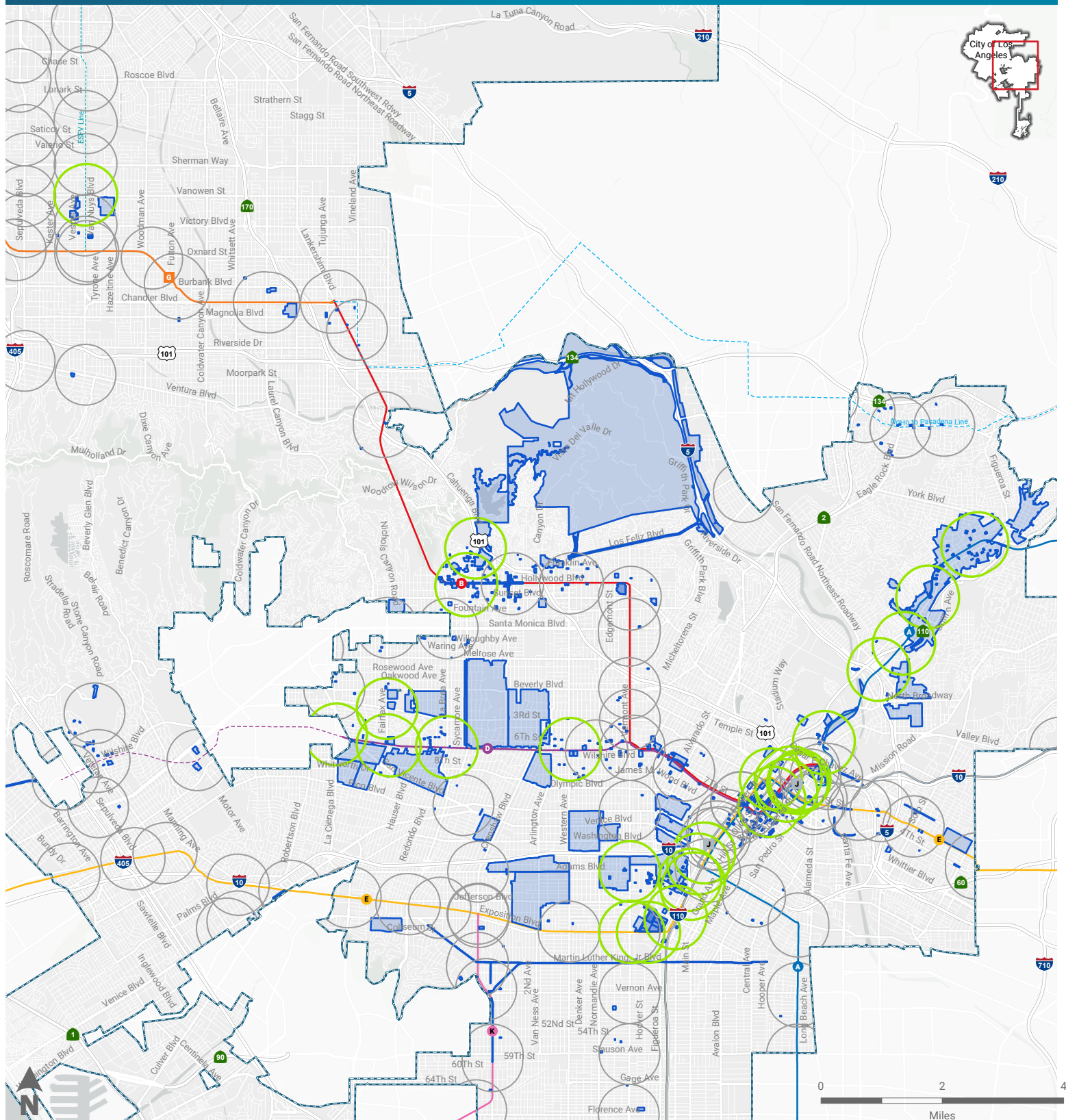
The SB 79 Station Areas include sites with local historic resources which includes Historic Cultural Monuments (HCMs) and Historic Preservation Overlay Zones (HPOZs). Properties in HPOZs affected by SB 79 represent 5% of all SB 79 eligible sites and 36% of sites included in HPOZs citywide. Approximately 25 of the City's Station Areas, or 18%, overlap with 19 of the City's HPOZs, largely in Northeast LA, South LA, and Greater Wilshire. Table 2 and the map below (Map 3) display these designated local historic resources and highlights the 31 Station Areas that have historic resources that exceed 10% of the cumulative land area for the Station Area in which the sites are located.

Table 2. SB 79 Station Areas and Percent of Historic Resources by Cumulative Land Area

Count	SB 79 Station Area	Percentage of Historic Resources by Cumulative Land Area
1.	A-Highland Park	72%
2.	A-Southwest Museum	45%
3.	Vermont BRT - W Adams Blvd	43%
4.	PURex/K Line-Wilshire/Fairfax	36%
5.	A-Heritage Square	28%
6.	Metro 81 - W 23rd Street	25%
7.	PURex/CRN-Wilshire/La Brea	23%
8.	Metro 81 - W Washington Boulevard	21%
9.	K Line-Highland/Odin	18%
10.	EXP-LATTC/Ortho Institute	18%
11.	EXP-Expo Park/USC	17%
12.	EXP-Jefferson/USC	15%
13.	EXP-Expo/Vermont	15%
14.	Metro 81 - Venice Boulevard	14%
15.	RED/PUR-Pershing Square	13%
16.	RC-2nd/Hope	13%
17.	A-Chinatown	12%
18.	PURex-Wilshire/La Cienega	12%
19.	A-Lincoln/Cypress	12%
20.	RED/CRN-Hollywood/Highland	12%
21.	K Line-Fairfax/3rd	11%
22.	Metro 910 - N Spring Street	11%
23.	Metro 78 - N Spring Street	11%
24.	Metro 910/70 - N Spring Street	11%
25.	RC-2nd/Broadway	11%
26.	ESFV-Van Nuys/Vanowen	11%
27.	PUR-Wilshire/Western	11%
28.	RED/PUR-Civic Center/Grand Park	10%
29.	BLU/EXP/RED/PUR-7th St/Metro Center	10%
30.	Metro 910 - S Figueroa Street	10%
31.	ESFV-Van Nuys/Victory	10%

Map 3. Senate Bill (SB) 79 TOD Station Areas and Local Historic Resources

City of Los Angeles



- TOD Station Areas with more than 10% of parcels in Historic Resources
- Local Historic Resource (HPOZs and HCMs)
- TOD Station Areas with less than 10% of parcels in Local Historic Resources

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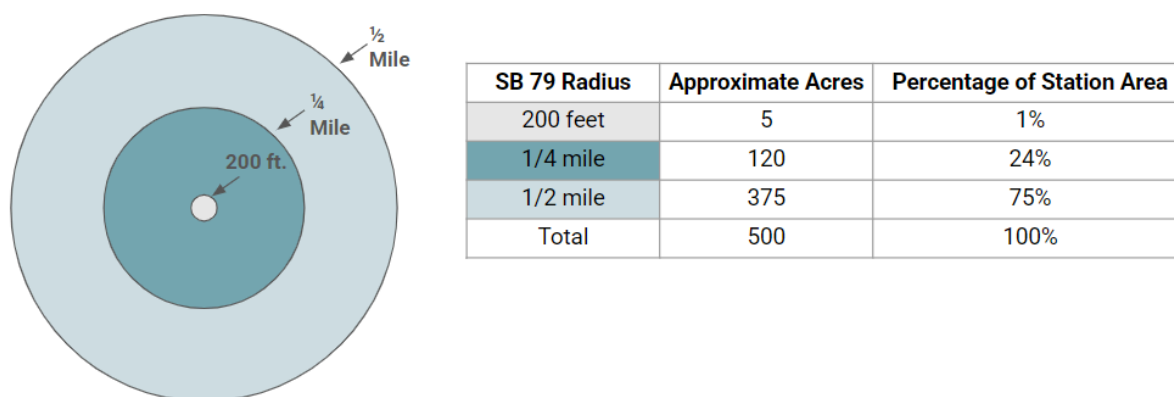
Section 2: Approximate Land Area Distribution in Each Station Area Tier

SB 79 permits different development standards for eligible sites within a 200 foot radius, $\frac{1}{4}$ mile radius, or $\frac{1}{2}$ mile radius of a Tier 1 or Tier 2 Station Area. For illustrative purposes, each Station Area is divided into three concentric circles, each defined by a distinct area and a specific set of incentives. Overall, a Station Area encompasses approximately 500 acres, with the approximate breakdown for each concentric circle detailed in Figure 1 below.

- The spatial distribution of these areas highlights significant size differences: The area extending from the epicenter to 200 feet accounts for less than 1 percent of the total Station Area.
- The $\frac{1}{4}$ -mile radius area represents approximately 24 percent of the zone.
- The largest area, located within the $\frac{1}{2}$ -mile radius, comprises 75 percent.

This distribution presents clear spatial limitations. For example, the 200-foot radius is too small to accommodate substantial growth to offset exemptions in the $\frac{1}{4}$ or $\frac{1}{2}$ mile radius. While shifting development capacity from the $\frac{1}{2}$ -mile radius into the $\frac{1}{4}$ -mile radius is a more feasible way to offset exemptions in the $\frac{1}{2}$ mile radius, the $\frac{1}{2}$ mile radius still accounts for 3 times the area of the $\frac{1}{4}$ mile radius - which would lead to a substantial increase in the development potential within the $\frac{1}{4}$ mile radius to meet the capacity requirements of SB 79 for that station area.

Figure 1. Approximate Land Area Percentage for Each Station Area Radius



Section 3: Station Area Geographic Examples and Considerations

Given the geographic diversity of the City, each Station Area faces unique circumstances, zoning, and changes in development capacity resulting from implementation of SB 79 standards. The examples below show a range of TODs from across the City, in varying contexts. These examples highlight at a more granular level the varying types of existing zoning and development in Station Areas across the City, and the varying scale of intersection with VHFHSZ and historic resource sites.

Table 3. Station Area Examples

#	Station Area	Transit Line	SB 79 Tier	Community Plan Area	Opportunity Area*	Council District
1.	Universal / Studio City	B Line	Tier 1	Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass	High	2, 4
2.	Westwood / Rancho Park	E Line	Tier 2	West Los Angeles	High	5
3.	Palms	ELine	Tier 2	Palms - Mar Vista - Del Rey	High	5
4.	Vernon Ave	Vermont BRT	Tier 2	South Los Angeles	Low	9
5.	Wilshire / Western	D Line	Tier 1	Wilshire	High	5, 10, 13
6.	Southwest Museum	A Line	Tier 2	Northeast Los Angeles	High	1
7.	Tampa	G Line	Tier 2	Reseda - West Van Nuys	High	3
8.	Cal State Los Angeles	Metrolink	Tier 2	Northeast Los Angeles	High	14

*Source: California Tax Credit Allocation Committee (TCAC).

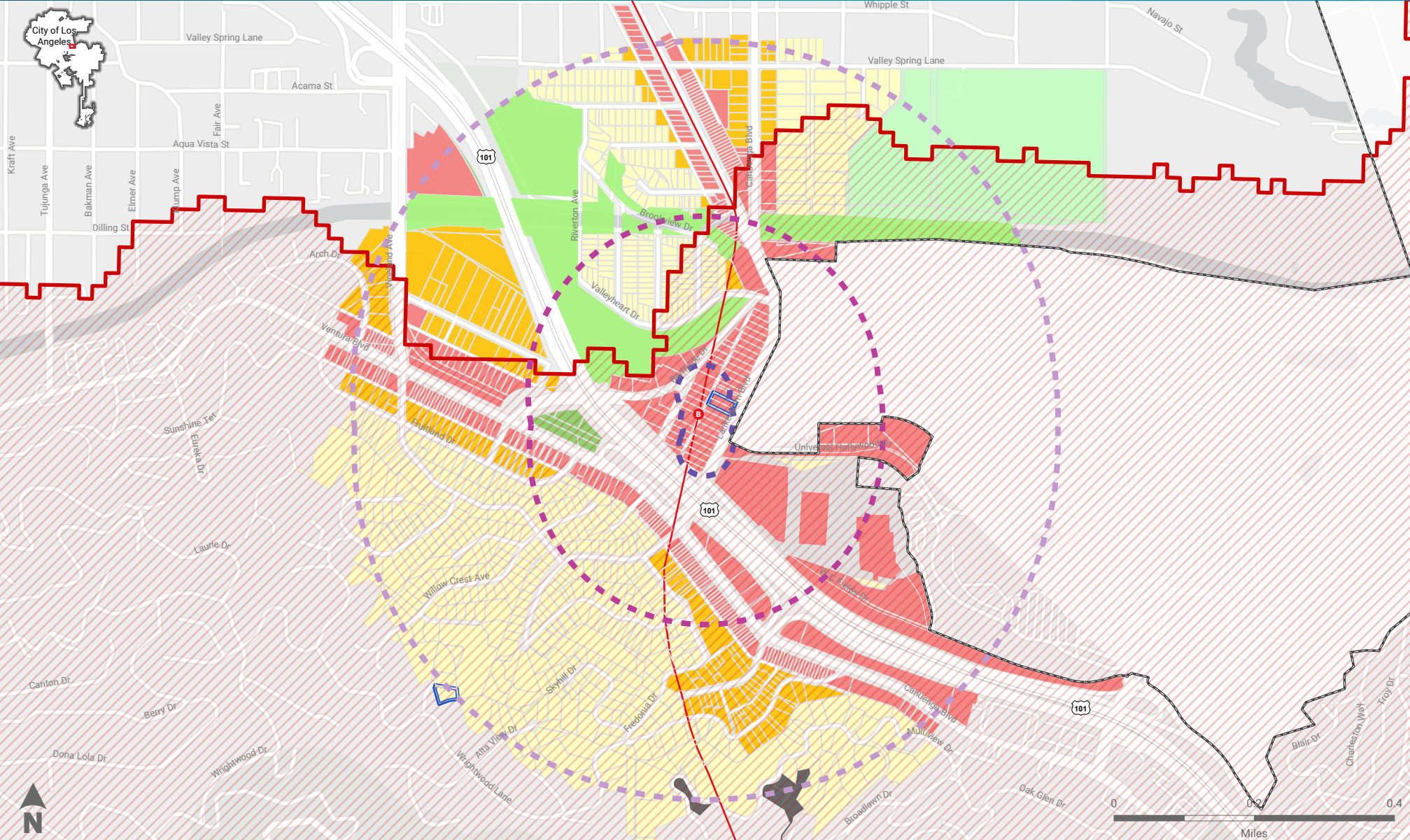
Primarily low resource Station Areas were identified by using a plurality methodology, where the land area of each TCAC designation was summed per Station Area. When Low Resource was the highest percentage of land area in the Station Area, then it was considered a primarily low resource Station Area. For the purposes of the analysis, High and Highest Resource land areas were combined as a single category.

1. Universal/Studio City - Tier 1 (B Line)

The *Universal/Studio City (B Line)* Station Area is located in a High Opportunity area within the Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass Community Plan Area, while a portion of the TOD is outside of the city boundary. This Station Area includes hillside areas along both sides of the 101 freeway and a majority of the station is within the VHFHSZ. The parcels within the VHFHSZ are primarily zoned single-family but include some commercially zoned properties along the boulevards of Ventura and Lankershim. While the rest of the Station Area outside of the VHFHSZ is also single-family, multi-family, and commercial, it has some larger parcels that are dedicated open space.

Universal / Studio City - B Line

Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass Community Plan Area



- 200 ft
- 1/4 Mile
- 1/2 Mile
- Very High Fire Hazard Severity Zones (VHFHSZ)
- Permanent Exemptions
- Historic Resource

- Zoning**
- Open Space
 - Agricultural
 - Commercial
 - Hybrid Industrial
 - Manufacturing
 - Multiple Family Residential
 - Parking
 - Public Facilities
 - Single Family Residential
 - Suburban
- City Boundary**

SB 79 requires that the Southern Association of Governments (SCAG) create a map of the City's transit-oriented development stops and zones by tier, as designated by SB 79, and in accordance with any guidance prepared by the Department of Housing and Community Development. After SCAG publishes its SB 79 Eligibility Map, the Department will provide updated maps consistent with SCAG's Eligibility Map, pursuant to LAMC 12.22 A.38(j)(7).

2. Westwood/Rancho Park - Tier 2 (E Line)

The *Westwood/Rancho Park (E Line)* Station Area is situated in a High Opportunity neighborhood within the West Los Angeles Community Plan Area, and does not include local hillside, fire zones, or historic resources. The existing zoning for the Station Area is a majority single-family, with a few blocks that allow for multi-family and mixed-use commercial. The recent Low-Rise Ordinance incentives increase density and development potential for much of the single-family and multi-family zones parcels, permitting 10-16 units on a site, depending on the distance from the station. However, to reach the full building potential permitted by SB 79, additional capacity would likely be required within this station area. There is a commercial corridor located primarily along Pico Boulevard and a portion of Westwood Boulevard that permits mixed-use development, including multi-family residential, and is currently eligible for local incentives under the City's CHIP Programs.

Westwood / Rancho Park - Expo Line

West Los Angeles Community Plan Area



- 200 ft
- 1/4 Mile
- 1/2 Mile
- Very High Fire Hazard Severity Zones (VHFHSZ)
- Permanent Exemptions
- Historic Resource

Zoning

- Agricultural
- Commercial
- Hybrid Industrial
- Manufacturing

- Multiple Family Residential
- Open Space
- Parking
- Public Facilities
- Single Family Residential
- Suburban

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3. Palms - Tier 2 (E Line)

The *Palms (E Line)* Station Area is located in a High Opportunity area and falls within the Palms-Mar Vista - Del Rey Community Plan Area. This Station Area falls within the Exposition Corridor Transit Neighborhood Plan and features a mix of single-family zones to the north and a concentration of multi-family zones (consisting of R3 and R4 zones) to the south. The Station Area also includes some corridors zoned for commercial and a few blocks zoned for hybrid industrial. Similar to the previous example these single-family zones have already experienced increased capacity through the Low-Rise Ordinance, however these areas may require additional development potential increases as part of a Local Alt Plan.

Palms - Expo Line

Palms - Mar Vista - Del Rey Community Plan Area



- 200 ft
- 1/4 Mile
- 1/2 Mile
- Very High Fire Hazard Severity Zones (VHFHSZ)
- Permanent Exemptions
- Historic Resource

Zoning

- Agricultural
- Commercial
- Hybrid Industrial
- Manufacturing

- Multiple Family Residential
- Open Space
- Parking
- Public Facilities
- Single Family Residential
- Suburban

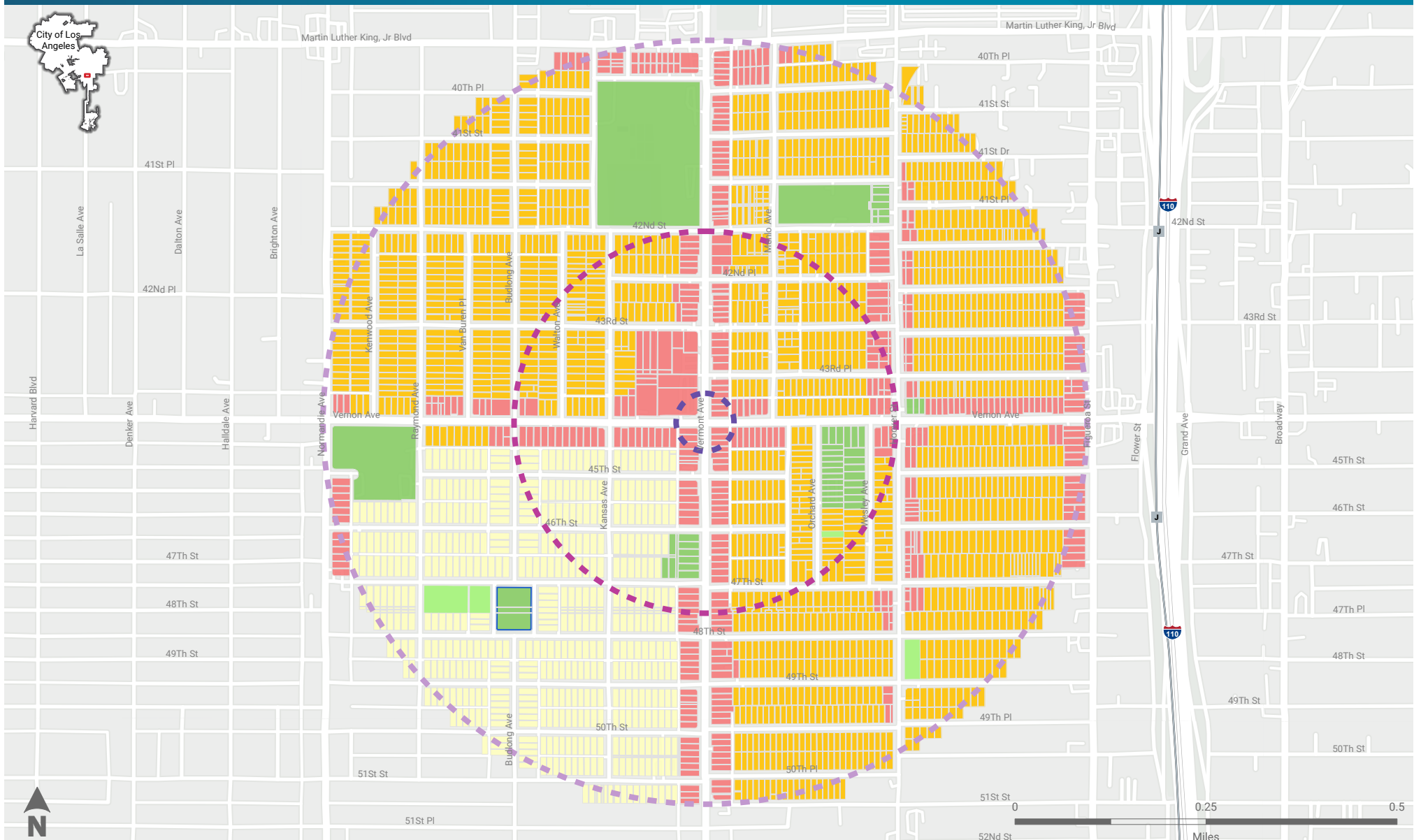
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4. Vernon - Tier 2 (Vermont BRT)

The *Vernon (Vermont BRT)* Station Area is a part of the future Vermont Bus Rapid Transit line, located at the intersection of Vernon Avenue and Vermont Avenue. This Station Area is located in a Low Opportunity neighborhood in the South Los Angeles Community Plan Area. This area contains a mix of single-family zones, with some multi-family zoning (consisting of RD and R3 zones) many of which are within the the South Los Angeles Community Plan Implementation Overlay (CPIO). Along Vermont and Vernon, the existing zoning is zoned for commercial uses.

Vernon - Vermont BRT

South Los Angeles Community Plan Area



- 200 ft
- 1/4 Mile
- 1/2 Mile
- Very High Fire Hazard Severity Zones (VHFHSZ)
- Permanent Exemptions
- Historic Resource

- Zoning**
- Agricultural
 - Commercial
 - Hybrid Industrial
 - Manufacturing
 - Multiple Family Residential
 - Open Space
 - Parking
 - Public Facilities
 - Single Family Residential
 - Suburban

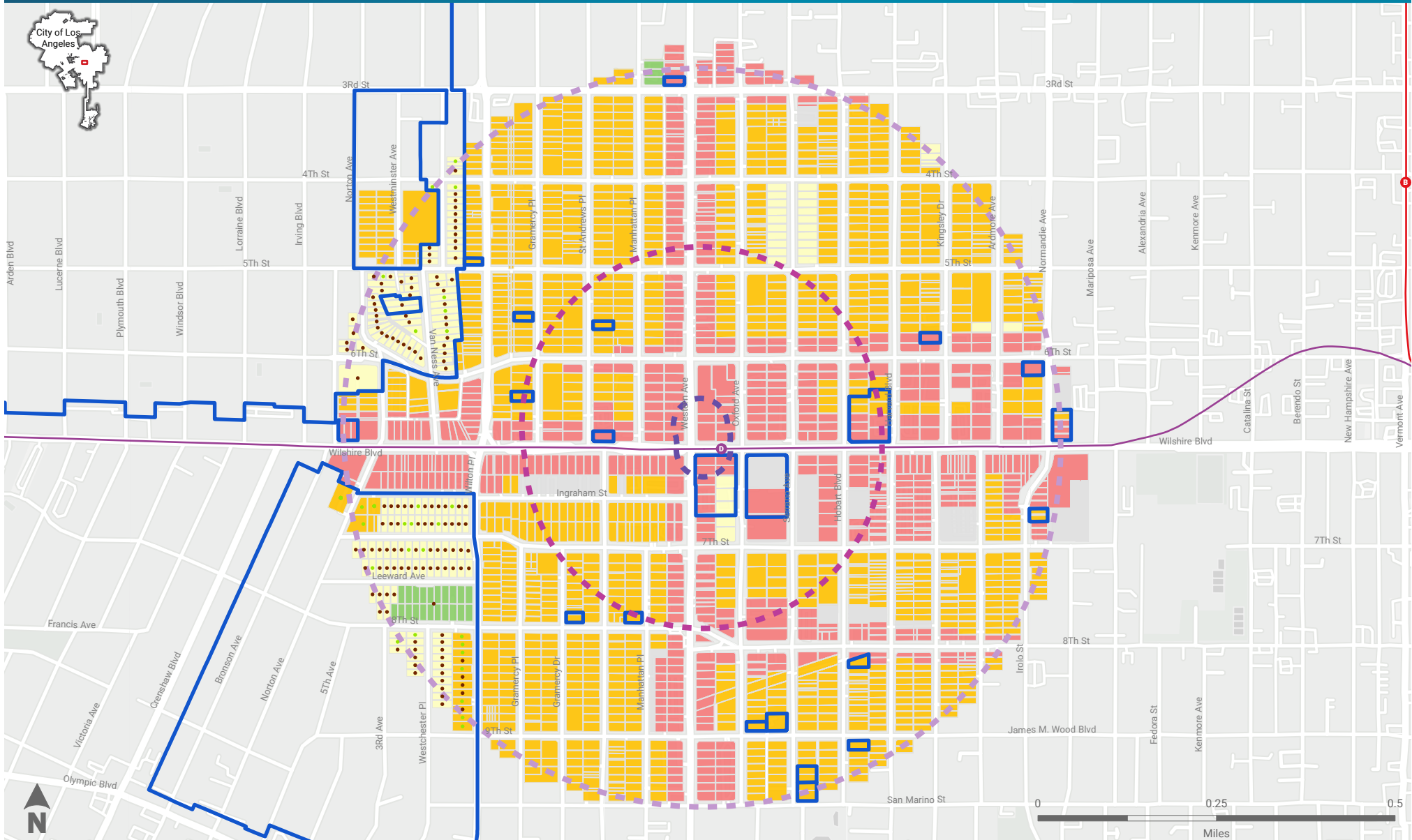
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5. Wilshire/Western - Tier 1 (D Line)

The *Wilshire/Western (D Line)* Station Area is within a Moderate Opportunity area within Koreatown Neighborhood in the Wilshire Community Plan Area. A unique consideration for this Station Area is that local historic resources make up 11% of the cumulative land area including two Historic Preservation Overlay Zones (HPOZs) - Windsor Square and Wilshire Park. The parcels along Wilshire Boulevard and Western Avenue are a part of a major commercial corridor while other portions of the Station Area are primarily zoned as multi-family residential (consisting of R3, R4 and R5), including many RSO properties. A majority of this Station Area has a General Plan Land Use Designation of Regional Center and contains medium to large scale commercial buildings. This high density Station Area is an example of an area that may already accommodate the standards of SB 79.

Wilshire / Western - D Line

Wilshire Community Plan Area

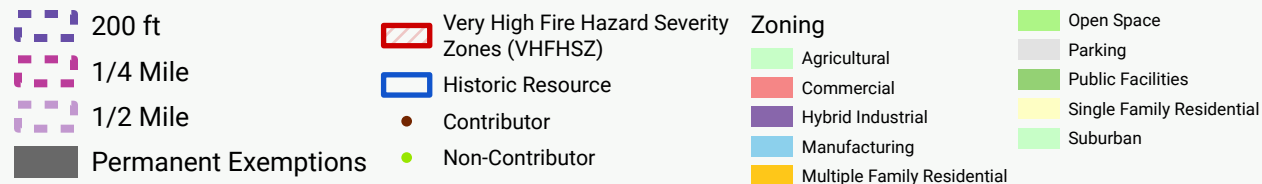
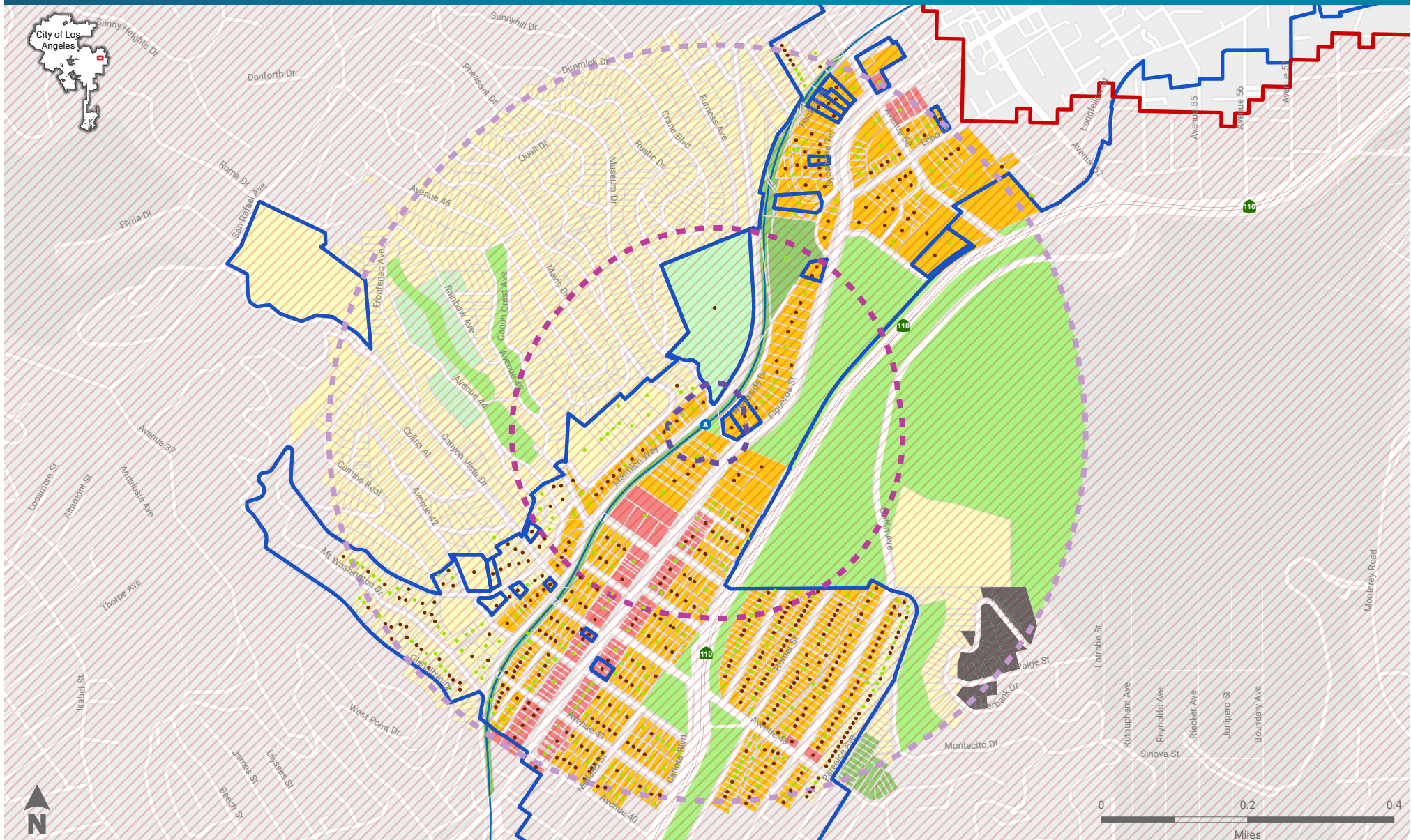


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6. Southwest Museum - Tier 2 (A Line)

The *Southwest Museum (A Line)* Station Area is located in both High and Moderate Opportunity areas within the Northeast Los Angeles Community Plan Area. This particular Station Area presents unique considerations since it is located entirely within the VHFHSZ and contains several historic resources including the Highland Park - Garvanza HPOZ. The local historic resources for this Station Area make up 45% of the cumulative land area for the entire Station Area. This Station Area also includes a mix of single-family and multi-family zoning, with some commercial zoning along Figueroa Street.

Northeast Los Angeles Community Plan Area



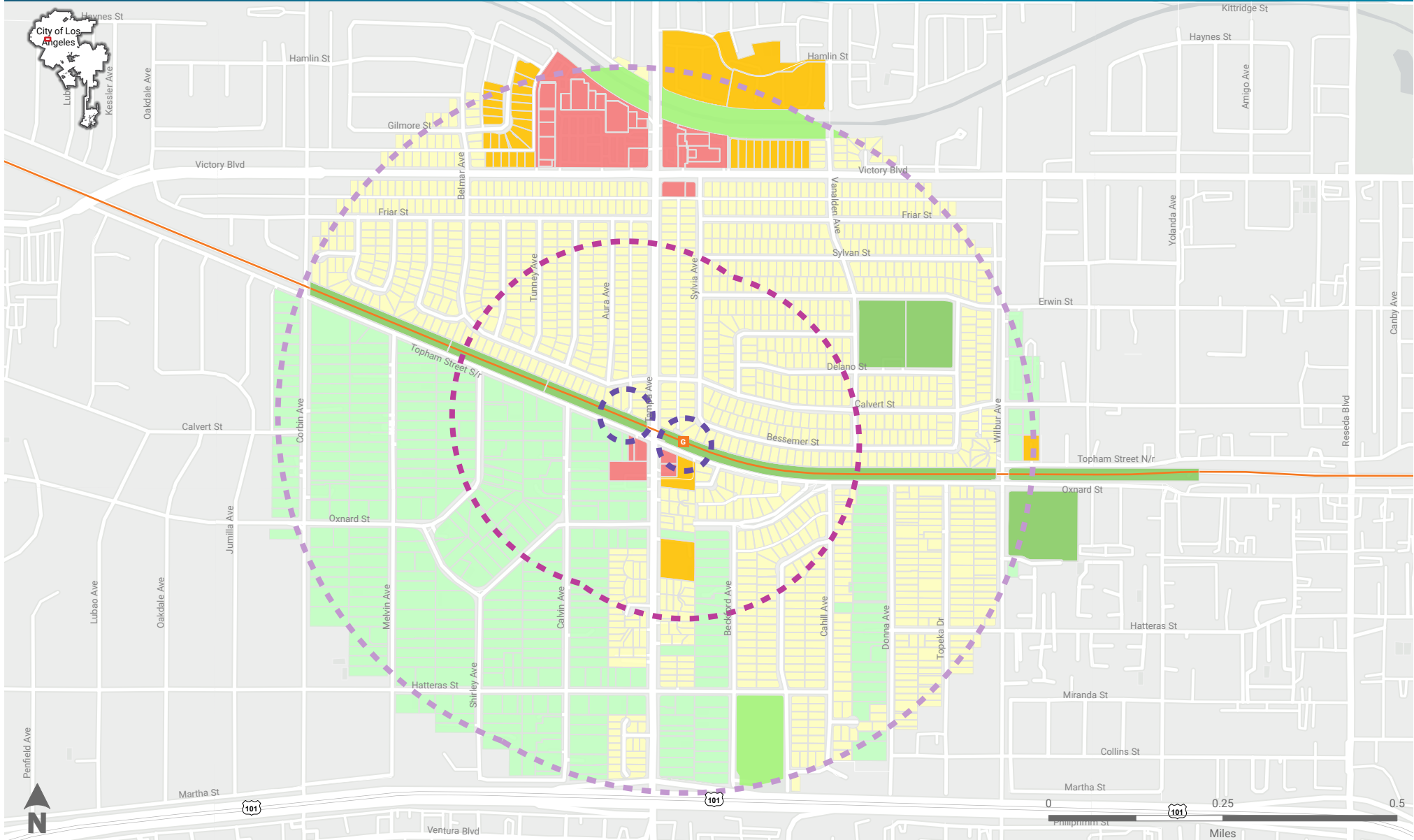
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7. Tampa - Tier 2 (G Line)

The *Tampa (G Line)* Station Area is located in the Reseda-West Van Nuys and the Encino-Tarzana Community Plan Areas. While this Station Area is not located in a VHFHSZ and does not contain any historic resources, it is an example of a High Opportunity Station Area that is primarily single-family and RA (suburban) zoning. Here is another example where the Low-Rise Ordinance has already increased capacity in single-family zones, however additional increases would be necessary under a Local Alt Plan. The sites that are zoned RA typically tend to be larger sites typically with a minimum lot area of 17,500 square feet.

Tampa - G Line

Reseda - West Van Nuys Community Plan Area



- 200 ft
- 1/4 Mile
- 1/2 Mile
- Very High Fire Hazard Severity Zones (VHFHSZ)
- Permanent Exemptions
- Historic Resource

Zoning

- Agricultural
- Commercial
- Hybrid Industrial
- Manufacturing
- Multiple Family Residential
- Open Space
- Parking
- Public Facilities
- Single Family Residential
- Suburban

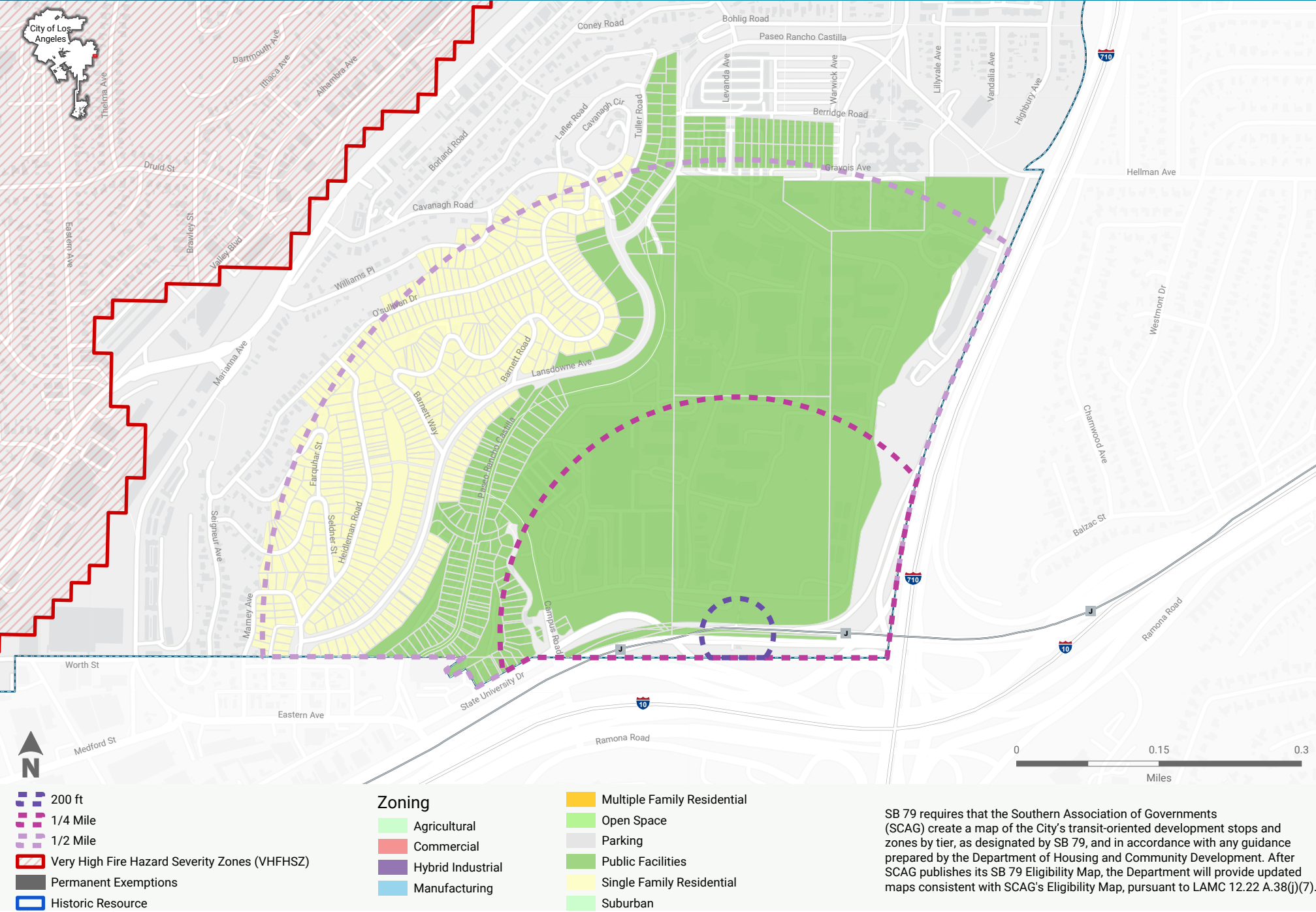
SB 79 requires that the Southern Association of Governments (SCAG) create a map of the City's transit-oriented development stops and zones by tier, as designated by SB 79, and in accordance with any guidance prepared by the Department of Housing and Community Development. After SCAG publishes its SB 79 Eligibility Map, the Department will provide updated maps consistent with SCAG's Eligibility Map, pursuant to LAMC 12.22 A.38(j)(7).

8. Cal State LA - Tier 2 (Commuter Rail)

The *Cal State Los Angeles (Commuter Rail)* Station Area is located between Interstate I-10 and the Cal State LA campus in the Northeast Los Angeles Community Plan Area. The Station Area falls within four jurisdictions, covering part of the City of Los Angeles' El Sereno Neighborhood, as well as parts of unincorporated East Los Angeles, and the cities of Monterey Park and Alhambra. Within the City of Los Angeles, the Station Area is zoned for Public Facilities for the area that is part of the Cal State Los Angeles campus. The single-family areas to the northwestern portion of the Station Area are zoned [Q]R1-1D-HCR, and the area is mostly hillside low scale residential within the City's Hillside Construction Regulation (HCR) District, which imposes more restrictive grading limits and hauling operation standards than what is generally permitted by the code. Applying the standards of SB 79 would be challenging given its unique hillside topography and existing development patterns. Although many of these sites are designated by the City to be a "local VHFHSZ," the state does not designate them as such, therefore limiting our ability to exempt sites.

Cal State Los Angeles - Commuter Rail

Northeast Los Angeles Community Plan Area



Appendix B
Housing & Community Development Department (HCD)
June 22, 2026 Technical Assistance Letter

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

651 Bannan Street, Suite 400
Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



June 22, 2026

Jenna Monterrosa, Principal City Planner
200 N. Spring St., Room 750
Los Angeles, CA

Dear Jenna Monterrosa:

RE: City of Los Angeles – Senate Bill 79 Ordinance to Exempt and Temporarily Exclude Sites – Letter of Technical Assistance

The California Department of Housing and Community Development (HCD) received a request for technical assistance from the City of Los Angeles (City) regarding the proposed implementation of an ordinance to exempt and temporarily exclude certain sites subject to Senate Bill (SB) 79 (Ordinance). This letter provides technical assistance to the City on the implementation of the Ordinance, including clarification of certain methodologies and procedures to facilitate the City's ability to adopt and enact a local Ordinance.

Background

SB 79 is codified in Government Code sections 65912.155 – 65912.162, and its provisions and standards apply starting July 1, 2026 (see below "SB 79 Standards"), or when a local SB 79 ordinance¹ or transit-oriented development (TOD) alternative plan is adopted and enacted,² (see below "Local Government Options to Modify SB 79") whichever comes first.

On June 9, 2026, the City submitted a draft SB 79 ordinance that would:

- Exempt sites where there is no walking path of less than one mile from the TOD stop, pursuant to Government Code section 65912.160, subdivision (e)(1);
- Exempt sites within industrial employment hub areas, pursuant to Government Code section 65912.160, subdivision (e)(2); and
- Temporarily exclude qualifying sites from the provisions of SB 79, pursuant to Government Code section 65912.161, subdivision (b).

HCD also understands that, at this time, the City is not pursuing enactment of a TOD Alternative Plan pursuant to Government Code section 65912.161, subdivision (a), but may opt to at a later date.

¹ Gov. Code, §§ 65912.160, subd. (e); 65912.161, subd. (b)(1).

² Gov. Code, § 65912.161, subd. (d).

SB 79 Standards

SB 79 establishes development standards for eligible TOD housing development projects near qualifying TOD stops, which vary by the type of TOD stop, distance from a TOD stop, and population within the city.³ Qualifying projects located adjacent to a TOD stop are eligible for an adjacency intensifier to add an additional 40 units per acre of residential density, 20 feet of height, and 1.0 residential floor area ratio (FAR) beyond the lowest allowable maximums applicable to the parcel(s).⁴

Table 1. SB 79 Development Standards

Development Standard	Adjacent: Within 200 feet of a pedestrian access point	Within 0.25-mile of TOD Stop	Between 0.25- and 0.5-mile of TOD stop in city with at least 35,000 residents
Tier 1 – Heavy rail or very high frequency commuter rail			
Max. Density	≥ 160 units/acre	≥ 120 units/acre	≥ 100 units/acre
Max. Height	≥ 95 feet	≥ 75 feet	≥ 65 feet
Max. Residential FAR	≥ 4.5	≥ 3.5	≥ 3.0
Tier 2 – Light rail, high frequency commuter rail, bus w/ dedicated lane (excluding Tier 1)			
Max. Density	≥ 140 units/acre	≥ 100 units/acre	≥ 80 units/acre
Max. Height	≥ 85 feet	≥ 65 feet	≥ 55 feet
Max. Residential FAR	≥ 4.0	≥ 3.0	≥ 2.5

Local jurisdictions may not apply lower height, density, or residential FAR limits than those set by SB 79 unless the local government adopts and enacts an ordinance or TOD alternative plan to modify the local application of SB 79.

Local Government Options to Modify SB 79

A local jurisdiction has the option, but is not required, to adopt a local ordinance or TOD alternative plan which allows the local jurisdiction to modify certain SB 79 applicable sites or development standards, provided the ordinance or plan meets the applicable statutory requirements.

Table 2 below details the various options available to local governments to modify the provisions of SB 79 or Government Code section 65912.157. The statute does not limit which—nor how many—of these options a local government may choose.

³ Gov. Code, § 65912.157, subd. (a).

⁴ Gov. Code, § 65912.157, subd. (e).

Table 2. Local Government Options to Modify SB 79

Statute Reference	HCD Clarification
1 The ordinance may designate areas within one-half mile of a transit-oriented development stop as exempt from the provisions of this chapter if: (1) The local government makes findings supported by substantial evidence that there exists no walking path of less than one mile from that location to the transit-oriented development stop. - Government Code, 65912.160, subd. (e) and (e)(1)	<i>Exempt from SB 79:</i> Sites where there is no walking path of less than one mile from the TOD stop are exempt from SB 79 (“the provisions of this chapter”).
2 The ordinance may designate areas within one-half mile of a transit-oriented development stop as exempt from the provisions of this chapter if: (2) A local government with at least 15 transit-oriented development stops designates the area as an industrial employment hub. An industrial employment hub shall be a contiguous area of at least 250 acres designated in the jurisdiction’s general plan on or before January 1, 2025, as an employment lands area; the parcels within it shall be primarily dedicated to industrial use as defined in paragraph (3) of subdivision (f) of Section 65912.121; and housing shall not be a permitted use on any of the sites so excluded. - Government Code, 65912.160, subd. (e) and (e)(2)	<i>Exempt from SB 79:</i> Sites within a qualifying industrial employment hub are exempt from SB 79 (“the provisions of this chapter”). To qualify as an industrial employment hub: • The jurisdiction must have at least 15 TOD stops, and • The area must be contiguous and at least 250 acres that was designated as employment lands area⁵ in the jurisdiction’s general plan on or before January 1, 2025, and • The parcels must be primarily dedicated to industrial use as defined in section 65912.121, subdivision (f)(3), and • Housing is not a principally or conditionally permitted use on any of the sites so excluded. Any site that principally or conditionally permits residential use remains subject to SB 79.

⁵ While the statute does not define “employment lands” area, HCD recommends local jurisdictions demonstrate how the general plan specifically designates a bounded, planned area that protects employment lands for job opportunities.

3	Prior to one year following the adoption of the seventh revision of the housing element, Section 65912.157 shall not apply to any of the following for which the local government has adopted an ordinance in accordance with Section 65912.160 indicating the site's exclusion: - Government Code, 65912.161, subd. (b)(1)	<i>Temporarily excluded from section 65912.157 until one year after 7th cycle:</i> Sites or TOD zones (depending on the specific criteria) that meet at least one of the criteria under Government Code section 65912.161, subdivision (b)(1)(A)-(F) may be temporarily excluded from the provisions of section 65912.157 until one year after the adoption of the jurisdiction's 7th cycle Housing Element.
4	Section 65912.157 shall not apply within a jurisdiction that has a local transit-oriented alternative plan that has been approved by the department as satisfying the requirements of this section in effect. The department's approval pursuant to this section shall be valid through the jurisdiction's next amendment to the housing element of its general plan. - Government Code, 65912.161, subd. (d)	<i>Section 65912.157 not applicable until adoption of the next housing element:</i> Sites included in an HCD-approved TOD Alternative Plan are not subject to Government Code section 65912.157 until the start of the jurisdiction's next housing element cycle.

Terms Used

The following terms are used consistently in this letter:

- **“Aggregate density”** – The greatest number of residential units allowed within a TOD zone, pursuant to Government Code section 65912.157, subdivision (a). In state housing law, the term “density” typically refers to the greatest number of dwelling units allowed on a site and is generally determined using dwelling units per acre.⁶
- **“Capacity”** – Consideration of both the greatest number of residential units allowed and maximum allowable residential floor area as measured in net habitable square footage.⁷

⁶ See, e.g., Gov. Code, § 65915, subd. (o)(6). State Density Bonus Law defines “maximum allowable residential density” or “base density” to mean “the greatest number of units allowed under the zoning ordinance, specific plan, or land use element of the general plan, or, if a range of density is permitted, means the greatest number of units allowed by the specific zoning range, specific plan, or land use element of the general plan applicable to the project. Density shall be determined using dwelling units per acre.”

⁷ Gov. Code, § 65912.156, subds. (i), (l).

- **“Contiguous”** – Parcels sharing a common boundary; can include an easement or public right of way between parcels.⁸
- **“Exempt sites”** – Sites where there is no walking path of less than one mile from the TOD stop or within an industrial employment hub that is permanently exempted from Government Code section 65912.157 via a locally-enacted ordinance pursuant to Government Code section 65912.160, subdivision (e).
- **“Site” or “Project site”** – Parcel(s) containing the proposed housing development project.⁹
- **“Temporarily excluded site”** – Parcel(s) identified under a temporary exclusion ordinance to meet at least one of the criteria under Government Code section 65912.161, subdivision (b)(1)(A)-(F), and is therefore not subject to Government Code section 65912.157 until one year following the adoption of the seventh revision of the jurisdiction’s housing element.
- **“Temporary exclusion ordinance”** – A locally enacted ordinance that temporarily modifies the applicability of SB 79 on certain eligible parcels pursuant to Government Code section 65912.161, subdivision (b).
- **“TOD alternative plan”** – A locally enacted ordinance, zoning overlay, general plan housing element, housing element program, or specific plan that redistributes capacity pursuant to Government Code section 65912.161, subdivision (a).

The following terms refer to the varying capacity calculations that a local jurisdiction must make and demonstrate to exempt, temporarily exclude, or redistribute SB 79 capacity via a local ordinance or TOD alternative plan:

- **“Overall SB 79 capacity”** – The greatest number of residential units and maximum allowable residential floor area under Government Code section 65912.157 if a jurisdiction does not enact an ordinance or TOD alternative plan to make local modifications to the statute.
- **“Effective SB 79 capacity”** – The greatest number of residential units and maximum allowable residential floor area remaining when the capacity on exempt sites is subtracted from the overall SB 79 capacity. If a local jurisdiction

⁸ HCD has previously provided technical assistance that in the context of State Density Bonus Law, “contiguous” may include parcels that are separated by any width of public right of way or easements. See HCD Technical Assistance Letter to City of Los Angeles, February 9, 2024, available at:

<https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/HAU/losangeles-hau567-ta-02092024.pdf>

⁹ HCD SB 79 Advisory Clarifications on Definitions for Metropolitan Planning Organizations, dated March 20, 2026, clarifies the term “Project Site.” Available at: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/sb-79-mpo-advisory.pdf>

does not enact an ordinance to exempt sites, then effective SB 79 capacity would be the same as overall SB 79 capacity.

- **“Residual SB 79 capacity”** – The greatest number of residential units and maximum allowable residential floor area remaining when the capacity on temporarily excluded sites is subtracted from effective SB 79 capacity. If a local jurisdiction does not enact an ordinance to temporarily exclude sites, then the residual SB 79 capacity would be the same as effective SB 79 capacity.

Analysis

Areas Where SB 79 Applies

- 1. What is the definition for “mixed” and “commercial” zoning? SB 79 provides for housing as an allowed use on “any site zoned for residential, mixed, or commercial development” under Government Code section 65912.157, subdivision (a).**

While the statute does not explicitly define “mixed” or “commercial” uses, if the local zoning principally or conditionally permits residential, residential mixed use, or commercial land use on a parcel, then SB 79 applies.¹⁰ Government Code section 65912.155 “finds and declares [that] California faces a housing shortage both acute and chronic, particularly in areas with access to robust public transit infrastructure”¹¹ and “building more homes near transit access reduces housing and transportation costs....”¹²

Therefore, if a site is zoned for industrial use, but allows for commercial uses, then SB 79 applies. This includes planned developments and public facility zones that principally or conditionally allow for uses serving the general public (e.g., retail, office, personal, or household service). The specific commercial uses allowed may vary by local jurisdiction, based on their local zoning definitions and regulations.

- 2. Confirm whether a large parcel, where only a small portion of the parcel is within the half-mile TOD zone and where significant portions of the parcel are further than a half mile from the transit stop, are considered eligible for SB 79 provisions in their entirety.**

Yes, large parcels where only a portion of which are in a TOD zone are eligible for SB 79 provisions in their entirety unless a development project subdivides the parcel. The

¹⁰ HCD TA Letter to the City of Hayward, dated January 28, 2025, explains that “zoned for” means any zone that allows the residential development as a principally or conditionally permitted land use. Available at: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/HAU/hayward-hau-1167-sb-684-1123-ta-01282025.pdf>

¹¹ Gov. Code, § 65912.155, subd. (a).

¹² Gov. Code, § 65912.155, subd. (c).

statute simply states that a housing development project shall be an allowed use on “*any site* zoned for residential, mixed, or commercial development *within* one-half or one-quarter mile of a transit-oriented development stop”¹³ (emphasis added) and does not specify that the site (i.e., parcel or parcels) must be entirely or mostly within the TOD zone.

3. Can an applicant for a housing development project in a qualifying TOD zone choose to comply with local zoning requirements and procedures instead of SB 79?

Yes. An applicant for a housing development project is not required to utilize SB 79 provisions and standards and may opt to utilize the local ordinances, policies, and standards adopted and in effect when the preliminary application or full application was submitted. For example, an applicant may propose the development of a single-family dwelling unit on a site within one-quarter mile of a Tier 2 TOD stop where the local zoning permits single-family use and densities of less than 30 units per acre.

SB 79 merely makes certain housing development projects¹⁴ an allowed use on a qualifying site near a TOD stop,¹⁵ provided the project meets the statutory density and development standards,¹⁶ affordability criteria,¹⁷ and labor standards.¹⁸

Demolition and Anti-Displacement Protections

Government Code section 65912.157, subdivision (h) states:

“A development proposed pursuant to this section shall not be located on either of the following:

- (1) A site containing more than two units where the development would require the demolition of housing that is subject to any form of rent or price control through a public entity’s valid exercise of its police power that has been occupied by tenants within the past seven years.
- (2) A site that was previously used for more than two units of housing that were demolished within seven years before the development proponent submits an application under this section and any of the units were subject to any form of rent or price control through a public entity’s valid exercise of its police power.”

4. For calculating the overall SB 79 capacity, can sites with more than two units that are subject to rent or price control be excluded?

¹³ Gov. Code, § 65912.157, subd. (a).

¹⁴ Gov. Code, § 65912.156, subd. (g).

¹⁵ Gov. Code, § 65912.157, subds. (a)(3)-(6), (h).

¹⁶ Gov. Code, § 65912.157, subds. (a)(1)-(2), (d), (e).

¹⁷ Gov. Code, § 65912.157, subds. (c), (i).

¹⁸ Gov. Code, § 65912.157, subd. (k).

No. Government Code section 65912.157, subdivision (h), the source of language in question, does not state that such sites may be excluded from the overall SB 79 capacity, only that SB 79 developments that require demolition of such units, or where such units were demolished, may not be located on them. Because both provisions include a seven-year lookback window, eligibility under SB 79 is dependent on the date a particular application is filed. Once seven years have passed, such developments would be eligible. Therefore, otherwise eligible sites with more than two units subject to local rent or price control must be included in the overall SB 79 capacity.

Temporary Exclusion Ordinance

Government Code section 65912.161, subdivision (b)(1) states:

“Prior to one year following the adoption of the seventh revision of the housing element, Section 65912.157 shall not apply to any of the following for which the local government has adopted an ordinance in accordance with Section 65912.160 indicating the site’s exclusion:”

To temporarily exclude certain sites or TOD zones by enacting a local ordinance, a jurisdiction must demonstrate that the site or TOD zone meets at least one of the criteria listed in Government Code section 65912.161, subdivision (b)(1)(A)-(F). See Table 3 below for further clarifications. SB 79 provisions and standards would not apply to temporarily excluded sites until one year after the adoption of the jurisdiction’s 7th cycle Housing Element.

Table 3. SB 79 Temporary Exclusion Ordinance - Deferable Site Criteria (must meet at least one)

Statute Reference		HCD Clarification
1	A site that has been identified by the local jurisdiction which permits density and residential floor area ratio at no less than 50 percent of the standards specified under subdivision (a) of Section 65912.157. - Government Code, § 65912.161, subd. (b)(1)(A)	Site permits at least 50 percent of the density (i.e., residential units) and residential floor area (i.e., residential square footage) allowed under Section 65912.157, subdivision (a) standards.
2	A site in a transit-oriented development zone in which at least 33 percent of sites in the relevant transit-oriented development zone have permitted density and residential FAR no less than 50 percent of the standards specified under subdivision (a) of Section 65912.157 and which includes sites with densities that cumulatively allow for at least 75 percent of the aggregate density for the transit-oriented development zone	Site is in a TOD zone that meets both of the following criteria: - At least 33 percent of the sites (i.e., parcel count) in the TOD zone allow at least 50 percent of the density (i.e., residential units) and residential FAR (i.e., residential square footage) allowed under Section 65912.157, subdivision (a), and - The TOD zone allows at least 75 percent of the aggregate density (i.e.,

Statute Reference		HCD Clarification
	specified under subdivision (a) of Section 65912.157. - Government Code, § 65912.161, subd. (b)(1)(B)(i)	residential units) allowed under Section 65912.157, subdivision (a) for that TOD zone.
3	A site in a transit-oriented development zone around a transit-oriented development stop that is primarily comprised of a low-resource area which includes sites with densities that cumulatively allow for at least 40 percent of the aggregate density for the transit-oriented development zone specified under subdivision (a) of Section 65912.157. - Government Code, § 65912.161, subd. (b)(1)(B)(ii)	Site is in a TOD zone that meets both of the following criteria: • The TOD zone is primarily a low-resource area (i.e., land area), and • The TOD zone allows at least 40 percent of the aggregate density (i.e., residential units) allowed under Section 65912.157, subdivision (a).
4	A site in an area designated as low resource on the most recently adopted version of the opportunity area maps published by the California Tax Credit Allocation Committee and the department, and within a jurisdiction that cumulatively allows for at least 50 percent of the total capacity for units and floor area as specified under Section 65912.157 across all transit-oriented development zones. - Government Code, § 65912.161, subd. (b)(1)(B)(iii)	Both of the following criteria are met: • Site is in a low-resource area, and • Across all TOD zones in the jurisdiction, the cumulative capacity (i.e., zoned maximum number of residential units and floor area square footage) is at least 50 percent of the maximum effective SB 79 capacity under Section 65912.157. Note that a jurisdiction utilizing this temporary exemption criteria must account for the density and residential floor area allowed under Section 65912.157, subdivision (a) as well as the additional capacity provided for under Section 65912.157, subdivision (e) (the adjacency intensifier).
5	A site that is covered by a local transit-oriented development alternative plan adopted by a local government. - Government Code, § 65912.161, subd. (b)(1)(C)	Site is covered by an adopted TOD alternative plan.

6	Sites within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within the state responsibility area, as defined in Section 4102 of the Public Resources Code. - Government Code, § 65912.161, subd. (b)(1)(D)	Site is in a very high fire hazard severity zone: - As determined by the Department of Forestry and Fire Protection pursuant to Government Code section 51178, or - Within the state responsibility area, as defined in Public Resources Code section 4102.
7	Sites that are vulnerable to one foot of sea level rise, as determined by the National Oceanic and Atmospheric Administration, the Ocean Protection Council, the United States Geological Survey, the University of California, or a local government's coastal hazards vulnerability assessment. - Government Code, § 65912.161, subd. (b)(1)(E)	Site is vulnerable to one foot of sea level rise, as determined by any of the following: - National Oceanic and Atmospheric Administration, - The Ocean Protection Council, - The United States Geological Survey, - The University of California, or - A local government's coastal hazards vulnerability assessment.
8	Sites with a historic resource designated as of January 1, 2025, on a local register. - Government Code, § 65912.161, subd. (b)(1)(F)	Site contains a historic resource designated as of January 1, 2025, on a local register.

5. When evaluating whether a site meets any of the criteria for temporary exclusion via a temporary exclusion ordinance, should the City use the effective SB 79 capacity or the residual SB 79 capacity?

The City should use the effective SB 79 capacity (i.e., capacity after taking out exempt sites but not temporarily excluded sites) when doing this evaluation. The statute specifies that SB 79 provisions under section 65912.157 shall not apply to a site that meets “any” of the temporary exclusion site criteria, signifying that each site criterion listed under Government Code section 65912.161, subdivision (b)(1)(A) through (F) must be considered separately from the others. Moreover, the calculation would be unworkable if it used residual capacity, since the residual capacity is the result of subtracting the capacity of temporarily excluded sites.

For example, if some sites in the jurisdiction are eligible for temporary exclusion due to location in a very high fire hazard severity zone per Government Code section 65912.161, subdivision (b)(1)(D), the reduction in capacity resulting from these sites being temporarily excluded would not change the effective SB 79 density and residential floor area. Therefore, if the City seeks to temporarily exclude a site pursuant to Government Code section 65912.161, subdivision (b)(1)(A), that site must still permit at

least 50 percent of the effective SB 79 density and residential floor area, including any capacity associated with temporarily excluded sites in very high hazard severity zones.

6. When considering whether a TOD zone is primarily comprised of a low-resource(s) area per Government Code section 65912.161, subdivision (b)(1)(B)(ii), is the City required to consider the portion of land area that is within another jurisdiction?

While the TOD zone is defined as “the area within one-half mile of a TOD stop,”¹⁹ SB 79 applies to a local government, and the temporarily excluded site itself must be within the local jurisdiction that is adopting a temporary exclusion ordinance. Therefore, the determination of whether a TOD zone is primarily comprised of low-resource areas does not need to include land area that is within another jurisdiction.

7. If a temporarily excluded site is located in more than one TOD zone (i.e., within one-half mile from multiple qualifying TOD stops), is the site also excluded from any overlapping TOD zones?

Yes, the temporary exclusion of SB 79 provisions applies to the “site,”²⁰ which would cover instances where the temporarily excluded site is within multiple overlapping TOD zones.

Please note that, for sites located in both Tier 1 and Tier 2 TOD zones, the statute does not require that the criteria be met for both tiers in order to temporarily exclude the site. The statute simply specifies that SB 79 provisions under Section 65912.157 shall not apply to a site that meets “any” of the temporary exclusion site criteria.²¹ Therefore, the City may temporarily exclude a site if it solely meets the lower Tier 2 TOD zone capacity.

Industrial Employment Hubs and Low-Resource TOD Zones

8. Will an industrial general plan land use designation and a land use element’s reference to employment protection suffice to exempt an industrial employment hub from SB 79 eligibility?

To exempt an industrial employment hub, the City’s general plan as of January 1, 2025, must have identified a bounded area of at least 250 acres dedicated to promoting employment opportunities.²² See also Row 2 of Table 2.

9. To meet the minimum 250-acre requirement, can an industrial employment hub include areas from more than one jurisdiction?

¹⁹ Gov. Code, § 65912.156, subd. (m).

²⁰ Gov. Code, § 65912.161, subd. (b)(1).

²¹ Id.

²² Gov. Code, § 65912.160, subd. (e)(2).

No. To meet the minimum 250 acres, the employment lands area must be as designated in “the jurisdiction’s” general plan, suggesting a singular general plan and not the combination of employment lands designations from multiple jurisdictions.

10. What does the term “primarily” refer to under Government Code sections 65912.160, subdivision (e)(2) and 65912.161, subdivision (b)(1)(B)(ii)?

For purposes of SB 79 implementation, “primarily” refers to a plurality (i.e., more than any other classification or designation) given that the contexts in which the term is used in the statute refer to more than two classifications or designations.

The term “primarily” appears twice in SB 79, in the following contexts (emphasis added):

- **Exemption of Industrial Employment Hubs.** Government Code section 65912.160, subdivision (e)(2) states: “A local government with at least 15 transit-oriented development stops designates the area as an industrial employment hub. An industrial employment hub shall be a contiguous area of at least 250 acres designated in the jurisdiction’s general plan on or before January 1, 2025, as an employment lands area; the parcels within it shall be *primarily dedicated to industrial use* as defined in paragraph (3) of subdivision (f) of Section 65912.121; and housing shall not be a permitted use on any of the sites so excluded.”
- **Temporary exclusion of sites in low-resource TOD zones.** Government Code section 65912.161, subdivision (b)(1)(B)(ii) states: “A site in a transit-oriented development zone around a transit-oriented development stop that is *primarily comprised of a low-resource area* which includes sites with densities that cumulatively allow for at least 40 percent of the aggregate density for the transit-oriented development zone specified under subdivision (a) of Section 65912.157.”

Regarding the exemption of industrial employment hubs, the term “primarily” refers to “parcels” within an industrial employment hub “area” so that the land area (typically calculated in acreage) dedicated to industrial use must exceed the land area dedicated to any other land use designations within the industrial employment hub. Other land use designations include, but may not be limited to, residential, mixed-use, commercial, open space, and public and institutional uses.²³

Regarding the temporary exclusion of sites in primarily low-resource TOD zones, the term “primarily” specifies that the land area of the TOD zone is primarily designated as low resource on the most recently adopted version of the opportunity maps published by

²³ To demonstrate that an industrial employment hub is primarily dedicated to industrial use, HCD recommends jurisdictions include a summary table that bundles specific land use categories into the following broad classifications: Industrial, Residential, Mixed-Use Residential (including overlay zones that permit or conditionally permit residential), Commercial, Open Space, and Public and Institutional.

the California Tax Credit Allocation Committee and HCD (i.e., more than moderate, high, or highest resource designations).²⁴

TOD Alternative Plan

Government Code section 65912.161, subdivisions (a) and (d) state:

“(a) For purposes of this section, ‘transit-oriented development alternative plan’ shall mean a plan adopted by the local agency via the adoption of the housing element, a program to implement the housing element, the adoption of a specific plan, a zoning overlay, or enactment of an ordinance; that brings the local agency into compliance with this chapter and that incorporates all of the following:”

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

A local government may adopt a TOD alternative plan in lieu of applying Government Code section 65912.157, but the TOD alternative plan must meet all statutory criteria for a TOD alternative plan (see Table 4 below). In other words, to meet the capacity criteria for a TOD alternative plan; a local government must first reference and analyze the units and residential floor areas provided for under section 65912.157, subdivisions (a)(3)-(6), (b), and (e). In addition, the capacity calculations shall include capacity, density, or floor area available under voluntary local housing incentive programs.²⁵

An existing TOD ordinance, overlay zone, specific plan, or zoning incentive ordinance may also qualify as a TOD alternative plan if it meets all TOD alternative plan criteria,²⁶ including review and approval by HCD.²⁷ Please note, HCD’s approval of a TOD alternative plan is valid only through the jurisdiction’s next housing element cycle,²⁸ thus requiring TOD alternative plans to be re-approved by HCD at the conclusion of each jurisdiction’s housing element cycle.

²⁴ Gov. Code, § 65912.156, subd. (j). The applicable maps can be found from the State Treasurer’s Office website here: <https://www.treasurer.ca.gov/ctcac/opportunity.asp>.

²⁵ Gov. Code, § 65912.161, subd. (a)(4).

²⁶ Gov. Code, § 65912.161, subd. (a)(5).

²⁷ Gov. Code, § 65912.161, subd. (d).

²⁸ Id. The date for the conclusion of a jurisdiction’s planning cycle is the due date for the next housing element revision which can be found at: <https://www.hcd.ca.gov/housing-open-data-tools/housing-element-regional-housing-needs-determination-schedule>.

Table 4. TOD Alternative Plan - Redistribution of Capacity Criteria (Must meet all)

	Statute Reference	HCD Clarification
1	A local transit-oriented development alternative plan shall maintain at least the same total net-zoned capacity, in terms of both total units and residential floor area, as provided for in this chapter across all transit-oriented development zones within the jurisdiction. (A) Net-zoned capacity in units shall be measured by subtracting the current number of units on the site from the number allowed by the applicable development standards. (B) Net-zoned capacity in floor area shall be measured by subtracting the current developed floor area of the site from the amount allowed by the applicable development standards. - Government Code, § 65912.161, subd. (a)(1)	Across all TOD zones within the jurisdiction: The net-zoned capacity (total zoned residential units and residential floor area minus existing residential units and residential floor area) must be the same or greater than the net residual SB 79 capacity as provided for in the statute (total residential units and residential floor area allowed per Government Code 65912.157 minus any exempt²⁹ and temporarily excluded sites³⁰ minus existing residential units and residential floor area). For example (assuming no exemptions or temporary exclusions apply): On a 0.5-acre (21,750 square feet) parcel located within 200 feet of a Tier 1 TOD stop is an existing multifamily residential building that contains 25 units and 30,000 square feet of residential floor area. • SB 79 density: 0.5-acre x 160 units/acre = 80 units • Net SB 79 density: 80 units – 25 units = 55 units • SB 79 residential floor area: 21,780 sq. ft. x 4.5 FAR = 98,010 sq. ft. • Net SB 79 residential floor area: 98,010 sq. ft. – 30,000 sq. ft. = 68,010 sq. ft. Therefore, the net-zoned capacity in the TOD alternative plan must allow at least 55 units and 68,010 square feet of residential development.
2	The plan shall not reduce the maximum allowed density for any individual site on which the plan allows residential use by more than 50 percent below that permitted under this chapter, except for sites meeting any of the following criteria:	On each site: The zoned maximum density (i.e., greatest allowable number of residential units) in the TOD alternative plan cannot be less than 50 percent of the maximum units allowed under SB 79, in

²⁹ Gov. Code, § 65912.160, subd. (e).

³⁰ Gov. Code, § 65912.161, subd. (b).

Statute Reference		HCD Clarification
	- Government Code, § 65912.161, subd. (a)(2)	either Tier 1 or Tier 2 TOD zones, with exceptions (see rows 5 through 8 below).
3	The plan shall not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50 percent. - Government Code, § 65912.161, subd. (a)(3)	<i>In each TOD zone:</i> The zoned maximum density (i.e., greatest number of residential units) and maximum allowable residential floor area in the TOD alternative plan cannot be less than 50 percent of the greatest number of units and maximum allowable residential floor area allowed under SB 79.
4	A site's maximum capacity counted toward the plan shall not exceed 200 percent of the maximum density established under this chapter. - Government Code, § 65912.161, subd. (a)(4)	<i>On each site:</i> The TOD alternative plan may redistribute capacity from one site to another, but the amount of density that a receiving "upzoned" site can count towards the plan is capped at 200 percent of the maximum density allowed under SB 79.
Sites that can be reduced by more than 50 percent of maximum density allowed under SB 79.³¹		
5	Sites within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within the state responsibility area, as defined in Section 4102 of the Public Resources Code. - Government Code, § 65912.161, subd. (a)(2)(A)	<i>Site Within Either a Tier 1 or Tier 2 TOD Zone</i> is in a very high fire hazard severity zone: - As determined by the Department of Forestry and Fire Protection pursuant to Government Code section 51178, or - Within the state responsibility area, as defined in Public Resources Code section 4102.
6	Sites that are vulnerable to one foot of sea level rise, as determined by the National Oceanic and Atmospheric Administration, the Ocean Protection Council, the United States Geological Survey, the University of California, or a local government's coastal hazards vulnerability assessment. - Government Code, § 65912.161, subd. (a)(2)(B)	<i>Site Within Either a Tier 1 or a Tier 2 TOD Zone</i> is vulnerable to one foot of sea level rise, as determined by any of the following: - National Oceanic and Atmospheric Administration, - The Ocean Protection Council, - The United States Geological Survey, - The University of California, or

³¹ Gov. Code, § 65912.161, subd. (a)(2).

Statute Reference		HCD Clarification
		A local government's coastal hazards vulnerability assessment.
7	Sites with a historic resource designated on a local register, so long as sites excluded from the density requirements of this paragraph on that basis do not cumulatively exceed 10 percent of the eligible area of any transit-oriented development zone. - Government Code, § 65912.161, subd. (a)(2)(C)	Site Within Either a Tier 1 or Tier 2 TOD Zone with a historic resource on a local register, if the cumulative land area of such excluded sites does not exceed 10 percent of the land area of the TOD zone in which the site is located.
8	Sites within one-half mile of a Tier 2 transit-oriented development stop shall not have a density below 30 units per acre with a residential floor area ratio of 1.0, except for sites specified in subparagraphs (A) to (C), and should be considered for attached entry-level owner-occupied housing development opportunities. - Government Code, § 65912.161, subd. (a)(2)(D)	All Other Sites Within a Tier 2 TOD Zone Not Covered in Rows 5-7: Except that those sites shall not have the maximum allowable density reduced below 30 units per acre or the maximum FAR reduced below 1.0. Such parcels should be considered for attached units serving first-time homebuyers.

11. Can a TOD Alternative Plan redistribute residential density and floor area between various qualifying TOD zones?

Yes, provided that the local government demonstrates the zoning satisfies all the TOD alternative plan requirements under Government Code section 65912.161, subdivisions (a)(1)-(4), including, but not limited to, the zoned maximum density and residential floor area in *each* TOD zone is at least 50 percent of the maximum density and residential floor area allowed under SB 79.³²

12. Does a TOD alternative plan need to offset the capacity of sites in the very high fire hazard severity zone (VHFHSZ) that are eligible for specified density reductions under Government Code section 65912.161(a)(2)(A)?

Yes, the net zoned capacity in the TOD alternative plan must still maintain at least as many residential units and at least as much residential floor area across all TOD zones within the jurisdiction as net residual SB 79 capacity would have allowed, pursuant to Government Code section 65912.161, subdivision (a)(1).

In addition, Government Code section 65912.161, subdivision (a)(4) states, in part:

³² Gov. Code, § 65912.161, subd. (a)(3).

“Any site excluded from the minimum density requirements of subparagraphs (A) to (C) of paragraph (2) shall not be counted toward the plan’s capacity.”

Therefore, if the density on a site that qualifies for specified density reductions pursuant to Government Code section 65912.161, subdivisions (a)(2)(A)-(C) is reduced by more than 50 percent of the standards specified under Government Code 65912.157, subdivision (a), then the site shall not be counted towards the TOD alternative plan’s capacity.³³ “Any site excluded from the minimum density requirements” refers to the qualifying sites where the density may be reduced by more than 50 percent of effective SB 79 standards. “Shall not be counted towards the plan’s capacity” refers to the inability to count any remaining density on such sites towards meeting the TOD alternative plan capacity.

Also note, Government Code section 65912.161, subdivision (a)(3) states that the “plan shall not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50 percent” and does not provide any exceptions for sites in a VHFHSZ.

13. Can a local jurisdiction modify any project eligibility requirements as part of its TOD alternative plan?

A housing development project proposed pursuant to a TOD alternative plan is not subject to Government Code section 65912.157 and the project eligibility requirements therein.³⁴ Nevertheless, other state housing laws apply, including, but not limited to, the Housing Accountability Act (Gov. Code, § 65589.5),³⁵ State Density Bonus Law (Gov. Code, §§ 65915-65918), and the demolition and replacement provisions of the Housing Crisis Act (Gov. Code, § 66300.5-66300.6). In addition, local rules, regulations, requirements, and policies may apply, such as inclusionary zoning and local anti-displacement provisions.

Please note, while the local ordinance may include objective development standards that do not match the development standards under Government Code section 65912.157, the applicable local development standards, conditions, and policies applied to a project cannot physically preclude the densities and floor area provided for under the TOD alternative plan.³⁶ In addition, pursuant to the Housing Accountability Act, nothing in the local ordinance “shall limit a project’s eligibility for a density bonus, incentive, or concession, or waiver or reduction of development standards and parking ratios, pursuant to Section 65915.”³⁷

³³ Gov. Code, § 65912.161, subd. (a)(4).

³⁴ Gov. Code, § 65912.161, subds. (b)(1)(C), (d).

³⁵ See also Gov. Code, § 65912.156, subd. (g).

³⁶ Gov. Code, § 65912.160, subd. (c)(1).

³⁷ Gov. Code, § 65589.5, subd. (f)(1).

Ordinances to Exempt, Temporarily Exclude, and Redistribute Sites

14. Should sites that are not eligible for SB 79 (e.g., zoned exclusively for industrial use) be excluded from the overall SB 79 capacity?

Yes, sites not eligible for SB 79 should be excluded from the overall SB 79 capacity because the sites where SB 79 does not apply are not subject to the density and development standards specified in Government Code section 65912.157.³⁸

15. Can a jurisdiction adopt an ordinance to exempt and temporarily exclude a subset of sites within a TOD zone per Government Code sections 65912.160, subdivision (e) and 65912.161, subdivision (b), respectively, and redistribute SB 79 capacity per Government Code section 65912.161, subdivision (a) for the remaining non-exempt and non-temporarily excluded parcels in the TOD zone?

SB 79 does not preclude local jurisdictions from adopting and enacting:

- An ordinance to exempt sites where there is no walking path of less than one mile from the TOD stop, pursuant to Government Code section 65912.160, subdivision (e)(1);
- An ordinance to exempt sites within industrial employment hub areas, pursuant to Government Code section 65912.160, subdivision (e)(2);
- An ordinance to temporarily exclude certain qualifying sites from the provisions of SB 79, pursuant to Government Code section 65912.161, subdivision (b);
- A TOD alternative plan to redistribute net SB 79 capacity, pursuant to Government Code section 65912.161, subdivision (a), or
- An ordinance and TOD alternative plan that invokes all the above.

As detailed in Table 2, if a local government exempts sites via enactment of an ordinance,³⁹ then a concurrently or subsequently adopted TOD alternative plan would not be required to redistribute the capacity of those exempted sites where SB 79 does not apply.

Similarly, if a local government temporarily excludes sites from the provisions of Government Code section 65912.157,⁴⁰ then a concurrently or subsequently adopted TOD alternative plan would not be required to redistribute the capacity of those temporarily excluded sites where Government Code section 65912.157 does not apply. However, a valid TOD alternative plan must be amended in the 7th cycle Housing Element upon the “expiration” of the temporarily excluded sites.

³⁸ Gov. Code, § 65912.157, subd. (a).

³⁹ Gov. Code, § 65912.160, subd. (e).

⁴⁰ Gov. Code, § 65912.161, subd. (b)(1).

16. If a temporary exclusion ordinance or a TOD alternative plan has been adopted and approved by HCD, what happens when additional SB 79-eligible TOD stops are added?

If the MPO updates the applicable SB 79 map to include any additional TOD stops⁴¹ beyond those that were in effect and considered by the local government when adopting a temporary exclusion ordinance or a TOD alternative plan, and the site(s) are not otherwise exempt from SB 79 under Government Code, 65912.160, subdivision (e), then the following apply:

- **Temporary Exclusion Ordinance.** Any site within a TOD zone that is newly eligible for SB 79 due to a subsequently added TOD stop on the MPO map would not be excluded from SB 79 until the local government amends and re-adopts an HCD-approved temporary exclusion ordinance to account for newly eligible sites. For any existing temporarily excluded sites identified in the temporary exclusion ordinance adopted and enacted under Government Code section 65912.161, subdivision (b), the sites would remain excluded from the provisions of SB 79 until one year following the adoption of the 7th cycle housing element because the statute specifies that “Section 65912.157 shall not apply to any of the following [temporarily excluded sites] for which the local government has adopted an ordinance in accordance with Section 65912.160 indicating the site’s exclusion.”⁴²
- **TOD Alternative Plan.** Per Government Code section 65912.161, subdivision (d), “Section 65912.157 shall not apply within a jurisdiction that has a local transit-oriented alternative plan that has been approved by the department as satisfying the requirements of this section in effect.” Therefore, no new sites would qualify for SB 79 where a jurisdiction has adopted a TOD alternative plan that has been approved by HCD. Note, however, that HCD’s approval of the TOD alternative plan is only valid through the jurisdiction’s next amendment to the housing element⁴³ and any subsequently adopted TOD alternative plan must consider the eligible TOD zones and qualifying sites at the time of local adoption.

17. Does the California Environmental Quality Act (CEQA) exemption specified in Government Code section 65912.160, subdivision (c)(2) apply to any ordinance that is adopted pursuant to Government Code section 65912.160 (including a temporary exclusion ordinance and zoning ordinance as part of a TOD alternative plan)?

⁴¹ Government Code section 65912.156, subdivision (p) specifies that only Tier 1 TOD stops would be eligible to be added to a subsequently created MPO SB 79 map, and bus service stops remain ineligible for designation as a TOD stop in counties that qualify as an urban transit county after July 1, 2026. “Urban transit county” is as defined in Government Code section 65912.156, subdivision (q) to mean “a county with more than 15 passenger rail stations.

⁴² Gov. Code, § 65912.161, subd. (b)(1).

⁴³ Gov. Code, § 65912.161, subd. (d).

Yes, any ordinance to enact the provisions of SB 79, including a temporary exclusion ordinance and a TOD alternative plan, is not a project under CEQA pursuant to Government Code section 65912.160, subdivision (c)(2).

For more information regarding the procedures and implementation of CEQA, please see the guidelines and resources available at the Governor's Office of Land Use and Climate Innovation: <https://lci.ca.gov/ceqa/>.

HCD Review and Enforcement

18. Is there a presumed compliance assumption upon adoption and submission or is the compliance only provided upon receipt of a compliance letter from HCD?

A local jurisdiction's SB 79 ordinance or TOD alternative plan takes effect upon enactment by the local legislative body; however, the ordinance or plan is considered substantially compliant with state law only upon issuance of HCD's letter of written findings confirming substantial compliance.

HCD has up to 90 days, with one optional 30-day extension, to determine whether the enacted SB 79 ordinance or TOD alternative plan substantially complies with SB 79. At the end of HCD's review, the local jurisdiction will receive a letter in writing from HCD that determines whether the ordinance is substantially compliant with state law. If HCD does not provide written findings to the local government within the 90- to 120-day review period, then the ordinance is automatically deemed compliant for the limited purpose of assessing penalties.⁴⁴

19. On what date does HCD's review period begin following enactment of an SB 79 ordinance or TOD alternative plan? Does the ordinance or TOD alternative plan have to be in effect?

Per Government Code section 65912.160, subdivision (d)(2), an adopted ordinance must be submitted to HCD within 60 calendar days of *enactment*. HCD's review begins on the date that the adopted and *enacted* ordinance is submitted by the local jurisdiction to HCD.⁴⁵

The ordinance or TOD alternative plan does not have to be in *effect* when submitted to HCD for review; the local legislative body has the option to set an effective date of July 1, 2026, or later. SB 79 provisions and standards would apply on July 1, 2026, if a local ordinance or TOD alternative plan has not otherwise taken effect.

20. If the City submits an ordinance or TOD alternative plan that is later found to be out of compliance by HCD, does Government code section 65912.157 go into effect immediately until amendments are made to satisfy HCD's findings?

⁴⁴ Gov. Code, § 65912.160, subd. (d)(3).

⁴⁵ Gov. Code, § 65912.160, subd. (d)(2).

After receiving a letter finding that an ordinance or TOD alternative plan does not comply with SB 79, the local jurisdiction must either amend the ordinance or provide findings that explain the reasons the local jurisdiction believes the ordinance or plan complies with the statute despite HCD's findings within 60 days.⁴⁶ If the local jurisdiction fails to amend the ordinance in accordance with HCD's findings or its findings fail to adequately explain why the ordinance complies, HCD will issue a Notice of Violation and may refer the matter to the California Office of the Attorney General for further enforcement.⁴⁷

If HCD finds that an ordinance or TOD alternative plan does not comply with SB 79, HCD urges local jurisdictions to repeal or delay implementation of the ordinance or plan until it is compliant, and to instead apply Government Code section 65912.157. This will avoid confusion and the risk of unlawfully denying proposed SB 79 projects. Such denials could result in penalties pursuant to Government Code section 65912.157, subdivision (m).

Please note, a qualifying housing project within a TOD zone that submits while a jurisdiction's ordinance is found to be out of compliance must be afforded the full weight of the statute.

Conclusion

HCD appreciates the hard work involved in preparing a local SB 79 ordinance and is committed to assisting the City in addressing all statutory requirements to implement SB 79.

As the State of California remains in a housing crisis and the provision of much-needed housing, especially affordable housing, continues to be a priority, HCD encourages the City to apply the provisions of SB 79 to the greatest extent possible to facilitate a higher capacity of residential development near transit. If you have any questions or need additional technical assistance, please contact Grace Wu at grace.wu@hcd.ca.gov.

Sincerely,



Melinda Coy
Housing Accountability Unit Chief

⁴⁶ Gov. Code, § 65912.160, subds. (d)(4), (5).

⁴⁷ Gov. Code, § 65912.160, subd. (d)(6).

Appendix C

Infrastructure

Infrastructure and Development

The City Council's Motion 4A on March 24, 2026 requested that City Planning report back on "a methodology for matching density commitments to infrastructure capacity by station area." The report identifies guiding indicators for distributing SB 79 capacity across Station Areas, including an option to prioritize growth in areas with the strongest transit infrastructure. In addition to the guiding indicators in the report identifying a path for prioritizing future SB 79 growth near existing high-quality transit infrastructure, this Appendix C provides an overview of how additional City infrastructure under the purview of other departments is planned, funded, and built.

Infrastructure investment planning, implementation, and maintenance are complex processes, and infrastructure-providing departments and bureaus approach growth and development differently depending on their funding sources and the nature of the infrastructure asset. This section describes, at a high level, how development projects contribute to infrastructure, how infrastructure is planned and funded outside of contributions from individual development projects, and several updates and improvements to City processes and regulations that are currently underway.

Planning for key infrastructure assets incorporates information about where the City is planning for growth. Power, water, wastewater, and transportation planning all use demographic projections from the Southern California Association of Governments (SCAG). Every four years, as SCAG updates the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS), also known as *Connect SoCal*, City Planning works with SCAG to provide the latest land use information and development trends to inform the demographic projections. Both City Planning and SCAG have long prioritized development around high-quality transit, a trend that will continue with the City's implementation of SB 79. Whether the City pursues a Local Alt Plan or direct implementation of SB 79, there are opportunities to direct infrastructure improvements to SB 79 Station Areas.

Many infrastructure assets are directly improved by new development projects. Developers pay for new utility connections for power, water, and wastewater, and for local capacity upgrades that are necessary to accommodate new buildings. In many cases, developers are required to invest in and upgrade public right-of-way infrastructure along the project's street frontage. This may include building or rebuilding sidewalks, curbs, and gutters; upgrading curb ramps; dedicating land to ensure visibility at intersections and adequate sidewalk widths; and in certain instances addressing potential localized transportation-related impacts. In addition, projects may be required to manage some necessary infrastructure on-site.

Some infrastructure assets are funded, at least in part, by development impact fees. Developers may pay fees related to parks, schools, public art, and, in a few areas of the city, transportation infrastructure. These fees are intended to be invested in infrastructure to support the new development and use of the fees is typically restricted to capital projects within a certain geographic area. For example, park fees can only be used for acquisition, construction,

expansion, or rehabilitation of park and recreational facilities within a certain radius of the development.

Most bureaus and departments use the annual budget request process to seek funding for capital infrastructure projects through the City budget. Individual agencies prioritize their own project lists for funding requests; this occurs through strategic plans, implementation plans, and rating or ranking rubrics such as the Pavement Condition Index. The City Administrative Officer (CAO) further prioritizes investments for funding based on the City's Capital and Technology Improvement Policy (CTIP). The prioritization criteria in the current CTIP are: health and safety risk, regulatory compliance, resilience and sustainability, impact on City operations and asset conditions, equitable community investment, and economic sustainability. Capital projects selected for funding are compiled by the CAO into the Capital and Technology Improvement Expenditure Program (CTIEP), an annual expenditure plan, which is adopted as part of the City Budget. Apart from development impact fees, capital infrastructure funding sources include: the General Fund; grants; and special funds including taxes (Gasoline Tax, Measure M, etc.), bonds (common for public buildings), and enterprise funds (such as the Sewer Construction and Maintenance Fund).

Funding for operations and maintenance of infrastructure often comes from different sources than funding for capital projects. Maintenance funding may come from rate-payers (for power, water, wastewater, and solid waste), special assessment districts (for street lighting, in part), fee revenue (such as the Street Damage Restoration Fee), the General Fund (parks and recreation facilities), and special funds including voter-approved bonds and tax measures (e.g., Proposition C, Measure R, and the Special Gasoline Tax all help fund street maintenance). The Capital Infrastructure Program (2026) notes the City has severely underfunded maintenance, resulting in deteriorating conditions for many infrastructure assets.

The City's current mechanisms for infrastructure planning, financing, and implementation have created challenges in efficiently delivering and maintaining high-quality, equitable, and safe infrastructure. Recognition of these challenges has set in progress a series of reforms, highlighted below.

- Mayor Bass released Executive Directive 9 on October 16, 2024, laying out short and long-term strategies to deliver improved city services, infrastructure, and facilities. The five goals of Executive Directive 9 are: Reform Governance; Identify New Funding; Streamline Delivery; Track and Manage Assets; and Implement a Capital Infrastructure Program (CIP).
- The proposed 2026 Games Capital Infrastructure Program (CIP) was released on May 4, 2026, marking the first CIP in many years for the City of Los Angeles. The capital projects included in this CIP are Games-focused, however, the document as a whole contains recommendations and sets a framework for subsequent citywide CIPs. In November 2026, voters will consider establishing a requirement in the City Charter for a capital infrastructure plan, with the parameters, governance, budgeting, and administration of the capital planning process to be established by ordinance. The project intake, evaluation, prioritization, and budgeting processes associated with the

CIP are intended to replace the current Capital and Technology Improvement Expenditure Program (CTIEP) project selection and budgeting process.

- The Street Design Modernization project is being led by the Bureau of Engineering. The City's Street Design Manual sets out standards and processes for design of capital projects and review of development projects. The effort will advance a culture that actively prioritizes the creation of streets and public rights-of-way that are safe, accessible, and comfortable places, as well as sustainable and adaptable infrastructure networks by developing clear, well-organized guidelines and standards, and embracing a collaborative approach to decision-making.

Although City Planning does not directly design, deliver, or maintain infrastructure assets, the Department maintains a key role in communicating about the City's adopted policies related to growth, infrastructure, and mobility, and coordinating with infrastructure-providing agencies inside and outside of the City.

As housing capacity is increased across the City, the interaction between development and infrastructure is important. While individual housing projects do contribute to localized infrastructure, the scale of and process for those contributions can continue to be calibrated so that new development does not create new burdens on city systems, and that city processes do not create uncertainty or delays for development projects. Departments including LADWP and LASAN must plan systems and upgrades many decades into the future and need growth projections to inform long-range decisions. Continuing interdepartmental coordination is important to ensure land use planning, development trends, and infrastructure planning inform each other.

Appendix D
Department of City Planning Budget Memo - May 1, 2026

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 1, 2026

TO: Honorable Members of the Budget and Finance Committee
c/o Matthew W. Szabo, City Administrative Officer

FROM: Vincent P. Bertoni, AICP
Director of Planning
Department of City Planning 

SUBJECT: **2026-27 BUDGET MEMOS**
QUESTION NO. 749 – SB79 RESOURCES

During its consideration of the 2026-27 Proposed Budget, the Budget and Finance Committee requested the Department of City Planning to report back on staffing needs related to the implementation of Senate Bill 79 (CF 25-1083).

Summary

In response to the Committee's request, the Department would require staffing and funding resources for work on an SB 79 Transit Oriented Development (TOD) Local Alternative Plan Program for Los Angeles.

Recommendation

New planning and technical positions to effectuate the rezoning of over 150,000 properties in compliance with SB 79 are requested.

The Department requests the following staffing resources:

- 1 Senior City Planner
- 3 City Planners
- 6 City Planning Associates
- 1 GIS Specialist

In addition to the staffing resources identified, the Department requests the following funding for contractual services:

- \$580,000 for contractual services for technical studies required for capacity modeling and outreach to demonstrate the City is meeting capacity requirements per the SB79 state regulations.

Background

State Senate Bill 79 (SB 79) was signed into law in October 2025 and is anticipated to become effective on July 1, 2026, in jurisdictions across the State. In addition to the phased implementation of SB 79 upzoning that is currently being developed (CF 25-1083) local

jurisdictions have the ability to adopt a Local Alternative Plan that meets requirements for allowable density and floor area to comply with the State Law.

In order to implement a Local Alternative Plan for the 145 SB 79 Transit Oriented Development (TOD) Station Areas across the City, City Planning has identified the resources needed for staffing and contractual support.

The requested Senior City Planner, 3 City Planners, and 6 City Planning Associates would implement the Local Alternative Plan strategy, prepare draft and final documents and deliver the plan through the legislative process.

The requested 1 GIS Specialist will support the data analysis required for development of the Local Alternative Plan and create web-based map tools and legislative zoning maps during the implementation stages of the process.

The Department requests \$580,000 for contractual services related to technical work to demonstrate the City's compliance with SB 79 capacity requirements. Ongoing SB 79 modeling will support the Local Alternative Plan by integrating and staging both tabular and spatial GIS datasets, developing scripts to calculate updated projected capacities, and establishing a programmatic workflow to execute these scripts and generate outputs. Contractual funds would be used for technical studies looking at existing conditions in TOD areas, shaping upcoming development, and potential public realm enhancements.