

## SB 79 Implementation Options

<p>Approach 1 – State Implementation</p>	<p>Covers all eligible parcels within ½ mile of Metro E Light Rail Stations.</p> <ul style="list-style-type: none"> <li>• Effective July 1, 2026</li> <li>• Adoption of SB 79 Ordinance is not required; however, if ordinance is adopted, subject to HCD review</li> <li>• Can exclude certain sites if located more than 1 mile walking distance of the TOD stop (requires adoption of ordinance to exclude)</li> </ul>
<p>Approach 2 – Phased Implementation with Excluded Sites Until 2030 (1 year after 7<sup>th</sup> Cycle HE adoption)</p>	<p>Per Government Code Section 65912.161(b), the City can adopt an ordinance to temporarily exclude certain sites until 2030. Sites that may be excluded include those that meet any of the following conditions:</p> <ul style="list-style-type: none"> <li>• Located in a TOD Zone that has 33% of sites offering 50% of SB 79 incentives and currently provides 75% of overall SB 79 TOD density</li> <li>• Already allow at least 50% of SB 79’s densities and FAR</li> <li>• Located in Very High Fire Hazard Severity Zones</li> <li>• Located in area vulnerable to 1 ft of sea level rise</li> <li>• Sites with locally designated historic resources before January 1, 2025<sup>1</sup></li> <li>• Site located in a low-resource area as published by the California Tax Credit Allocation Committee</li> <li>• Site in a TOD alternative plan (<i>see Approach 3</i>)</li> </ul> <p>An Ordinance implementing this approach is also subject to HCD review for compliance with State law.</p>
<p>Approach 3 – TOD Alternative Plan</p>	<p>Per Government Code Section 65912.161(a), the City can adopt a TOD Alternative Plan that would transfer density across SB 79 TOD zones (i.e., areas within ½ mile of the TOD stop) and/or TOD sites subject to these rules:</p> <ol style="list-style-type: none"> <li>1. Must maintain the same total net zoned unit capacity across <u>all TOD zones in the City</u>, in terms of both total units and residential floor area, as what is available under SB 79</li> <li>2. At TOD Zone level, cannot reduce density by more than 50%</li> <li>3. At site level, capacity cannot be decreased by more than 50% except at certain sites (e.g., locally designated historic sites) and must have minimum density of 1.0 FAR and 30 du/acre to support home ownership opportunities, and cannot be increased by more than 200%</li> </ol> <p>Must be adopted by Ordinance and reviewed by HCD (can also be included in 7<sup>th</sup> Cycle Housing Element).</p>

<sup>1</sup>SB 79 provides flexibility for locally designated historic resources and not State or Federally listed historic resources