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CITY PLANNING

# The Evolving Preservation Landscape: Understanding the New State Housing Incentives

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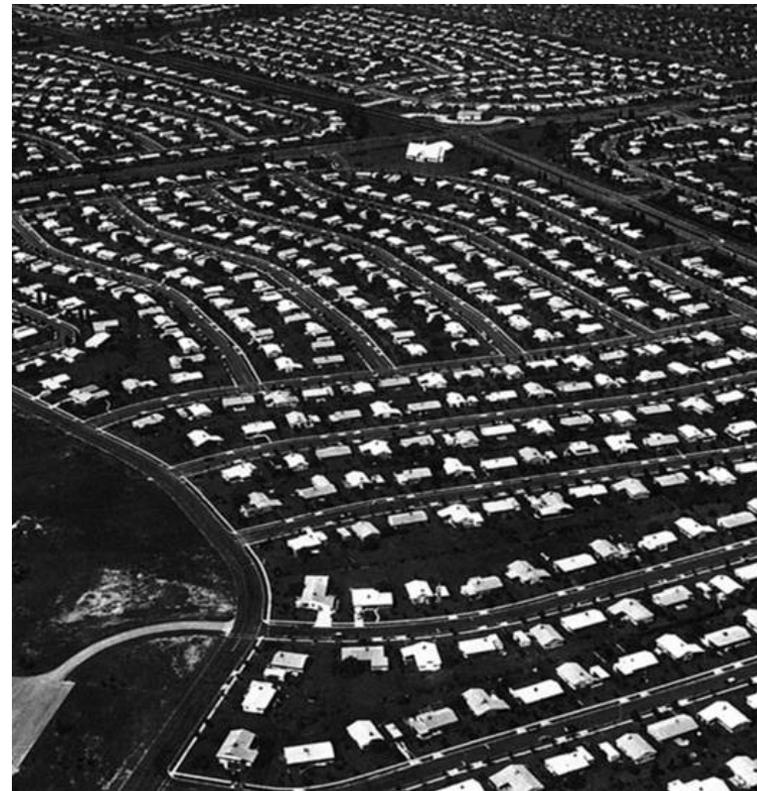
Ken Bernstein, Principal City Planner  
Los Angeles Department of City Planning

# The New State Housing Law Realities

- Most significant change in historic preservation since the 2018 conference: the impacts of new state laws
- SB 167 Housing Accountability Act (2017)
- SB 330 Housing Crisis Act (2019)

Local jurisdictions may not:

1. **Deny a housing development** project that complies with objective standards
2. Impose conditions that **reduce density**
3. Conduct **more than 5 public hearings** on a proposed project
4. Impose or **enforce new, non-objective design standards**
5. **Designate a property as a historic resource** after a housing development project is submitted



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# CA HOME Act

Housing Opportunity and More  
Efficiency (HOME) Act (SB 9)



# SB 9/HOME Act Standards / Eligibility

**HOME Act** allows for **two project types**:

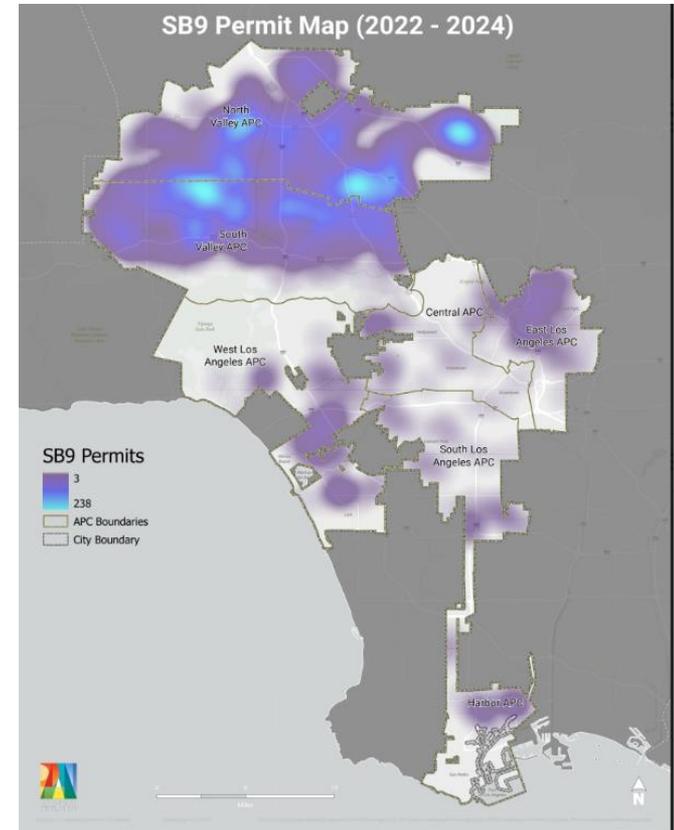
- Ministerial **Two-Unit Development (TUD)**
- Ministerial parcel map **“Urban Lot Split”**

## Eligible Parcels

- Located in Single-Family Zones only

## Development Standards

- **Objective standards** may be applied except **parking, setbacks, or those that physically preclude the project**
- Cites may only apply **standards that apply uniformly** in the zone



# HOME Act - Historic District Eligibility (AB 1061)

## Two Unit Developments

- **Now permitted** on sites with non-contributing structures
- Sites improved with contributing structures or individually listed as HCMs **remain ineligible**
- Applies to historic districts or individual sites that are:
  - Designated pursuant to a **local ordinance (HPOZ / HCM)**
  - Listed in the **State Historic Resources Inventory**
- Projects are still subject to objective zoning / design standards, but must be processed ministerially.

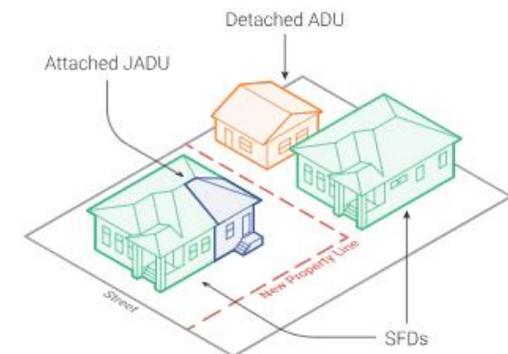
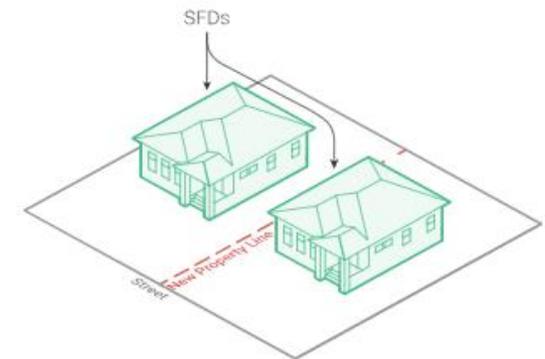


Illustration by Alfred Twu

# HOME Act - Historic District Eligibility (AB 1061)

## Urban Lot Splits

- **Permitted** in historic districts, but projects **cannot** require demolition or alteration of:
  - Contributing structures or “any existing exterior structural wall of a structure” located within the district
  - Applies to HPOZs and any historic district included on **California Register of Historical Resources**
- Individual sites designated as HCMs or listed in the **State Historic Resources Inventory** remain **ineligible**.
- Projects are still subject to objective zoning, design, or subdivision standards, but must be processed ministerially.



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# Starter Home Revitalization Act (SHRA) SB 684 / 1123



# SB 1123/SHRA Background & Eligibility

Intended to facilitate homeownership opportunities & encourage development of “missing middle” housing by requiring:

- Ministerial “by-right” processing for qualifying projects (up to 10 units/new lots)

## Site & Project Eligibility Requirements:

- Permitted in **multi-family** & “**vacant**” **single-family** zoned parcels
- New lots must be at least **600 square feet** (MF Zones) or **1,200 square feet** (SF Zones)
- Developments limited to average total per-unit floor area of **1,750 square feet**.
- Projects cannot result in demolition/alteration of units subject to rent control (i.e. RSO)



*Image: Parkman 9 (Silver Lake), Olten Development*

# SB 1123/SHRA in Historic Districts

SHRA **permitted** in historic districts – but

- Demolition reviews would apply
- Projects are still subject to objective zoning and design standards.

## Remainder Parcels

- Facilitates preservation of existing structures while allowing SHRA projects elsewhere on the site

## Missing Middle LA

- Initiative will develop a “City door” for SHRA projects, to allow creation of additional objective design standards.

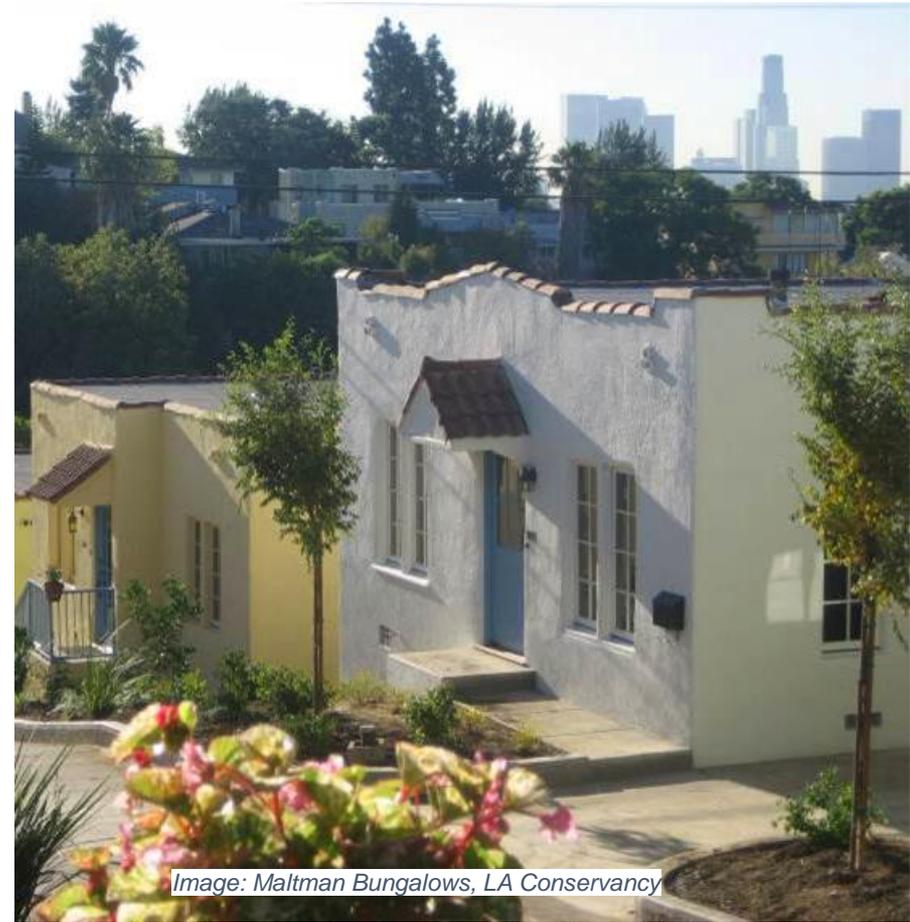


Image: Maltman Bungalows, LA Conservancy

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# California Environmental Quality Act (CEQA) Streamlining AB 130

# AB 130: New Urban Infill CEQA Exemption

Budget trailer bill approved by Legislature and Governor in 2025

A housing project is exempt from CEQA if it meets the following conditions:

- **Size:** Project site is 20 acres or smaller, or for specific project types, five acres or smaller.
- **Urban Use:** The project meets at least one of several urban use criteria
- **Consistency:** The project is consistent with the applicable general plan, zoning ordinance, and local coastal program.
- **Density:** The project meets density minimums: 15 units/acre in urban areas and 10 units/acre in suburban areas.
- **Sensitive Land:** The project is not located on sensitive lands outlined in Government Code 65913.4(a)(6).
- **Type of lodging:** The project is not used as a hotel, motel, or bed and breakfast

# AB 130 and Historic Resources

- A project utilizing the AB 130 exemption cannot require demolition of a designated historic structure (Historic-Cultural Monument, HPOZ Contributing Structure, California Register, National Register)
- However, surveyed or eligible historic resources (SurveyLA and other historic resources surveys) don't have this protection
- Several housing development projects on sites with surveyed historic resources that needed CEQA review are using AB 130 exemption – no further review required.
- Key takeaway: cities can no longer rely on CEQA in many cases to ensure that preservation impacts and alternatives are analyzed
- Consider pursuing historic designation as early as possible



# Understanding the New Housing Incentives: SB 79 and CHIP in LA's Historic Communities

LOS ANGELES  
CITY PLANNING

February 21, 2026

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# Introduction

## Agenda

- CHIP Ordinance
  - Background
  - Key Trends
  - Limitations
  - Historic Review Processes
- SB 79
  - Overview
  - Local Implementation Options
  - Historic Resource Impacts
  - Resources



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# CHIP Ordinance

An aerial photograph of a city, likely Los Angeles, showing a dense residential area with multi-story apartment buildings and houses. The background features rolling hills and mountains under a clear sky. A gradient overlay transitions from a warm orange-red on the left to a cool blue on the right, passing through the text.

# CHIP Ordinance

- As part of the state mandated rezoning program, the Citywide Housing Incentive Program (CHIP) Ordinance, the Housing Element Sites and Minimum Density Ordinance, and the Resident Protections Ordinance **became effective on 2/11/25.**
- The CHIP is the **largest municipal rezoning program in the nation**, creating capacity for more than a **half million units.**



# Equity Focused Rezoning

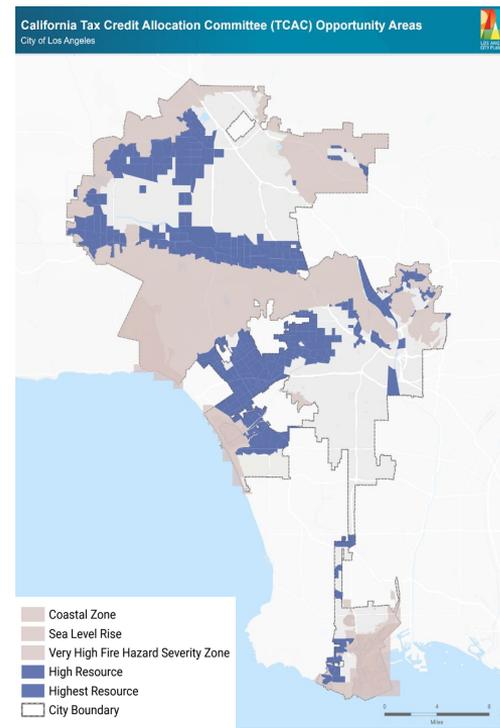
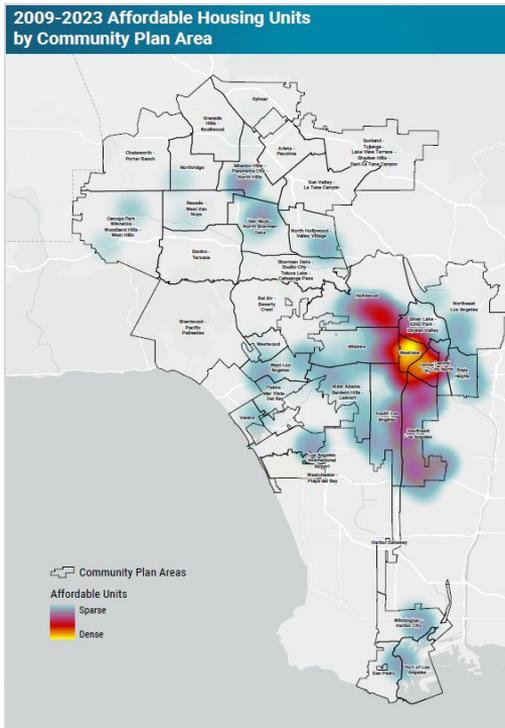
Affordable Housing has **not been produced equitably** throughout the City.

**CHIP is designed to:**

**Streamline** affordable housing production

Focus new capacity in **Higher Opportunity Areas** and **near transit**

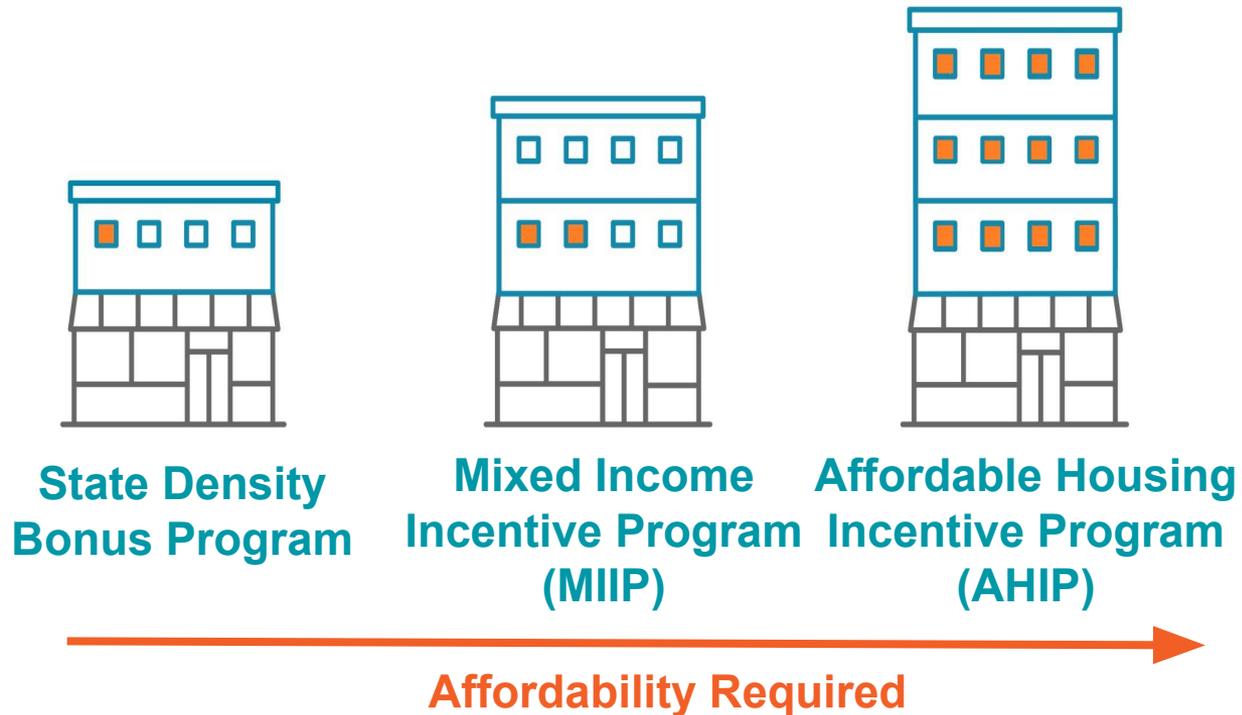
Remove barriers to production through **relief from development standards**



# CHIP Strategy

CHIP grants **larger bonuses** to projects offering a **higher percentage of affordable units**

Programs are designed to offer an **increasing scale of required affordability and bonuses**, from State DB to AHIP



# Historic Review Processes and CHIP

- CHIP streamlining **does not supersede** any historic review procedures required today.
- Under state law Density Bonus Law, projects **can propose the demolition** of a historic resource (with CEQA review) and deviate from historic design requirements.
- Projects using the local MIIP Incentives **cannot propose the demolition** of a historic resource (local, state, or federal).
  - And receive reduced development incentives to encourage contextual scale for infill.



Affordable Units in 2025 TCAC Areas

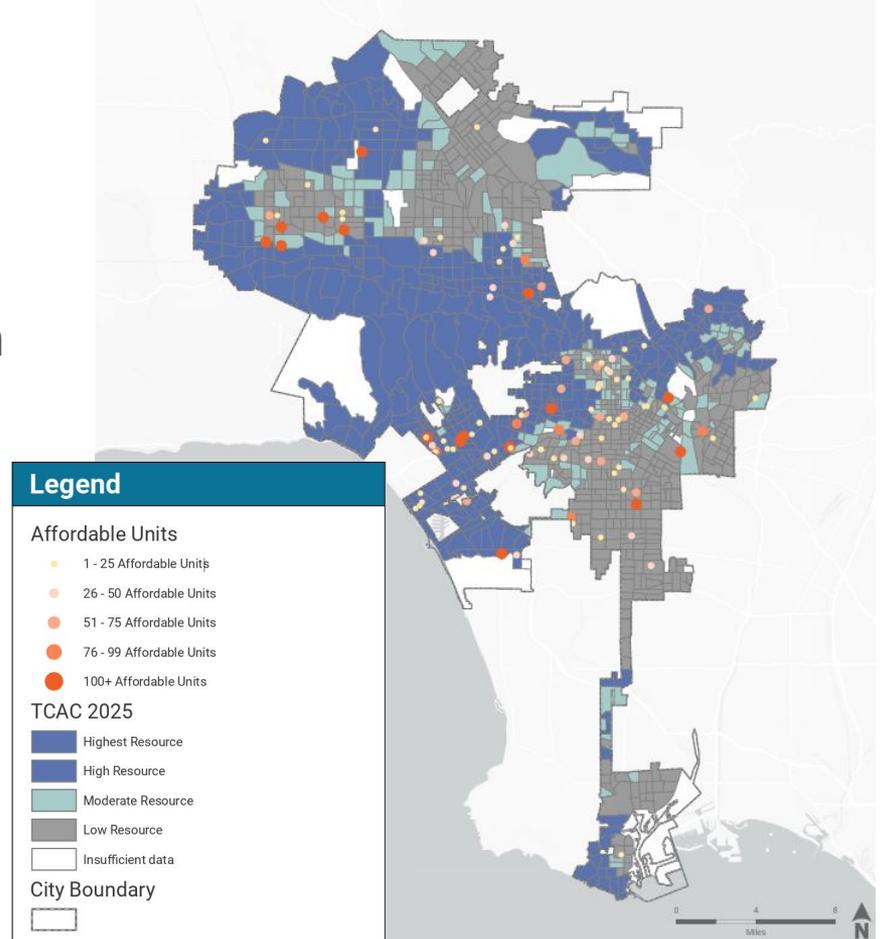


# 6 Months of CHIP

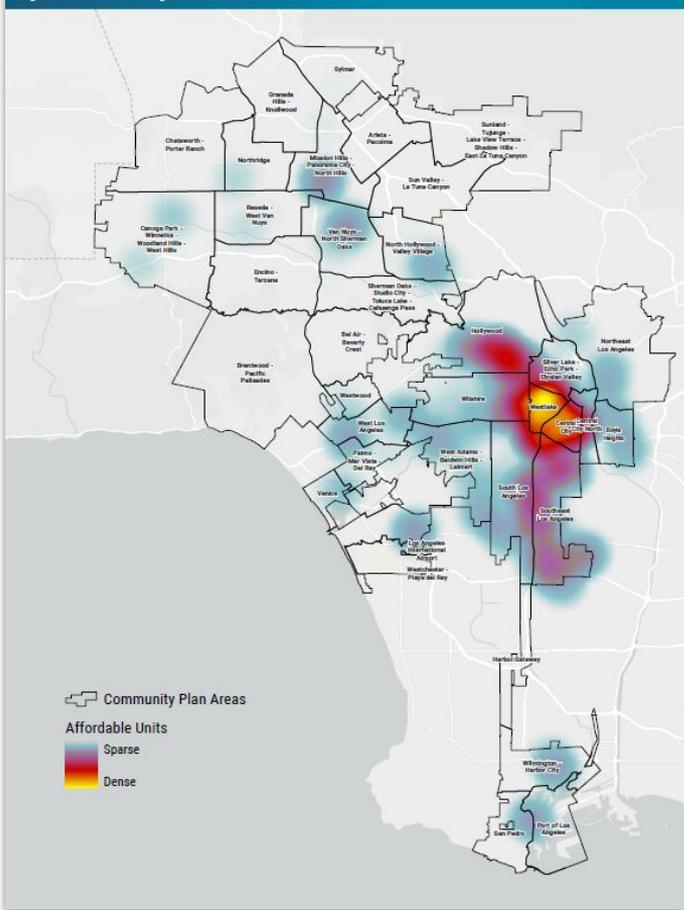
Anticipated housing production has increased throughout the City, with **115 projects proposing 16,659 units** through CHIP.

**34%** (5,714) of proposed units are **covenanted affordable**

**67%** of all proposed units are in **Higher Opportunity Areas**

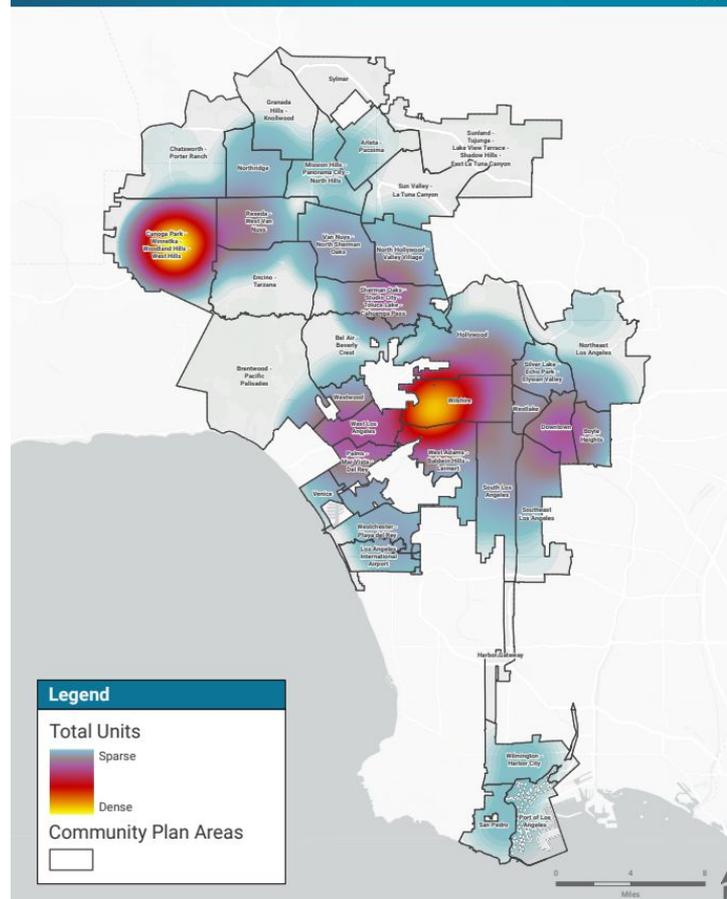


### 2009-2023 Affordable Housing Units by Community Plan Area



Affordable housing units built 2009 - 2023

### Proposed CHIP Projects from 2/11/25 - 8/12/25



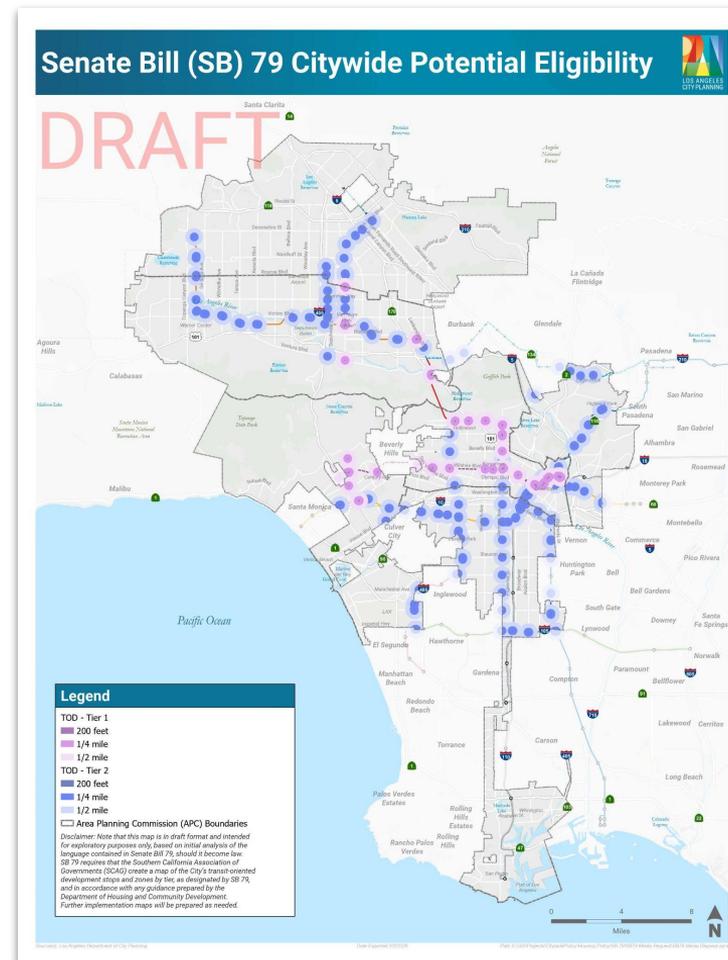
Affordable housing proposed in CHIP's first 6-months

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# SB 79

# Bill Overview

- **SB 79 was signed by the governor** on October 10th and will become effective on **July 1, 2026**
- Establishes **increased housing density** within **½ mile of rail, bus rapid transit stations, and some full time bus lanes**
- Permits local implementation options including a temporary **delay in effectuation** and permanent **local TOD alternative plan**
- Delayed-effectuation ordinances become **effective immediately upon adoption**, allowing the City until June 30, 2026 to effectuate an alternative.



# Interagency Coordination Required

The bill establishes implementation authority and requirements for various agencies:



# TOD Station Updates

- Eligible TOD stops refined to align with SB 79 locally preferred alternative (LPA) / RTIP eligibility requirements
- Mapping will ultimately be determined by SCAG

**Tier**

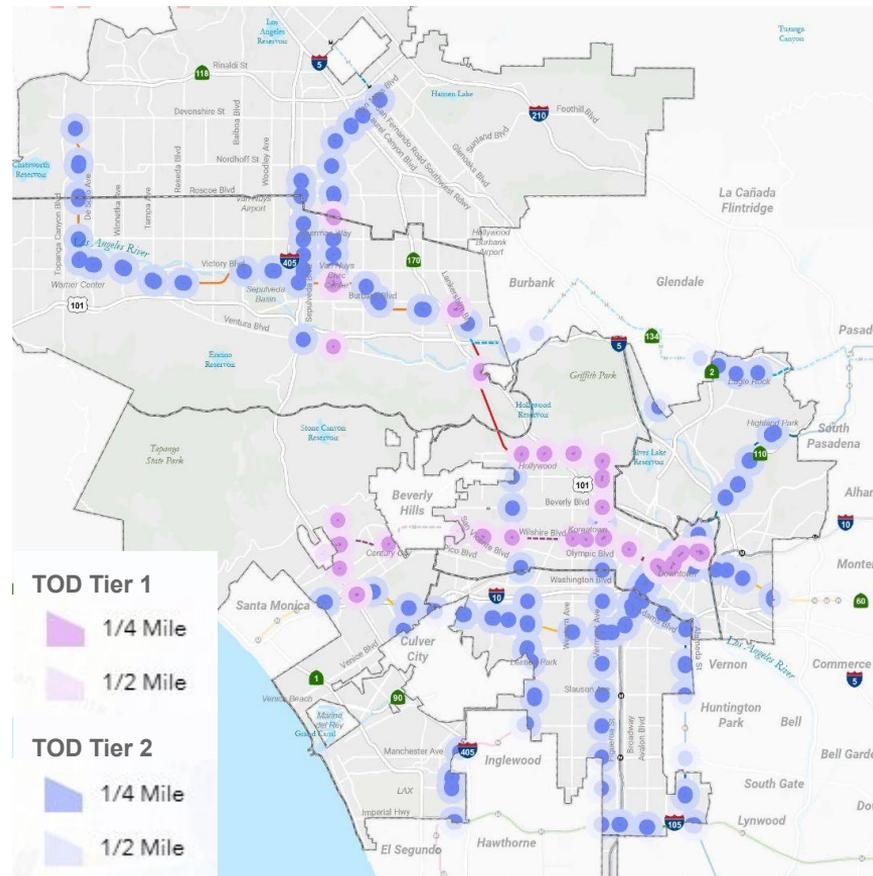
**Transit Type**

**Tier 1**  
28 Stations

- Heavy Rail
- Very High Frequency Commuter Rail (72 trips per day)

**Tier 2**  
113 Stations

- Light Rail
- High Frequency Commuter Rail (48 trips per day)
- BRT Stations and dedicated bus line stops)\*



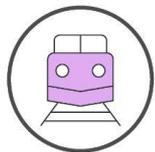
# Bill Overview

- Minimum zoning standards (height, density, FAR) by **tier** based on **type of station** and **distance** to station
- Applies to **all residential and commercial zones**
- Requires affordability for 10+ Units : 7% ELI, 10% VLI, or 13% LI (or higher IZ)
- Not applicable to industrial land or **RSO with 3 or more units** (occupied in the last 7 years)



# Within a **Tier 1** TOD Stop

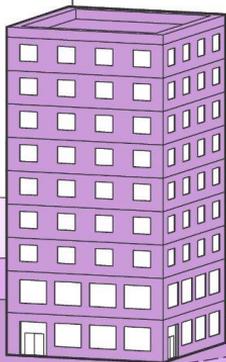
(Heavy Rail or Very High Frequency Commuter Stations)



**Within 200 feet**

Height: 95 ft (9 stories)

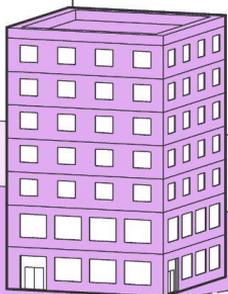
FAR: 4.5



**Within ¼ mile**

Height: 75 ft (7 stories)

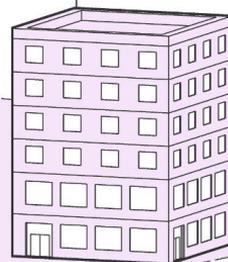
FAR: 3.5



**Within ½ mile**

Height: 65 ft (6 stories)

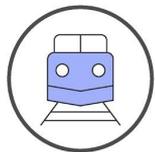
FAR: 3.0



*Not to scale*

# Within a **Tier 2** TOD Stop

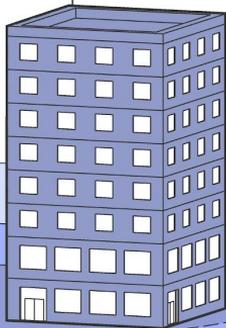
(Light Rail, High Frequency Commuter, Bus Rapid Transit, Eligible Bus-Only Lanes)



## Within 200 feet

Height: 85 ft (8 stories)

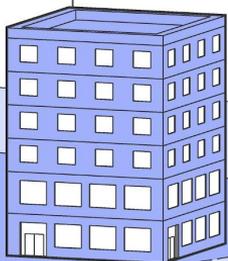
FAR: 4.0



## Within ¼ mile

Height: 65 ft (6 stories)

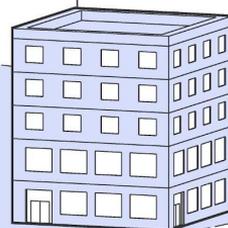
FAR: 3.0



## Within ½ mile

Height: 55 ft (5 stories)

FAR: 2.5



*Not to scale*

# Analysis of Parcels in TOD Zones

## Distribution By TOD Zone

Of the City's 141 TOD zones:

- 57% are **majority Lower Opportunity** areas
- 16% intersect with **Very High Fire Hazard Severity Zones (VHFHSZ)**
- 18% intersect with **Historic Preservation Overlay Zones (HPOZ)**

## Distribution By Eligible Parcels

Of all eligible parcels:

- 68% are zoned as **low density sites** (zoned RD and more restrictive)
- 15% have **1 - 2 RSO units**

### Takeaway

TOD areas that were **NOT significantly rezoned through CHIP** and are in high opp areas **will be more affected** in the short term.

# Implementation Options

## Approach A: SB 79 State Version

If no action is taken, SB 79 will be available to all eligible station areas on July 1, 2026.

## Approach B: Partial Delayed Effectuation

Through a delayed effectuation ordinance, the city can postpone SB 79 until approximately 2030 on certain sites and station areas.

## Approach C: Delayed Effectuation + Upzoning

Through a delayed effectuation ordinance and a new work program to upzone single-family and low density sites the city can postpone SB 79 until approximately 2030.

## Approach D: Local Alternative (Alt) Plans

A full SB79 replacement program may be adopted through a citywide or local plan (Alt Plans). Alt plans have limitations on modifying capacity and removing sites including historic areas and would be in effect until 2037.

# Implementation Options

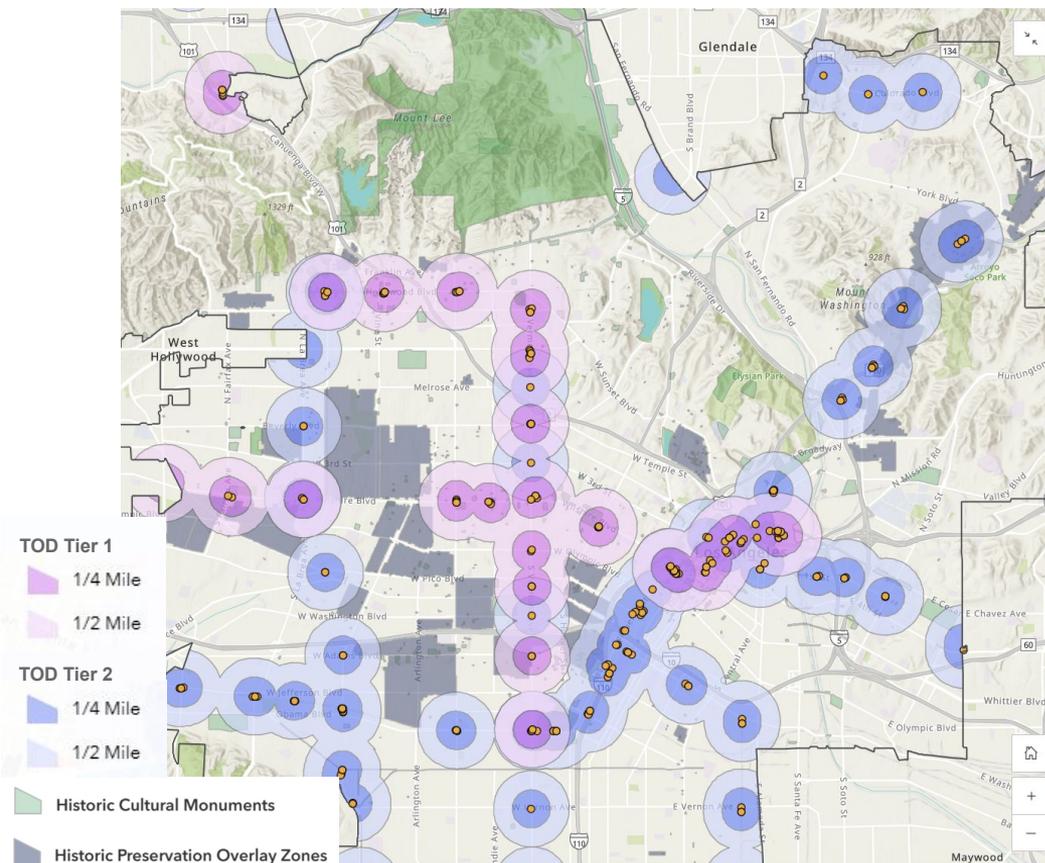
## Approach A: SB 79 State Version

If no action is taken, SB 79 will be available to all eligible station areas on July 1, 2026.

### TOD Zone Composition

- 25 TOD zones (18%) **intersect with 19 HPOZs** located largely in Northeast LA, Greater Wilshire, and South LA.
- Sites in HPOZ sites represent **5%** of all SB 79 **eligible sites** and **36%** of all **HPOZ sites citywide**.
- **578 HCMs** are located with TOD zones.
- **176 federally designated historic resources** are located within TOD zones
- **925 state designated historic resources** are located within TOD zones.

# Historic Resources



Historic Preservation Overlay Zone	Number of Intersecting Transit Oriented Development (TOD) Zones	Number of HPOZ Sites in TOD zones	Percentage of HPOZ Area in a TOD zones
Van Nuys	3	255	100
Carthay Circle	2	450	99
Adams-Normandie	1	717	97
University Park	8	576	88
Miracle Mile North	2	482	81
Highland Park - Garvanza	3	2907	74
Miracle Mile	3	847	64

# Implementation Options

## Approach B: Partial Delayed Effectuation

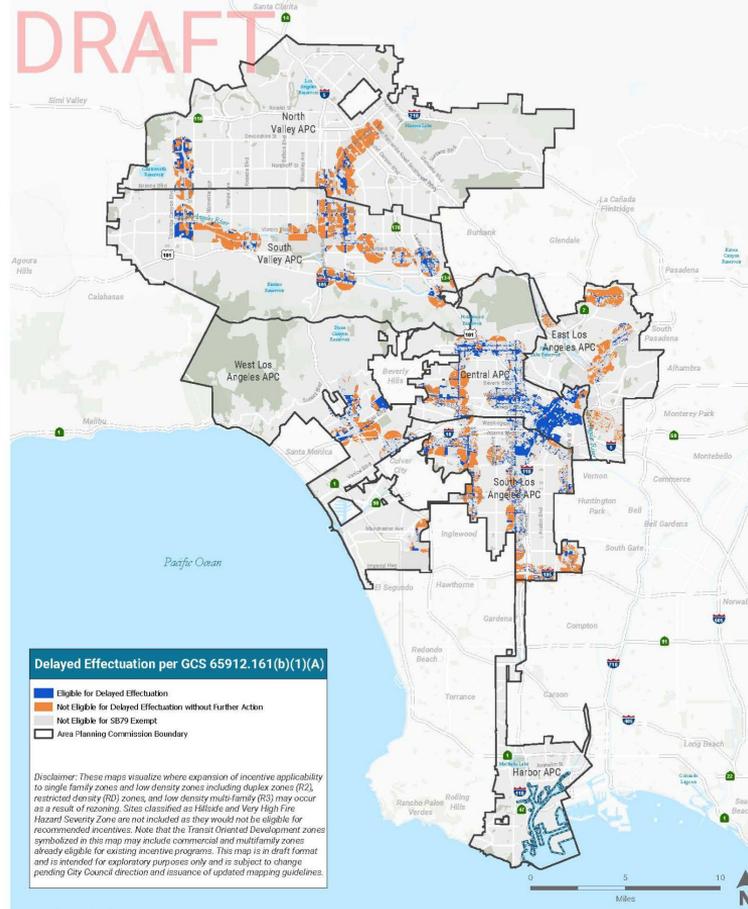
- The city can postpone SB 79 until approximately 2030 on certain sites and station areas.
- **Local Historic Resources** adopted (HCM/HPOZ) (before 1/1/25) **are eligible to be delayed**
- **National and California Register** Historic Designations and **eligible historic resources** may be delayed based on other criteria, including:
  - Low Resource Areas
  - Existing Housing Capacity
  - Very High Fire Hazard Severity Zone
  - Industrial Employment Hubs
  - Or could be statutorily exempt (3 + RSO)

# SB 79 Modeling

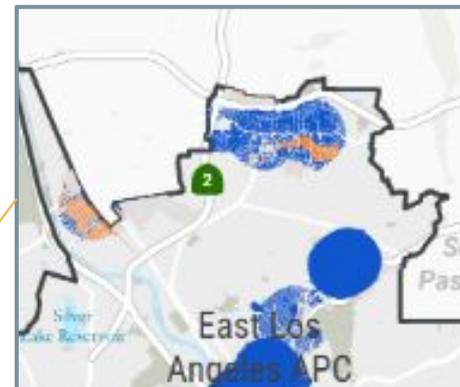
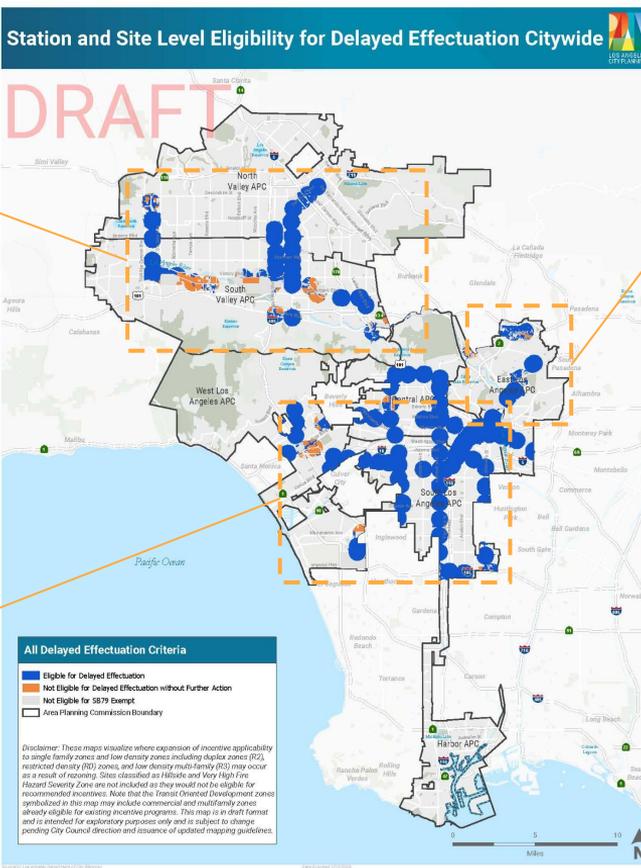
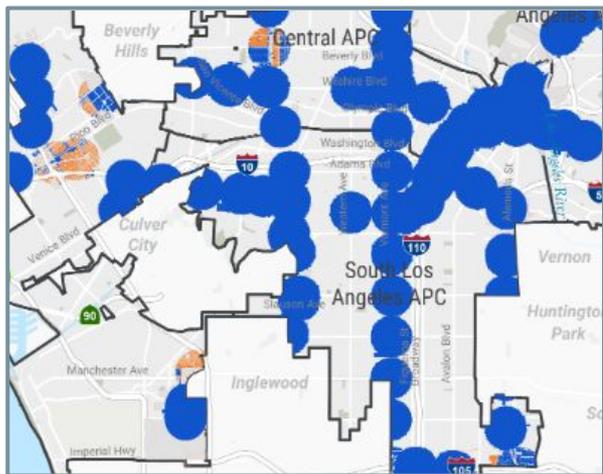
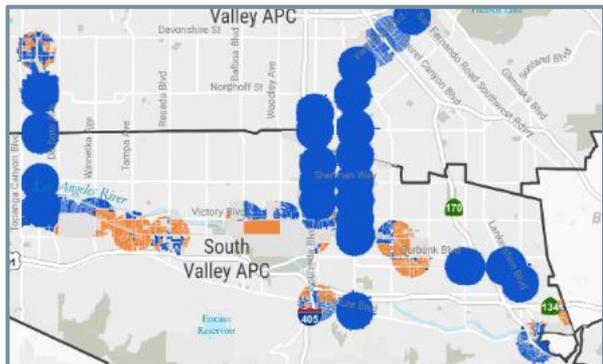
The Department contracted Psomas to prepare a capacity model to evaluate delayed effectuation eligibility, preliminary results found:

- The city presently has **more capacity and FAR** than proposed in SB 79.
- Local Capacity is **concentrated on fewer sites** (as shown in blue).
- By 2030, **rezoning may be required on up to 66% of eligible sites** to meet SB 79 minimums (shown in orange).

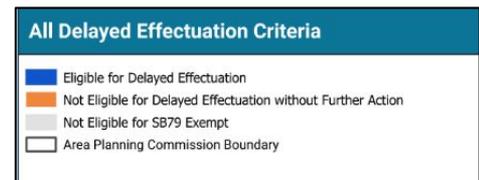
## Sites Eligible for Delayed Effectuation due to Existing Zoned Capacity



# Stations and Sites Eligible for Delayed Effectuation



**Citywide 88% of sites are eligible for delay**



# Implementation Options

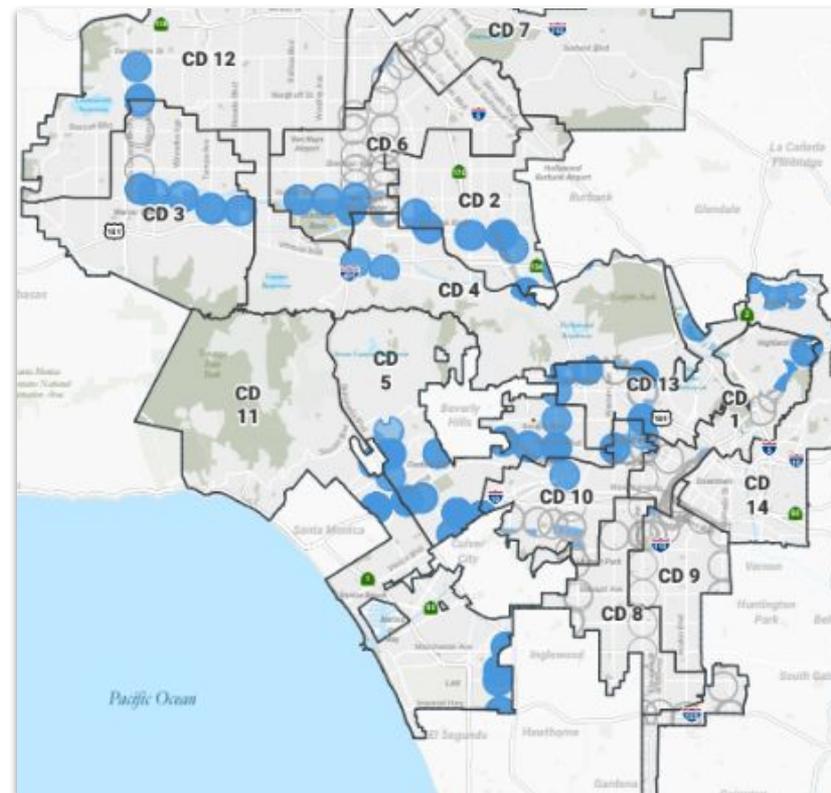
## Approach C: Delayed Effectuation + Upzoning

- Through a delayed effectuation ordinance + a new work program the city could upzone single-family and low density sites to temporarily postpone SB 79 citywide
- This would maintain local authority and allow alignment with the equity goals of the Housing Element
- In November **the PLUM** committee **directed** Planning to develop recommendations pursuant to Approach C and verbalized desires for **upzoning options to:**
  - Apply to high opp areas eligible for delay
  - Prioritize the highest quality transit
  - **Apply to HPOZs**

# Upzoning Options

- Last week Planning issued a report with **three upzoning options** to facilitate upzoning in SB 79 station areas.
- The report also offers a mechanism to **remove Historic Resources** from these options.
- Under the MIIP based upzoning:
  - Historic Areas would receive **reduced development incentives**
  - **Demolition** of a Historic Resource would **not be permitted**

## Opportunity Stations



# Upzoning Development Incentives

## Corridor Transition (CT)

Lower Density Sites in these areas would permit up to 10 units per lot and a maximum of 2 - 3 story buildings.



*CT provides a middle-scale building outcome*

## Transit Oriented Incentive Program (TOIA)

Lower Density Sites in these areas would permit one additional story of height with density limited by building volume.



*TOIA provides incentives for larger 4-7 story developments  
(image courtesy Warren Techentin Architecture)*



# Upzoning Options: Mapping

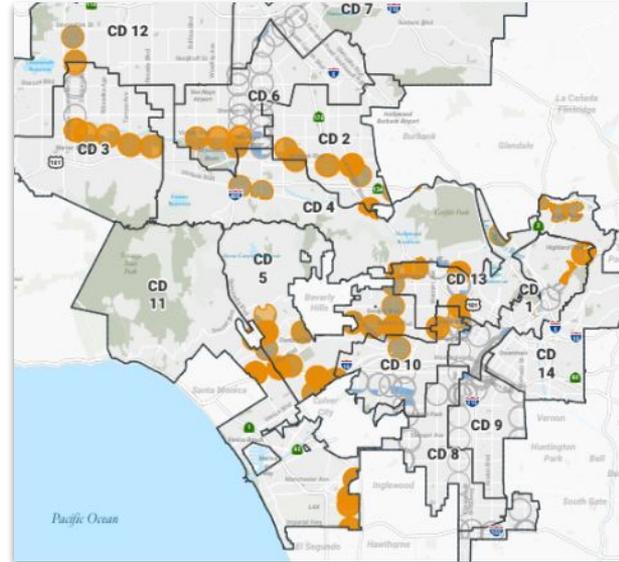
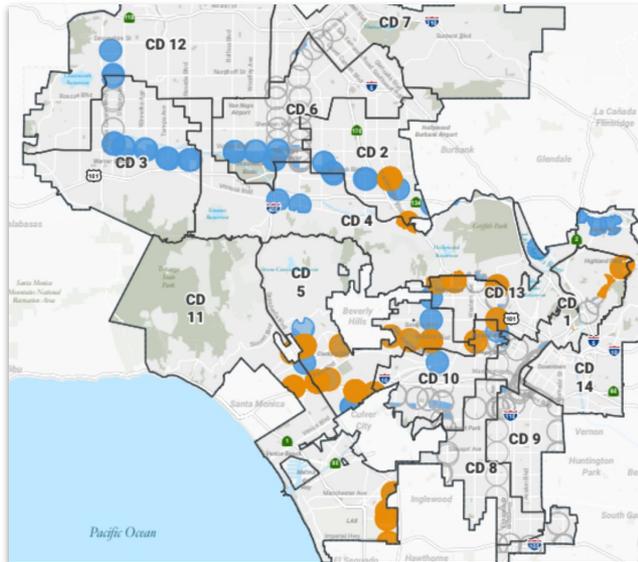
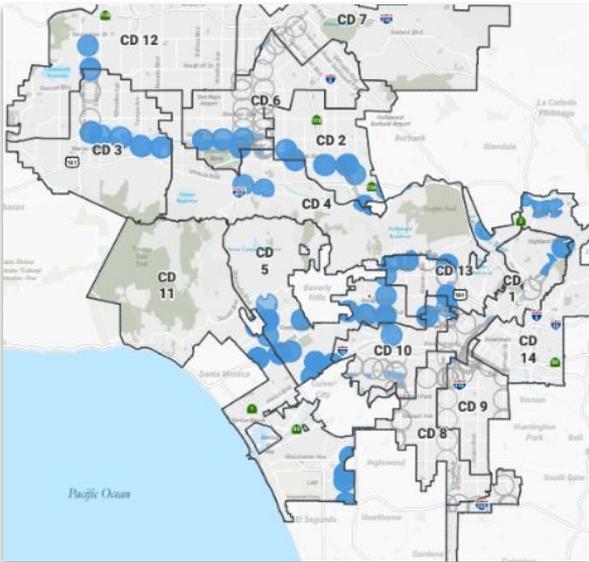
## Legend

- TOIA Incentive Applicability
- CT Incentive Applicability
- Majority Low Opportunity TOD Zones
- Council Districts

### Option 1

### Option 2

### Option 3



*Note these maps highlight the areas where single-family and low density zones would be impacted by each option.*

Historic Incentives	CT Expansion	TOIA Expansion
<b>Density</b>	10 units max	Limited by Building Volume
<b>Height</b>	2 - 3 stories max	One additional story

# Implementation Options

## Approach D: Local Alternative (Alt) Plans

- A full SB79 replacement program may be adopted through a citywide or local plan (Alt Plans).
- Alt plans have limitations on modifying capacity and removing sites including historic areas.
  - Citywide a city must maintain SB 79 capacity.
  - A station may be reduced by up to 50%
  - Sites can be reduced by up to 50%.
  - Local Historic resources may be exempted, provided they do not exceed 10% of a TOD zone.
  - Any reduction would need to be offset elsewhere.
  - No exemptions for State, Federal, or Eligible Resources



# Resources

- SB 79 Resources are available online at: <https://planning.lacity.gov/resources/senate-bill-sb-79>
- Reports and SB 79 mapping is available on the storymap with searchable address features.
- **Mapping includes:**
  - Potential SB 79 Eligibility
  - Delayed Effectuation Eligibility
  - Proposed Upzoning Options
  - Sensitive Site Area Considerations

The screenshot displays the Los Angeles City Planning website's resources page for Senate Bill (SB) 79. The page features a navigation menu at the top with links for ABOUT, ZONING, PROJECT REVIEW, PLANS & POLICIES, PRESERVATION & URBAN DESIGN, RESOURCES, and CONTACT. Below the navigation, there are four main categories: Reports and Publications, Data Analysis, Online Materials, and Quick Links. Each category lists specific resources such as Publications, Performance Metrics, Demographics, and Glossary. A prominent section titled "Senate Bill (SB) 79" contains a disclaimer, a map link, and information about a recent motion by the City Council. At the bottom, there are two call-to-action boxes: "Interactive StoryMap of SB 79 Citywide Potential Eligibility and Overview of Bill" and "Council File Updates".

**Reports and Publications**

- Publications
- Housing Progress Reports
- Case Reports

**Data Analysis**

- Performance Metrics
- Data Requests
- Open Data

**Online Materials**

- Demographics
- Maps
- Videos
- Blog

**Quick Links**

- Glossary
- Health Atlas
- Racial Justice
- Senate Bill (SB) 79

## Senate Bill (SB) 79

**Disclaimer:** The map linked below is in draft format and intended for exploratory purposes only, based on initial analysis of the language contained in Senate Bill 79. SB 79 requires that the Southern California Association of Governments (SCAG) create a map of the City's transit-oriented development stops and zones by title, as designated by SB 79, and in accordance with any guidance prepared by the Department of Housing and Community Development. Updated SB 79 maps will be released as new information becomes available and if any changes to potential TOD stops are identified.

**Map of Senate Bill (SB) 79 Citywide Potential Eligibility**

The Los Angeles City Council recently introduced a motion directing Los Angeles City Planning to prepare recommendations for the implementation of SB 79, as directed by Council File 25-1083.

**Interactive StoryMap of SB 79 Citywide Potential Eligibility and Overview of Bill**

View the StoryMap to learn more about Senate Bill 79 eligibility, requirements, and interaction with existing zoning.

**Council File Updates**

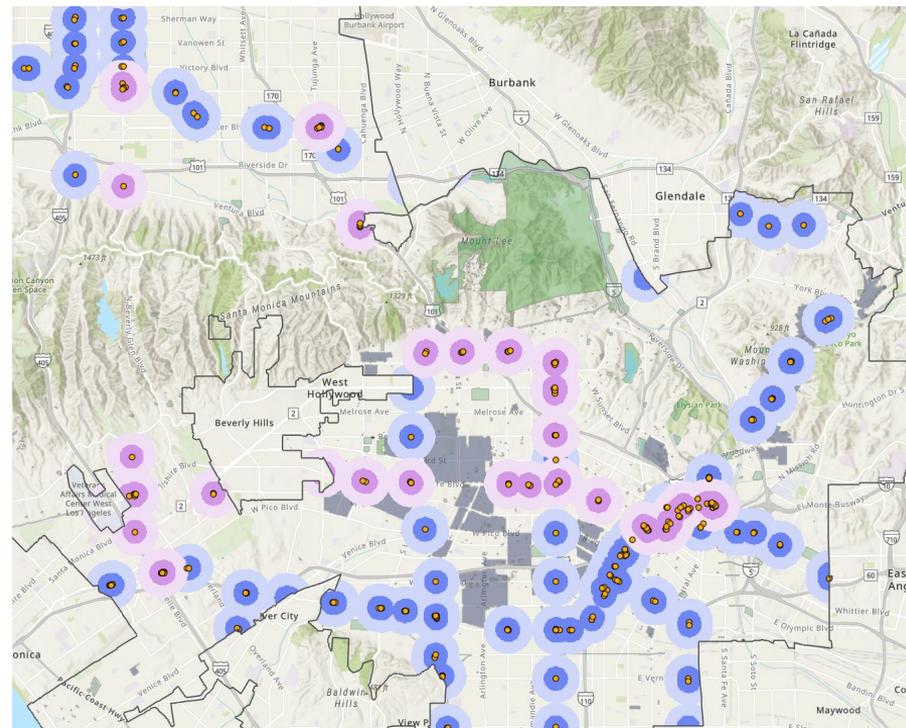
For updates on CF 25-1083, please click the "subscribe via email" icon at the top of the Council File web page.

**STORYMAP**

**ACCESS HERE**

# Next Steps

- Planning continues to refine modeling, mapping, and bill interpretations
- Coordinating with Cities throughout the state and region
- 2/24 PLUM Committee meeting to discuss the latest report
- Following PLUMs direction Planning will prepare an ordinance for effectuation before July.
- Local Alternative Plan Report



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# Thank You

[planning.sb79@lacity.org](mailto:planning.sb79@lacity.org)

<https://planning.lacity.gov/resources/senate-bill-sb-79>

# TOD Zones with More than 10% of Sites in HPOZs

- Local Alt Plan provisions allow exemption of local historic districts **not exceeding 10% of sites in the TOD zone**, with limitations.
- 18 TOD zones have more than 10% of sites in HPOZs.
- HPOZ sites in these TOD zones will require upzoning in a local Alt Plan.

TOD Zone	Percentage of Land in a TOD zone Designated as an HPOZ (%)
A-Highland Park	79
Vermont BRT - W Adams Blvd	52
D Extension - Wilshire/Fairfax	50
A-Southwest Museum	38
Metro 81 - W 23rd Street	37
Metro 81 - Venice Boulevard	34
Metro 81 - W Washington Blvd	33
A-Heritage Square	32
D Extension/K Extension - Wilshire/La Brea	27
A-Lincoln/Cypress	25
E - LATTC/Ortho Institute	23
D Extension - La Brea/Beverly	22
D Extension - Wilshire/La Cienega	20
A - Grand/LATTC	18
ESFV-Van Nuys/Vanowen	15
Metro 81 - Pico Boulevard	15
K Extension - La Brea/Beverly	14
ESFV-Van Nuys/Victory	13

# Delayed Effectuation

Until 2030, or until an alt plan is adopted, a site or station may be exempt by ordinance when:

- A **station**, currently has a **high development potential** (33% of sites offer 50% of SB 79 incentives and 75% overall TOD density)
  - At a **site** level,
    - A site is zoned Multifamily/commercial zoned **and permits at least 50% density and FAR**
    - Sites within **VHFHSZ** (as determined by the Department of Forestry and Fire Protection),
    - One-foot **Sea Level Rise** Areas
    - Local Historic Resources (**HCM/HPOZ**) (before 1/1/25)
    - Sites more than one-mile walking distance away from a station entrance
- Low Opp Areas:**
- Citywide, if a jurisdiction permits **half the total SB 79 capacity and FAR** across all TOD zones, **Low Opp sites** can be delayed.
  - **Stations**, If sites permit an aggregate **40% of the density** allowed in a station area primarily comprised of Low Opp, then the station can be temporarily exempt.

# Local TOD Alternative Plans

Full SB 79 incentives will be available (following the delay) unless a **Local Alternative Program is** certified by state HCD. Local Alt Plans may be Citywide or local plans provided they:

- At a **citywide level**, maintain capacity and FAR (building area),
- At a **station level**, not reduce capacity and FAR (building area) more than 50%, and
- At a **site level**, not reduce density more than 50% and not exceed capacity more than 200%.
  - Sites within one-half mile of a Tier 2 stop, may be reduced to 30 du/acre and 1.0 FAR.

## Site Exemptions:

- May remove VHFHSZ
- One-foot Sea Level Rise (SLR)
- Local historic resources not exceeding 10% of the station area, with limitations.
- Sites more than one-mile walking distance away from a station entrance