



February 10, 2026

Office of Mayor Daniel Lurie  
1 Dr Carlton B Goodlett Place  
Room 200  
San Francisco, CA 94102

## Introduction of the Ordinance to Implement California Senate Bill 79

To the Office of Mayor Daniel Lurie:

Please find the file name, ordinance overview, and associated materials to support the February 10<sup>th</sup> introduction of the Ordinance to Implement California Senate Bill 79.

**File Name:** [Planning Code - Transit-Oriented Residential Development]

Ordinance 1) temporarily excluding certain sites from the provisions of California Senate Bill No. 79 (SB 79) that require local jurisdictions to allow residential uses at various densities, heights, and floor area ratios on sites within one-half mile of a transit-oriented development stop; 2) permanently excluding from those provisions of SB 79 sites located in industrial employment hubs, including certain sites zoned M (Industrial), SALI (Service/Arts/Light Industrial), PDR (Production, Distribution, Repair), WMUG (WSoma Mixed Use-General), and P (Public), and sites with a walking path of more than one mile to the closest transit development stop; 3) amending the Planning Code to permit additional density and height for residential projects on certain parcels within one-half mile of a transit-oriented development stop; 4) adopting an Alternative Plan to SB 79, including making findings that the Alternative Plan provides equivalent development capacity; 5) making findings that these exemptions and the City's residential capacity meet the requirements of SB 79; and 6) directing the Clerk of the Board of Supervisors to transmit a copy of this ordinance to the California Department of Housing and Community Development; and affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

**Overview:** California Senate Bill 79 (SB 79), the Abundant and Affordable Homes Near Transit Act, takes effect on July 1, 2026. In implementation of the legislation, the Planning Department seeks adoption of an "Alternative Plan," a locally tailored approach that meets the transit-oriented development intentions of SB 79 in lieu of the default SB 79 zoning. The approach and proposed ordinance include four parts:

- Permanently excluding Industrial Employment Hubs.
  - There are three contiguous Industrial Employment Hubs, each over 250 acres. The approximately 1,915 parcels contained within the Industrial Employment Hubs will be permanently excluded from the applicability of SB 79.
- Temporarily exempting low resource tracts south of 16<sup>th</sup> street.

- There are approximately 32,150 parcels south of 16<sup>th</sup> street and in the Mission Bay area that are designated as low-income by the California Tax Credit Allocation Committee (CTCAC) for 2026, and as such they qualify for an exemption from SB79 until 1 year after the next Housing Element is due (ie. Jan 2032).
- Amending the Planning Code to allow housing density of up to 50% of SB 79 densities within the SB 79 geographies (½ mile radii around qualifying transit stops) for parcels that principally permit housing and whose zoning does not already permit such density. This is a requirement of the Alternative Plan.
- Demonstrating that San Francisco’s housing capacity under existing zoning, when factoring in the exclusions, temporary exemptions, and Planning Code amendment described above, meets the following “Alternative Plan” requirements:
  - The total net capacity of heights and densities in San Francisco is equal to or greater than what is allowed under SB 79.
  - Each SB 79 station area allows at least 50% of SB 79 densities.
  - All parcels subject to SB 79 allow at least 50% of SB 79 densities.

The following documents will be submitted:

1. Department Cover Letter
2. Ordinance
3. Legislative Digest
4. Table of Permanent Exclusions
5. Table of Temporary Exemptions- Low Resource Parcels
6. Table Demonstrating Housing Capacity for Alternative Plan

Sincerely,

The Planning Department