

MTC Administrative Guidance: Transit-Oriented Communities Policy

Guidance for Public Agency Staff Implementing Metropolitan
Transportation Commission Resolution 4530

Draft – May 2023

I. Background

MTC's Transit-Oriented Communities (TOC) Policy¹ seeks to support the region's transit investments by ensuring communities around transit stations and along transit corridors are places that not only support transit ridership, but that are places where Bay Area residents of all abilities, income levels, and racial and ethnic backgrounds can live, work, and access services, such as education, childcare, and healthcare. The TOC Policy is rooted in Plan Bay Area 2050 (PBA 2050), the region's Long Range Transportation Plan/Sustainable Communities Strategy, and addresses all four elements of the Plan— transportation, housing, the economy, and the environment. Four goals guide the TOC Policy and advance PBA 2050 implementation:

- Increase the overall housing supply in part by increasing the density for new residential projects. Prioritize affordable housing in transit-rich areas
- In areas near regional transit hubs, increase density for new commercial office development
- Prioritize bus transit, active transportation, and shared mobility within and to/from transit-rich areas, particularly to Equity Priority Communities located more than one half-mile from transit stops or stations
- Support and build partnerships to create equitable transit-oriented communities within the San Francisco Bay Area

Future One Bay Area Grant (OBAG) funding cycles (i.e., OBAG 4 and subsequent funding cycles) will consider funding revisions that prioritize investments in transit station areas that are subject to and compliant with the TOC Policy. With MTC Commission approval, MTC may consider compliance with the TOC Policy to evaluate applications for additional discretionary funding sources.

¹ See [MTC Resolution 4530](#).

II. TOC Policy Requirements

The TOC policy requirements consist of the following four elements:

1. Minimum residential and commercial office densities for new development
2. Affordable housing production, preservation and protection, and stabilizing businesses to prevent displacement
3. Parking management
4. Transit station access

The specific requirements for each topic area are described in more detail below. A jurisdiction must demonstrate compliance with all requirements in each of the four topic areas for each station area within the jurisdiction that is subject to the TOC Policy. A jurisdiction may use an existing adopted policy or plan to meet the requirements or, as needed, may adopt new policies/standards by the deadline for compliance with the TOC Policy (see section IV. Documentation Submittal and Review, below, for more details). Where applicable, a jurisdiction may rely on jurisdiction-wide policies to demonstrate compliance.

III. Policy Applicability

Geography and Types of Transit

The TOC Policy applies to areas within one half-mile of the following types of existing and planned fixed-guideway transit² stops and stations:

- Regional rail (e.g., Bay Area Rapid Transit, Caltrain)
- Commuter rail (e.g., Capitol Corridor, Altamont Corridor Express, Sonoma-Marín Area Rail Transit, Valley Link)
- Light-rail transit (LRT)
- Bus rapid transit (BRT)
- Ferries

The half-mile radius around a transit station/stop applies even if the jurisdiction has adopted a Priority Development Area (PDA) whose boundaries are different.

² “Fixed guideway means a public transportation facility that uses and occupies a separate right-of-way or rail line for the exclusive use of public transportation and other high occupancy vehicles, or uses a fixed catenary system and a right of way usable by other forms of transportation. This includes, but is not limited to, rapid rail, light rail, commuter rail, automated guideway transit, people movers, ferry boat service, and fixed-guideway facilities for buses (such as bus rapid transit) and other high occupancy vehicles.” (49 CFR § 611.105)

Existing Transit and Transit Enhancements or Improvements

The TOC Policy will apply to jurisdictions with fixed-guideway transit service stops and stations, as defined above, as well as any enhancements and improvements to these services, including infill stops and stations.

Transit Extensions

Jurisdictions with new stops/stations along fixed-guideway transit extensions must comply with TOC Policy requirements prior to the allocation of regional discretionary capital funding to the project sponsor, and/or MTC endorsement of the project for state or federal discretionary funding sources.³

Transit Tiers

Geographic areas subject to the TOC Policy are categorized by tier according to the level of transit service at fixed guideway station(s) within ½ mile:

- Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San José)
- Tier 2: Stop/station served by two or more BART lines or BART and Caltrain
- Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit
- Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals

TOC Policy requirements are defined by transit tier, with some requirements consistent across all tiers. **Appendix A** lists stop/station areas subject to the TOC Policy by jurisdiction and tier. Visit the [TOC Policy Map](#) to find these station areas and review applicable requirements.

Opt-In for Jurisdictions Not Served by Fixed-Guideway Transit Service

Jurisdictions with transit stops and stations that are not served by fixed-guideway service (e.g., areas that are only served by regular fixed-route bus transit) may choose to “opt in” and voluntarily meet TOC Policy requirements.⁴ Station areas/stops where a jurisdiction has voluntarily complied with the TOC Policy may be eligible for any future

³ For jurisdictions that have been planning for fixed-guideway transit extensions based on MTC's [Resolution No. 3434](#) Transit-Oriented Development Policy ([TOD Policy](#)), if the jurisdiction is in compliance with the existing TOD Policy, MTC may program or allocate regional discretionary capital funding for project construction if the jurisdiction is in compliance with the existing TOD Policy, but the jurisdiction must commit to achieving TOC Policy compliance by the adoption of the OBAG 4 program through written documentation with MTC.

⁴ For locations with no fixed-guideway transit service, the Tier 4 density and parking management requirements will apply in addition to all other TOC Policy requirements.

funding sources where the MTC Commission chooses to adopt TOC Policy compliance as a prerequisite for funding or a factor in prioritizing funding.

Overlapping Station Areas

In some cases, the ½-mile area around one station may overlap with the ½-mile area around another station. As a jurisdiction must demonstrate compliance for each station area separately, a parcel within an overlapping area will be considered independently in the calculation of the average density and the evaluation of parking standards for each of the overlapping station areas.

MTC will work with local staff to streamline the submission process for jurisdictions with multiple stop/station areas, particularly overlapping stop/station areas and stations along LRT or BRT corridors. This may include allowing a jurisdiction to submit aggregated analyses that cover overlapping stop/station areas for some of the required documentation.

Parcels Bisected by Stop/Station Area Boundary

Only parcels where 75 percent or more of the parcel is within the ½-mile stop/station area boundary should be counted as subject to the TOC Policy requirements.

IV. Documentation Submittal and Review

Documentation Submittal

MTC will accept submissions from jurisdictions to demonstrate compliance with the TOC Policy for each stop/station area subject to the policy within the jurisdiction. Jurisdictions must use the checklist developed by MTC to submit the documentation required to demonstrate compliance. A sample of the submission checklist is shown in Attachment 1. **MTC will make the final submission checklist available on its website prior to formal acceptance of submissions.** All submissions must be submitted electronically to TOCPolicy@bayareametro.gov. Questions about the submission form and process should also be directed to TOCPolicy@bayareametro.gov.

Local Jurisdiction Resolution

The jurisdiction's submission must be accompanied by a resolution adopted by the city council or board of supervisors confirming compliance with the TOC Policy. For jurisdictions with multiple station areas subject to the TOC Policy, the jurisdiction may submit a single resolution that includes reference to all stop/station areas for which the jurisdiction is confirming compliance.

Submission Deadline

To ensure eligibility for OBAG 4 funding and any other discretionary funding that may be linked to TOC Policy compliance, jurisdictions should anticipate demonstrating compliance prior to adoption of OBAG 4, expected in 2026. MTC will provide more information about submission deadlines as part of developing the OBAG 4 program.

MTC Review Process

MTC will provide written acknowledgement of a jurisdiction's submission within ten (10) calendar days of receipt. To complete its review of the submission, MTC may request additional clarifying documentation and information from the jurisdiction. Additionally, to assist with its review of the submission, MTC may consult with and gather relevant information from any individual, entity, or public agency. Jurisdictions will receive an official letter upon confirmation of compliance with TOC Policy requirements.

V. Guidance for TOC Policy Checklist

Section 1: Density for New Residential and Commercial Office Development

Summary of TOC Policy Requirements

The TOC Policy does not require a jurisdiction to plan or zone specific parcels for a particular land use or density. Rather, a jurisdiction is required to meet density standards that are averaged across the applicable parcels in the station area. *The Policy's density standards apply only to parcels where new residential or commercial office uses are allowed as a primary use.*⁵ A jurisdiction must also exclude any parcels occupied by existing single- or multi-family dwelling units from the calculation of average density. Parcels where residential or commercial office uses are not allowed as a primary use (e.g., parks, institutional uses, etc.) are also excluded from the density standards.

Following removal of any parcels occupied by existing single- or multi-family dwelling units, parcels where new residential or commercial office development are allowed as a primary use must meet the following density standards:

- **Minimum Density:** Development standards must require that new residential or commercial office development, where allowed as a primary use, be built at or above the specified minimum density, on average across the station area.
- **Allowable Maximum Density:** If a jurisdiction's development standards set an allowable maximum density for new residential or commercial office

⁵ Calculation of the average density includes parcels where it may not be physically possible to construct new residential, commercial office, or mixed-use buildings within the specified density ranges due to small parcel sizes, environmental factors, or conflicts with Airport Land Use Compatibility Plans, etc.

development, the allowable maximum density must be the same as or higher than the specified allowable maximum density, on average across the station area.

For mixed-use zoning districts, density requirements for residential and/or commercial office uses, if allowed as a primary use, apply. See “Guidance for Mixed-Use Zoning Districts and Other Special Circumstances” below for additional detail.

The density requirements are based on the stop/station area’s Transit Tier, as shown in **Tables 1 and 2**. The methodology for calculating the average density within the stop/station area is described in more detail below.

Table 1: Minimum and Allowable Maximum Density for New Residential Development

(Consistency may be demonstrated using Dwelling Units/Acre calculation, Floor Area Ratio calculation, or an alternative methodology submitted for MTC staff review.)

Level of Transit Service	Density Standards in Dwelling Units/Acre (DU/A) ¹		Density Standards in Floor Area Ratio (FAR) ¹	
	Minimum DU/A	Allowable Maximum DU/A ²	Minimum FAR ⁴	Allowable Maximum FAR ⁴
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San José)	100 DU/A or higher	150 DU/A or higher ²	3.0 FAR or higher	5.0 FAR or higher
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	75 DU/A or higher	100 DU/A or higher ²	2.0 FAR or higher	3.0 FAR or higher
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit ³	50 DU/A or higher	75 DU/A or higher ²	1.5 FAR or higher	2.0 FAR or higher
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	25 DU/A or higher	35 DU/A or higher ²	0.75 FAR or higher	1.0 FAR or higher

Notes:

1. Excludes parcels currently occupied by single- or multi-family dwelling units.
2. The allowable densities are consistent with PBA2050 modeling for Strategy H3 (see [Forecasting and Modeling Report](#), pp.44-45).
3. Tier 3 jurisdictions with a population of 30,000 or less may comply with Tier 4 residential density requirements.
4. FAR standard is an estimated equivalent to dwelling units/acre based upon a range of prototypical residential developments with a variety of unit mixes and sizes.

Table 2: Minimum and Allowable Maximum Density for New Commercial Office Development

Level of Transit Service	Minimum Density¹	Allowable Maximum Density^{1, 2}
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San José)	4 Floor Area Ratio (FAR) or higher	8 FAR or higher
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	3 FAR or higher	6 FAR or higher
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	2 FAR or higher	4 FAR or higher
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	1 FAR or higher	3 FAR or higher

Notes:

1. For mixed-use projects that include a commercial office component, this figure shall not be less than the equivalent of the applicable allowed or permitted FAR standard.
2. The allowable densities are consistent with PBA 20505 modeling for Strategy EC4 (see [Forecasting and Modeling Report](#), pp. 57-58).

Submitting Required Documentation

A jurisdiction may provide density information **either by zoning designation or by parcel**. In either case, the jurisdiction must submit the following information about the land uses within the stop/station area:

- Land area (square feet or acres) for parcels/zones that allow residential and/or commercial office as primary uses, excluding any parcels occupied by existing single- or multi-family dwelling units
- Minimum density and allowable maximum density for residential and commercial office uses by parcel/zone
- Any rezonings that are required per the jurisdiction’s certified Housing Element
- The jurisdiction’s zoning code and map

A jurisdiction may either review and verify data from MTC’s Bay Area Spatial Information System (BASIS) or provide a GIS shapefile with the required data.

Guidance for Mixed-Use Zoning Districts and Other Special Circumstances

Mixed-Use Districts: Parcels to Include

Parcels in mixed-use zoning districts that allow both residential and commercial office as primary uses may be included in calculations of either average residential density or average commercial office density for a station area. Jurisdiction staff must provide a justification for the selected approach based on local circumstances or conditions, to be

confirmed as compliant by MTC staff. Parcels in mixed-use zoning districts that allow residential or commercial office as a primary use, but do not allow both, should be included in calculations of the average density for that allowed use.⁶

Planned Unit Development Districts

For parcels in zoning districts where densities are determined through a subsequent project-level planning process (e.g., Planned Unit Developments), a jurisdiction should use the densities in its General Plan or any applicable overlay zone.

Overlay Zones and Density Bonuses

For parcels to which a base zone and overlay zone apply, a jurisdiction should use the standards included in the base zone if it permits residential and/or commercial office uses. Otherwise, a jurisdiction should use the standards included in the overlay zone.

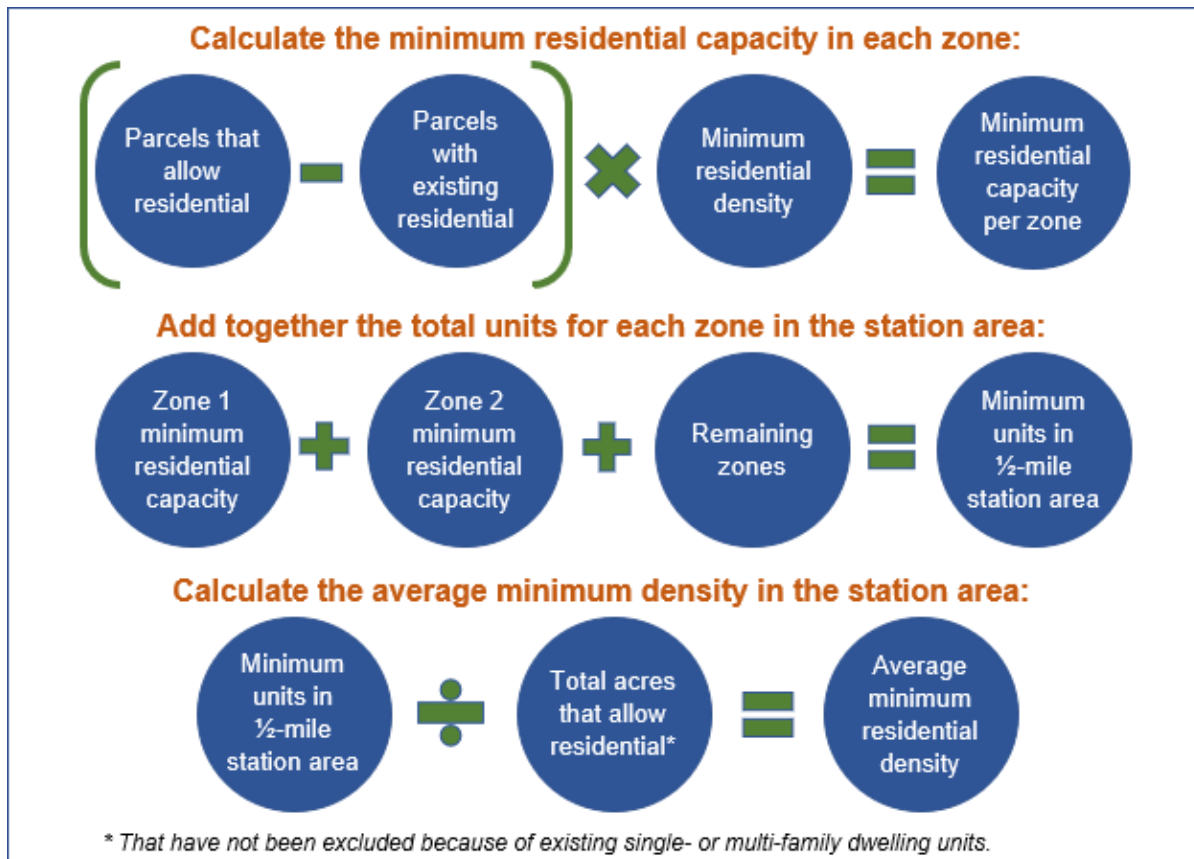
For parcels subject to a density bonus, the density requirements apply to the base zoning (i.e., density bonuses cannot be considered for meeting the TOC Policy's thresholds for minimum density or allowable maximum density).

Calculating Average Residential Densities (Dwelling Units per Acre)

Figure 1 shows the formula for calculating the average minimum residential density. The description below is for calculations based on zoning designations, but the same basic approach would apply for parcel-level data. This guidance is provided in dwelling units per acre. Jurisdictions that regulate density through building form and intensity may choose to calculate average densities using Floor Area Ratio (FAR), using the FAR standard in Table 1 to evaluate consistency. A jurisdiction may also submit average density calculations documenting consistency with TOC Policy requirement using an alternative method for consideration by MTC staff.

⁶ For example, parcels in zoning districts that allow residential as a primary use but only allow commercial office as an ancillary use should not be included in the calculation of commercial office density.

Figure 1: Average Minimum Residential Density Calculation



The calculation starts by determining the acres of land that allow for residential development as a primary use in a zoning designation, taking into consideration the instructions in “Guidance for Mixed-Use Zoning Districts and Other Special Circumstances” above. Jurisdictions must exclude the acres for parcels that allow residential uses but already have existing single- or multi-family dwelling units. After subtracting the acreage of any excluded parcels, the resulting total number of acres is then multiplied by the minimum density for that zoning designation to determine the minimum total number of housing units that could be accommodated in that zoning designation.

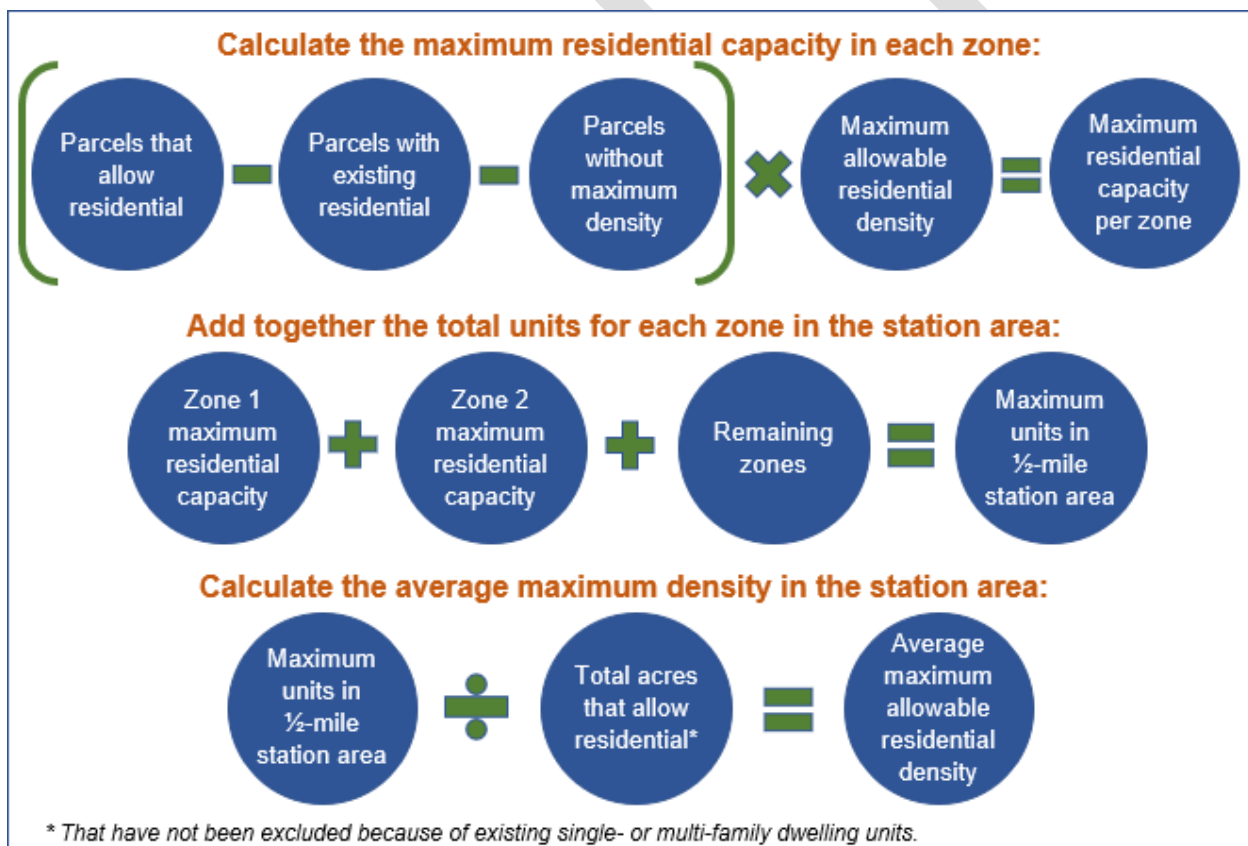
This calculation is carried out for each zoning designation within the stop/station area that allows for residential as a primary use and the total units for each zoning designation is then summed. The average minimum density for the stop/station area is then calculated by dividing the total units within the 1/2-mile stop/station area by the total acres within the 1/2-mile area that allow for residential uses and have not been excluded because of existing single- or multi-family dwelling units.

A similar approach is used to determine the average maximum allowable density, as shown in Figure 2. However, the calculation should be limited to parcels that have a

maximum allowable density, because the TOC Policy does not require jurisdictions to adopt maximum densities. Jurisdictions should therefore exclude parcels with existing single- or multi-family dwelling units as well as parcels without a maximum allowable density.

To determine the average maximum allowable density, the total number of acres after any exclusions is multiplied by the maximum allowable density, which results in the maximum total number of units that could be accommodated in that zoning designation. After this total is summed for all zoning designations, the average maximum allowable density for the stop/station area is then calculated by dividing the total units within the ½-mile stop/station area by the total acres within the ½-mile area that allow for residential uses, have a maximum allowable density, and have not been excluded because of existing single- or multi-family dwelling units.

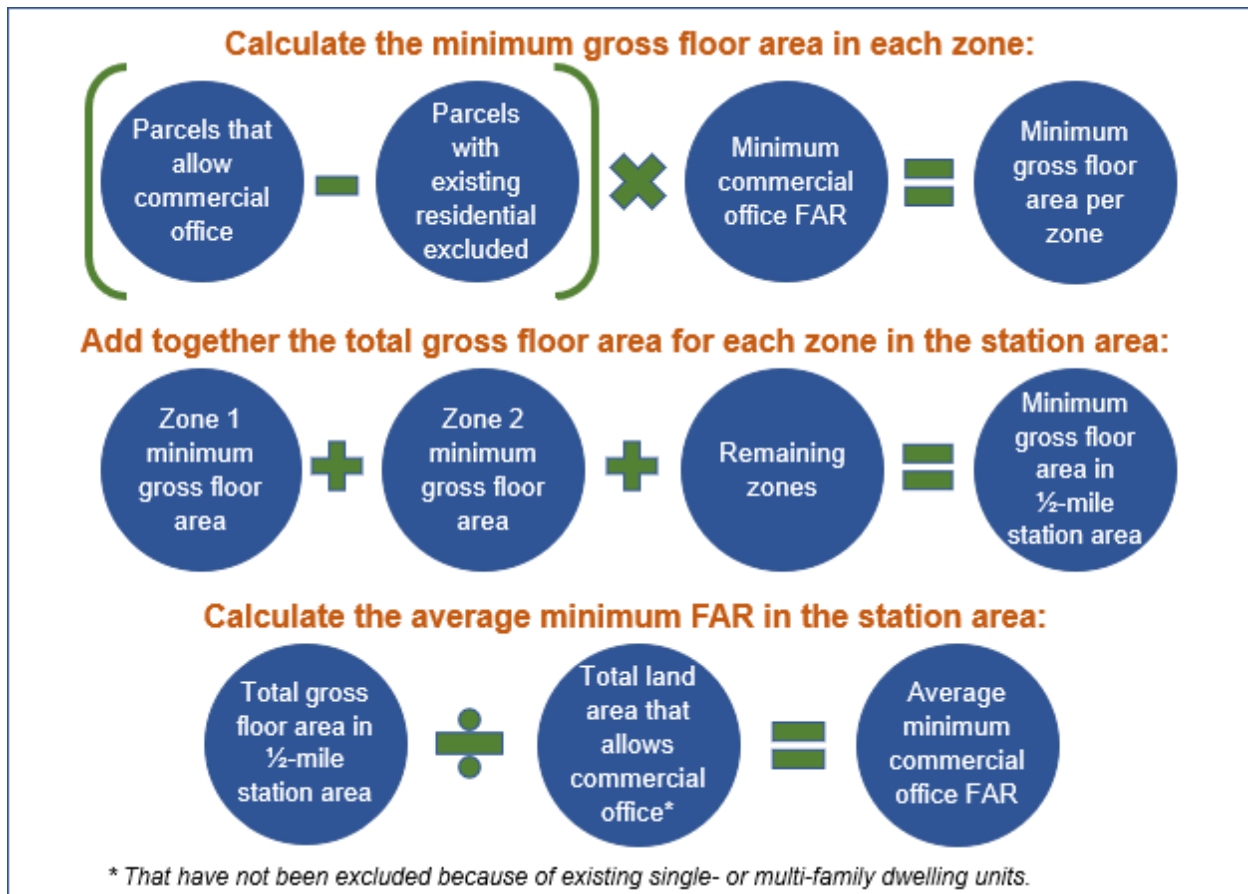
Figure 2: Average Maximum Allowable Residential Density Calculation



Calculating Average Commercial Office Densities (Floor Area Ratio)

Figure 3 shows the formula for calculating the average minimum commercial office density (floor area ratio). The description below is for calculations based on zoning designations, but the same basic approach would apply for parcel-level data.

Figure 3: Average Commercial Office Minimum Density (FAR) Calculation



The calculation and assumptions are largely the same as those for residential uses, except the formula uses square feet as the unit of measurement to determine the average minimum commercial office density as a floor area ratio (FAR). FAR is the measurement of a building's floor area in relation to the size of the parcel on which the building is located. It is derived by dividing the total gross floor area of the building by the land area of the parcel.

The calculation starts by determining the acres of land that allow for commercial office as a primary use in a zoning designation, taking into consideration the instructions in "Guidance for Mixed-Use Zoning Districts and Other Special Circumstances" above. Jurisdictions must exclude the land area for parcels that allow commercial office uses but already have existing single- or multi-family dwelling units. After subtracting the total land area within each zoning designation with existing single- or multi-family dwelling units, the resulting total is multiplied by the minimum commercial office FAR to determine the total gross floor area per zoning designation.

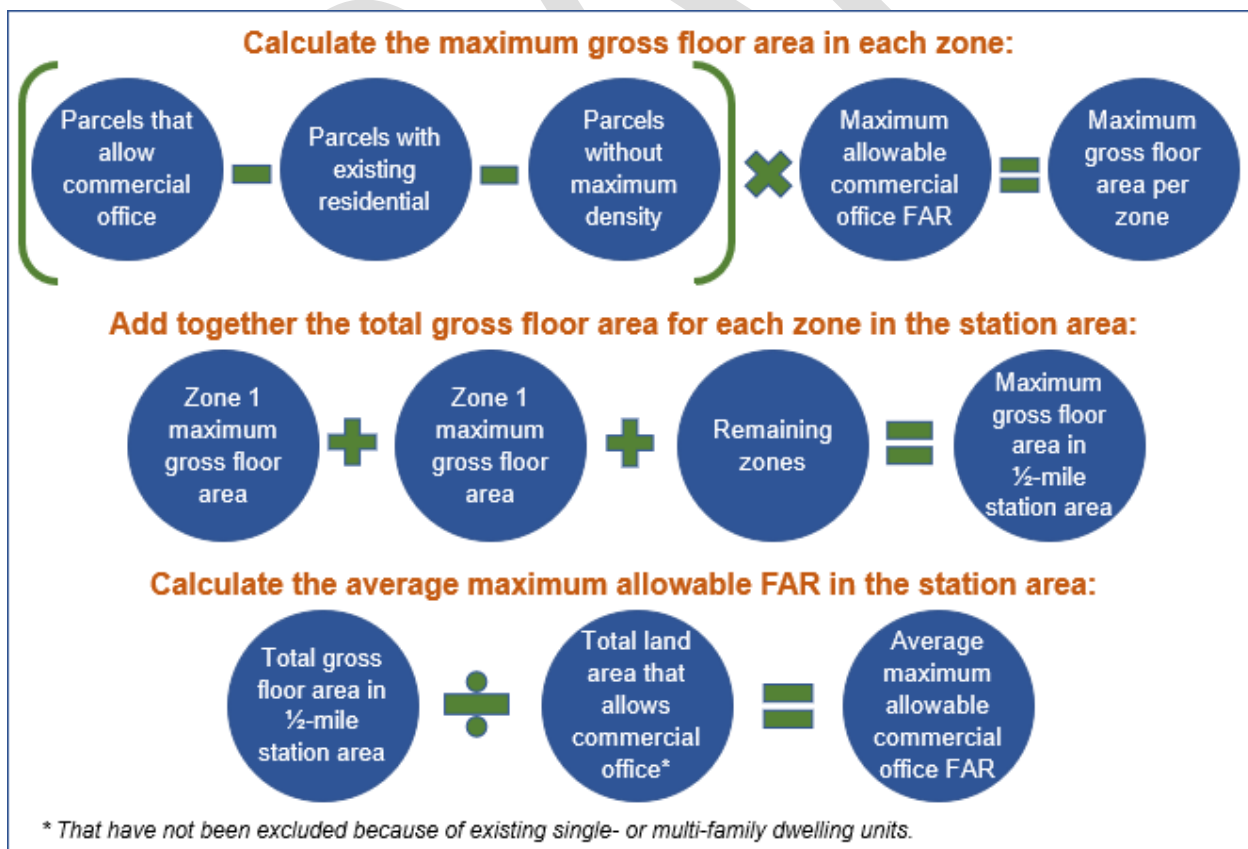
This calculation is carried out for each zoning designation within the stop/station area and the total gross floor area for each zoning designation is then summed. The average

minimum FAR for the stop/station area is then calculated by dividing the total gross floor area within the ½-mile stop/station area by the total land area within the ½-mile station area that allows for commercial office as a primary use and has not been excluded because of existing single- or multi-family dwelling units.

A similar approach is used to determine the average maximum allowable commercial office FAR. However, the calculation should be limited to parcels that have a maximum allowable FAR, because the TOC Policy does not require jurisdictions to adopt maximum densities. Jurisdictions should therefore exclude parcels with existing single- or multi-family dwelling units as well as parcels without a maximum allowable density.

As shown in Figure 4, to determine the average maximum allowable FAR, the total land area after any exclusions is multiplied by the maximum allowable density, which results in the maximum total gross floor area that could be accommodated in that zoning designation. After this total is summed for all zoning designations, the average maximum allowable density for the stop/station area is then calculated by dividing the total gross floor area within the ½-mile stop/station area by the total land area within the ½-mile area that allows for commercial office uses, has an allowable maximum density, and has not been excluded because of an existing residential use.

Figure 4: Average Maximum Allowable Commercial Office Density (FAR) Calculation



Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies

Summary of TOC Policy Requirements

A jurisdiction will fulfill the Affordable Housing and Commercial Stabilization requirements by selecting from the menu of options in **Table 3** the policies that best meet local needs. To comply, a jurisdiction must adopt at least:

- **Two policies for each of the “3Ps”**—affordable housing production, preservation, and protection.
- **One policy related to commercial stabilization**, unless the jurisdiction can document there are no potential impacts to small businesses and/or community non-profits.

Appendix B describes each of the policy options in more detail and outlines the specific minimum standards a jurisdiction’s policy must meet to comply with TOC Policy requirements.

Policies may be implemented jurisdiction-wide or may be applicable specifically to the stop/station area (e.g., through an overlay). A jurisdiction may meet the requirements with existing adopted policies or, as needed, adopt new policies by the TOC Policy compliance deadline.

For each of the “3Ps” policies selected to comply with TOC Policy requirements, the jurisdiction must also include a brief explanation for how the policy addresses the jurisdiction’s Regional Housing Needs Allocation (RHNA) and/or other housing needs as identified in the jurisdiction’s Housing Element.

Limits on Selection of Housing Policies to Meet TOC Policy Requirements

As noted in Table 3 and Appendix B, there are two cross-cutting policies that appear in multiple places in the menu of options:

- *Public/Community Land Trusts* can be used to meet the requirement for Production or Preservation policies, but not both.
- *Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities* can be used to meet the requirement for Preservation or Protection policies, but not both.

Table 3: Affordable Housing and Commercial Stabilization Policy Options

	Affordable Housing Production Policy	Affordable Housing Preservation Policy	Affordable Housing Protection and Anti-Displacement Policy	Commercial Stabilization Policy
	Select 2 policies	Select 2 policies	Select 2 policies	Select 1 policy
1.	Inclusionary Zoning	Funding to Preserve Unsubsidized Affordable Housing	“Just Cause” Eviction	Small Business and Non-Profit Overlay Zone
2.	Affordable Housing Funding	Tenant/Community Opportunity to Purchase	No Net Loss and Right to Return to Demolished Homes	Small Business and Non-Profit Preference Policy
3.	Affordable Housing Overlay Zones	Single-Room Occupancy (SRO) Preservation	Legal Assistance for Tenants	Small Business and Non-Profit Financial Assistance Program
4.	Public Land for Affordable Housing	Condominium Conversion Restrictions	Foreclosure Assistance	Small Business Advocate Office
5.	Ministerial Approval	Public/Community Land Trusts ¹	Rental Assistance Program	
6.	Public/Community Land Trusts ¹	Funding to Support Preservation Capacity	Rent Stabilization	
7.	Development Certainty and Streamlined Entitlement Process	Mobile Home Preservation	Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities ²	
8.		Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities ²	Tenant Relocation Assistance	
9.			Mobile Home Rent Stabilization	
10.			Fair Housing Enforcement	
11.			Tenant Anti-Harassment Protections	

Notes:

1. This policy may be used to fulfill either the housing production or preservation requirement, but not both.
2. This policy may be used to fulfill either the housing preservation or protection requirement, but not both.

Additionally, in some cases, a minimum requirement for one housing policy option may overlap with a minimum requirement for a different housing policy option. In these situations, a jurisdiction will only receive credit toward the TOC Policy requirements for one of the overlapping policies and the jurisdiction may elect which policy. As noted in Appendix B, the policies for which this restriction applies are:

- Production Policy 3: Affordable Housing Overlay Zones
- Production Policy 5: Ministerial Approval
- Production Policy 7: Development Certainty and Streamlined Entitlement Process

References to State Laws

In some cases, the descriptions of housing policy options included in the TOC Policy refer to existing state laws. MTC may adjust the requirements for complying with the TOC Policy over time in response to any changes to state law.

Relationship to HCD's Prohousing Program

The California Department of Housing and Community Development has a [Prohousing Designation Program](#) that provides incentives to jurisdictions that have policies to support increased housing production. While there are similarities between the requirements for a Prohousing Designation and the TOC Policy, there is not sufficient consistency between the policy options and other requirements for a jurisdiction that has received the Prohousing designation from HCD to automatically meet TOC Policy requirements for affordable housing production policies.

Table 4 provides information on which Prohousing Designation policies correspond to the affordable housing production policy options for the TOC Policy. If jurisdictions are currently applying for or planning to apply for HCD's Prohousing Designation, they should consider committing to policies in their Prohousing Designation application that would also achieve TOC Policy compliance. Importantly, policies adopted for the Prohousing Designation would also need to meet the minimum requirements detailed in Appendix B of the TOC Policy implementation guidance.

Table 4: Overlap Between HCD Prohousing and TOC Policy Affordable Housing Production Policy Options

Affordable Housing Production Policy Options for TOC Policy	Policy Options for HCD Prohousing Designation
Production Policy 2: Affordable Housing Funding	Category 4A: Establishment of local housing trust funds
	Category 4E: Directed residual redevelopment funds to affordable housing.
	Category 4F: Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source.
	Category 4G: Prioritization of local general funds for affordable housing.
Production Policy 3: Affordable Housing Overlay Zones	Category 1D: Density bonus programs which exceed statutory requirements by 10 percent or more.
Production Policy 4: Public Land for Affordable Housing	Category 4C: A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to lower income households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases.
Production Policy 5: Ministerial Approval	Category 2A: Establishment of ministerial approval processes for a variety of housing types, including single-family and multifamily housing.
Production Policy 7: Development Certainty and Streamlined Entitlement Process	Category 2D: Establishment of permit processes that take less than four months.
	Category 2E: Absence or elimination of public hearings for projects consistent with zoning and the general plan.
	Category 2F: Establishment of consolidated or streamlined permit processes that minimize the levels of review and approval required for projects, and that are consistent with zoning regulations and the general plan.
	Category 2L: Limitation on the total number of hearings for any project to three or fewer.

Submitting Required Documentation

For each policy a jurisdiction selects to meet the minimum number required for TOC Policy compliance, the jurisdiction must provide:

- A website link to the adopted policy or relevant municipal code section.
- Citations (e.g., page number or code section) for descriptions of policy details that meet the minimum standards.
- The name of the agency or organization responsible for implementing the policy.

There are additional documentation requirements for some policies. These are described in more detail in Appendix B.

Section 3: Parking Management

Summary of TOC Policy Requirements

The purpose of the TOC Policy parking management requirements is to further support reducing automobile trips and prioritizing the limited land area near transit for other shared transportation modes and active transportation. Parking management is a key complement to residential and commercial density increases that support higher transit ridership on the region's existing and planned fixed-guideway transit investments.

To determine compliance with the TOC Policy, MTC will focus on a local jurisdiction's compliance with the parking standards (listed in Table 5). To support limits on off-street parking for new development, one or more additional policies or programs that address parking management must also be in place. These may be one of the policies or programs included in MTC/ABAG's Parking Policy Playbook, or another policy or program that aligns with the intent of the parking management requirement. For parking management policies or programs that are not one of those listed below, a jurisdiction should explain how the policy or program addresses parking demand management in the transit stop/station area.

Parking Standards for New Residential or Commercial Development

Off-street vehicle parking standards for new residential or general and neighborhood-serving commercial development (e.g., office, retail, and service businesses) must meet the applicable standards for its Transit Tier listed in **Table 5**, including:

- No minimum automobile parking requirement in most Transit Tiers for new residential or commercial development⁷
- For parcels on which residential development is allowed:

⁷ The TOC Policy does not have a requirement related to minimum parking for Tier 4 station areas. However, jurisdictions must comply with applicable state law, such as [AB 2097](#).

- The applicable maximum automobile parking per dwelling unit ratio, and
- At least one secure bicycle parking space per dwelling unit.
- For parcels on which commercial development is allowed:
 - The applicable maximum automobile parking per 1,000 square foot ratio, and
 - At least one secure bicycle parking space per 5,000 occupied square feet
- Allow unbundled parking.⁸
- Allow shared parking between different land uses.

Table 5: TOC Policy Parking Management Requirements

Level of Transit Service	New Residential Development	New Commercial Development
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San José)	No minimum parking requirement allowed. Parking maximum of 0.375 spaces per unit or lower.	No minimum parking requirement allowed. Parking maximum equivalent to 0.25 spaces per 1,000 square feet or lower.
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	No minimum parking requirement allowed. Parking maximum of 0.5 spaces per unit or lower.	No minimum parking requirement allowed. Parking maximum of 1.6 per 1,000 square feet or lower.
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	No minimum parking requirement allowed. Parking maximum of 1.0 spaces per unit or lower.	No minimum parking requirement allowed. Parking maximum of 2.5 spaces per 1,000 square feet or lower.
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	Parking maximum of 1.5 spaces per unit or lower.	Parking maximum of 4.0 spaces per 1,000 square feet or lower.
All Tiers	Minimum of 1 secured bicycle parking space per dwelling unit	Minimum of 1 secured bicycle parking space per 5,000 square feet

⁸ Unbundling parking means separating the cost of leasing a parking space from the sale or rental price of residential and commercial uses.

The TOC Policy's off-street parking standards do not supersede other applicable requirements for parking for people with disabilities that are required by the California Building Code, or other state or federal laws, or off-street parking for deliveries. While not specified in the TOC Policy, in addition to accommodating conventional bicycles in the bicycle parking requirement, bicycle parking spaces should consider specifications that will also accommodate electric bicycles (e-bikes).

Meeting Parking Standards Through a Parking District

Standards may apply to individual projects or may be met through creation of a parking district that provides shared vehicle parking for multiple land uses within an area. For example, a specific or area plan may determine an overall total amount of new, off-street parking that may be constructed in the area. Some development projects may provide more off-street parking, while others may provide less off-street parking, or parking may be shared between multiple new uses. In such cases, the total amount of new off-street parking to be built should be equivalent to the TOC Policy's parking standards.

Complementary Policies for Parking Management

In addition to complying with the off-street parking standards, a jurisdiction must adopt at least one policy or program included in [MTC/ABAG's Parking Policy Playbook](#) to address transportation demand management (TDM) and curb management in station/stop areas that complement the Policy's required parking standards:

- **TDM Policy for New Development:** require provision and enforcement of transportation demand management (TDM).
- **Curb Strategy/Management:** Priority curb access based on variable need.
- **Parking Benefit District (PBD):** Invest parking revenues into a PBD to fund streetscape, safety, and TDM programs.
- **Demand-Responsive Pricing:** Price parking according to level of convenience and demand.
- **Priced Parking:** Adding priced parking where it used to be free.

TDM and curb-management policies or programs may apply to either the stop/station area or jurisdiction-wide.

Submitting Required Documentation

A jurisdiction must document its current off-street parking requirements and secure bicycle parking requirements for new multifamily residential and new commercial development in locations subject to the TOC Policy's requirements, including the citation for the municipal code or ordinance codifying such requirements.

For parking districts or other types of area-wide approaches to parking requirements and management, a jurisdiction must provide the adopted plan and relevant policies and describe how it will result in creation of the same or less new off-street parking than the TOC Policy's parking management requirements, on average.

For unbundled and shared parking, a local jurisdiction must document and provide citations for the adopted plans, policies, and/or municipal code or ordinance allowing unbundled and shared parking. Further detail on unbundled and shared parking is provided in the [MTC/ABAG Parking Policy Playbook](#).

A local jurisdiction must also document and provide citations for the adopted plans, policies, and/or municipal code or ordinance for one or more of the listed policies or programs from the [MTC/ABAG Parking Policy Playbook](#) that apply either to the geographic area where the TOC Policy applies or jurisdiction-wide.

Available Resources for Parking Management

The [MTC/ABAG Parking Policy Playbook](#) provides detailed guidance and practical tools, such as sample policy language, about how to implement policy changes related to parking, transportation demand management (TDM), and curb management.

Section 4: Station Access and Circulation

Summary of TOC Policy Requirements

In coordination with transit agencies and other mobility service providers, community members, and other stakeholders, a jurisdiction must complete the following in all transit station areas subject to the TOC Policy:

- **Adopt policies and design guidelines that comply with MTC's Complete Streets Policy.**⁹
- **Prioritize implementation of active transportation projects on the regional [Active Transportation Network](#) and any relevant Community Based Transportation Plans** within the TOC station area in its capital improvement program (CIP) or other adopted plan or program that lists the jurisdiction's funding and implementation priorities.
- **Complete an access gap analysis and accompanying capital and/or service improvement program for station access** from destinations within a 10-minute travel time (accounting for differences in travel speed and time for people who use wheelchairs or other mobility aids), and 15-minute bicycle or bus/shuttle trip

⁹ See [MTC Resolution No. 443](#).

either as a separate study or analysis or as part of a specific or area plan, active transportation plan, or other transportation plan or study that, at a minimum, includes the following:

- The geographic area that can currently be accessed via a 10- or 15-minute trip by these modes, with particular focus on access to Equity Priority Communities and other significant origins and/or destinations
 - Infrastructure and/or service improvements that would expand the geographic area that can be accessed via a 10- or 15-minute trip by these modes
 - Incorporation of recommended improvements into a capital improvement or service plan for the local jurisdiction and/or transit agency (if applicable).
- **As all TOC Policy station areas are also [MTC Mobility Hub locations](#), identify opportunities for Mobility Hub planning and implementation as described in the [Mobility Hub Implementation Playbook](#).** For transit lines where stops or stations are more closely spaced (e.g., less than one half-mile apart) such as light rail or bus rapid transit facilities, planning and implementation for Mobility Hubs may be done on a corridor-wide basis rather than for each individual stop or station. Additionally, recognizing that not all light rail or bus rapid transit stops/stations will receive enhancement treatments, locations that are transfer points for at least two different transit systems or major activity centers should be the focus.

Submitting Required Documentation

Complete Streets:

A jurisdiction with an adopted Complete Streets (CS) Policy is considered compliant for the complete streets policy requirement. MTC has documented jurisdiction CS Policies through its One Bay Area Grant (OBAG) Program, most recently compiled in 2017. If a jurisdiction has updated its CS Policy since 2017, it should submit or include a link to the updated CS Policy.

A jurisdiction submitting CS projects for regional funding must be compliant with MTC's updated Complete Streets Policy, Resolution 4493.

Project Prioritization/Implementation:

To demonstrate that it has prioritized implementation within the station area of active transportation projects and projects from MTC's [Community-Based Transportation Planning Program](#), a jurisdiction must submit at least one of the following:

- Capital Improvement Program with relevant projects identified

- Projects funded or submitted for funding (e.g. OBAG, ATP, etc.) within past five years
- Other funding or implementation plans that include relevant projects

Access Gap Analysis:

To demonstrate that it has completed analysis or planning with a focus on improving 10- to 15-minute access to/from the TOC station area (and connecting to Equity Priority Communities, if applicable), emphasizing capital or service improvements, a jurisdiction must submit at least one of the following:

- Adopted PDA, Specific, Precise or Area plan(s) that include a station access or circulation element (submit access/circulation element only, or include link to adopted plan with specific page numbers that reference access/circulation element)
- Transit agency station access plans

However, if these plans have not been completed for the TOC station area, a jurisdiction may submit:

- Adopted active transportation, bicycle or pedestrian plan(s) that include recommended access improvements to/from the station area
- Applicable sections of General Plan Circulation Element that highlight specific elements that guide or inform station access improvements.

Jurisdiction-wide or county-wide documents such as active transportation, bicycle, pedestrian plans or General Plan Circulation Elements may only be submitted as evidence of compliance if they include details for specific improvements within the TOC area and should be noted upon submittal. MTC staff will work with local jurisdictions to streamline the process for verifying compliance in locations with overlapping stop/station areas.

Mobility Hubs:

To comply with the Mobility Hub planning and implementation requirement, jurisdictions must submit any current plans or projects that enhance the TOC station area as a community anchor enabling travelers of all backgrounds and abilities to access transit and other forms of shared transportation. Enhancements may include (but are not limited to) safety improvements, bike parking, electric charging infrastructure (bikes, scooters, carshare), public realm improvements (e.g., lighting, green infrastructure), information improvements (e.g. wayfinding, real-time information) or any other active transportation access improvements within the station area.

If the documents submitted to comply with the access requirements listed above contain plans for or implement these enhancements, they must be specifically noted to comply with this Mobility Hubs requirement; **or**

List any current or prior funding application for MTC's Mobility Hub Program for the transit stop/station area. Include the date of application submission.

MTC staff will work with local jurisdictions to streamline the process for verifying compliance in locations with overlapping stop/station areas.

Available Resources for Station Access and Circulation

Complete Streets and Active Transportation

- [MTC's Complete Streets webpage](#)
- [MTC's Regional Active Transportation Plan webpage](#)
- [MTC's Community-Based Transportation Plans webpage](#)
- [Map of TOC Policy Areas and Active Transportation Network](#)

Access Gap Analyses

- [San Mateo Transit-Oriented Development Pedestrian Access Plan](#)
- [Irvington Station Area Plan, Access & Mobility Chapter](#)
- [Berkeley El Cerrito Corridor Access Plan](#)

Mobility Hubs

- [MTC's Mobility Hubs webpage.](#)
- [MTC's Mobility Hubs Technical Assistance webpage.](#)
- [Map of TOC Policy Areas and potential Mobility Hub locations](#)

Appendix A: Stop/Station List by Jurisdiction

Note: As of March 31, 2023, MTC staff is reviewing the list of stop/station areas subject to the TOC Policy to ensure it is accurate. If the list below is updated, a revised version of this guidance document will be shared with jurisdictions and stakeholders and posted to the MTC website.

Alameda		Corte Madera	
Alameda Main Street (Ferry)	Tier 4	Larkspur Station (SMART)	Tier 4
Alameda Point-Seaplane Lagoon (Ferry)	Tier 4	Larkspur Ferry Terminal	Tier 4
Harbor Bay Ferry Terminal	Tier 4	Cotati	
International Blvd & 16th Ave (AC Transit)	Tier 3	Cotati Station (SMART)	Tier 4
Albany		Daly City	
El Cerrito Plaza BART	Tier 2	Bayshore Blvd & Areta Ave (SFMTA)	Tier 3
Antioch		Bayshore Blvd & Sunnysdale Ave (SFMTA)	Tier 3
Antioch BART	Tier 3	Bayshore Caltrain	Tier 3
Atherton		Colma BART	Tier 2
Menlo Park Caltrain	Tier 3	Daly City BART	Tier 2
Belmont		Dublin	
Belmont Caltrain	Tier 3	Dublin Pleasanton BART	Tier 3
Berkeley		West Dublin/Pleasanton BART	Tier 3
Ashby BART	Tier 2	El Cerrito	
Berkeley Capitol Corridor	Tier 4	El Cerrito del Norte BART	Tier 2
Berkeley Ferry (Planned)	Tier 4	El Cerrito Plaza BART	Tier 2
Downtown Berkeley BART	Tier 2	Emeryville	
North Berkeley BART	Tier 2	Emeryville Capitol Corridor	Tier 4
Rockridge BART	Tier 2	Fairfield	
Brisbane		Fairfield-Vacaville Capitol Corridor	Tier 4
Bayshore Blvd & Areta Ave (SFMTA)	Tier 3	Suisun-Fairfield Capitol Corridor	Tier 4
Bayshore Blvd & Sunnysdale Ave (SFMTA)	Tier 3	Fremont	
Bayshore Caltrain	Tier 3	Ardenwood Capitol Corridor	Tier 4
Burlingame		Fremont Capitol Corridor/ACE	Tier 2
Broadway Caltrain	Tier 3	Fremont BART	Tier 2
Burlingame Caltrain	Tier 3	Irvington BART	Tier 2
Millbrae BART/Caltrain	Tier 2	Warm Springs/South Fremont BART	Tier 2
Campbell		Gilroy	
Bascom Station (VTA)	Tier 3	Gilroy Caltrain	Tier 4
Campbell Station (VTA)	Tier 3	Hayward	
Hamilton Station (VTA)	Tier 3	Hayward BART	Tier 2
Winchester Station (VTA)	Tier 3	Hayward Capitol Corridor	Tier 4
Colma		South Hayward BART	Tier 2
Colma BART	Tier 2	Hillsborough	
South San Francisco BART	Tier 2	Broadway Caltrain	Tier 3
Concord		Burlingame Caltrain	Tier 3
Concord BART	Tier 3	San Mateo Caltrain	Tier 3
North Concord/Martinez BART	Tier 3		

Lafayette	
Lafayette BART	Tier 3
Larkspur	
Larkspur Ferry Terminal	Tier 4
Larkspur Station (SMART)	Tier 4
Livermore	
Isabel (Valley Link)	Tier 4
Livermore Station (ACE)	Tier 4
Southfront (Valley Link)	Tier 4
Vasco Road Station (ACE)	Tier 4
Martinez	
Martinez Capitol Corridor	Tier 4
Menlo Park	
Menlo Park Caltrain	Tier 3
Palo Alto Caltrain	Tier 3
Millbrae	
Millbrae BART/Caltrain	Tier 2
Milpitas	
Cisco Station (VTA)	Tier 3
Cropley Station (VTA)	Tier 3
Great Mall Station (VTA)	Tier 3
Milpitas BART	Tier 2
Milpitas Station (VTA)	Tier 3
Morgan Hill	
Morgan Hill Caltrain	Tier 4
Mountain View	
Bayshore NASA Station (VTA)	Tier 3
Middlefield Station (VTA)	Tier 3
Mountain View Caltrain	Tier 3
Mountain View Station (VTA)	Tier 3
San Antonio Caltrain	Tier 3
Whisman Station (VTA)	Tier 3
Newark	
Ardenwood Capitol Corridor	Tier 4
Novato	
Novato Downtown (SMART)	Tier 4
Novato Hamilton Station (SMART)	Tier 4
Novato San Marin Station (SMART)	Tier 4
Oakland	
12 St & Harrison (AC Transit)	Tier 3
12th St & Oak St (AC Transit)	Tier 3
12th St. Oakland City Center BART	Tier 1
19th St. Oakland BART	Tier 1
Ashby BART	Tier 2
Coliseum BART/Capitol Corridor	Tier 2
E 14th St & Dutton Ave (AC Transit)	Tier 3

Emeryville Capitol Corridor	Tier 4
Fruitvale BART	Tier 2
International Blvd & 104th Ave (AC Transit)	Tier 3
International Blvd & 16th Ave (AC Transit)	Tier 3
International Blvd & 1st St (AC Transit)	Tier 3
International Blvd & 23rd Ave (AC Transit)	Tier 3
International Blvd & 35th Ave (AC Transit)	Tier 3
International Blvd & 38th Ave (AC Transit)	Tier 3
International Blvd & 39th Ave (AC Transit)	Tier 3
International Blvd & 45th Ave (AC Transit)	Tier 3
International Blvd & 53rd (AC Transit)	Tier 3
International Blvd & 5th Ave (AC Transit)	Tier 3
International Blvd & 73rd Ave (AC Transit)	Tier 3
International Blvd & 81st Ave (AC Transit)	Tier 3
International Blvd & 85th (AC Transit)	Tier 3
International Blvd & 90th Ave (AC Transit)	Tier 3
International Blvd & 98th Ave (AC Transit)	Tier 3
International Blvd & Auseon Ave (AC Transit)	Tier 3
International Blvd & Derby Ave (AC Transit)	Tier 3
International Blvd & Fruitvale Ave (AC Transit)	Tier 3
International Blvd & Havenscourt Blvd (AC Transit)	Tier 3
International Blvd & High St (AC Transit)	Tier 3
International Blvd & Seminary Ave (AC Transit)	Tier 3
Lake Merritt BART	Tier 2
MacArthur BART	Tier 2
Oakland Jack London Capitol Corridor	Tier 4
Oakland Ferry Terminal	Tier 4
Rockridge BART	Tier 3
West Oakland BART	Tier 2
Orinda	
Orinda BART	Tier 3
Palo Alto	
California Ave Caltrain	Tier 3
Palo Alto Caltrain	Tier 3
San Antonio Caltrain	Tier 3
Petaluma	
N Petaluma/Corona Rd (SMART)	Tier 4
Petaluma Downtown (SMART)	Tier 4
Pittsburg	
Pittsburg Center BART	Tier 3
Pittsburg/Bay Point BART	Tier 3
Pleasant Hill	
Pleasant Hill/Contra Costa Centre BART	Tier 3
Pleasanton	
Dublin Pleasanton BART	Tier 3
Pleasanton Station (ACE)	Tier 4

West Dublin/Pleasanton BART	Tier 3
Redwood City	
Redwood City Ferry (Planned)	Tier 4
Redwood City Caltrain	Tier 3
Richmond	
El Cerrito del Norte BART	Tier 2
El Cerrito Plaza BART	Tier 2
Richmond BART/Capitol Corridor	Tier 2
San Francisco Bay Ferry	Tier 4
Rohnert Park	
Cotati Station (SMART)	Tier 4
Rohnert Park (SMART)	Tier 4
San Bruno	
San Bruno BART	Tier 2
San Bruno Caltrain	Tier 3
San Carlos	
Belmont Caltrain	Tier 3
San Carlos Caltrain	Tier 3
San Francisco	
15th Ave & Taraval St (SFMTA)	Tier 3
16th St. Mission BART	Tier 2
17th St & Castro St (SFMTA)	Tier 3
17th St & Noe St (SFMTA)	Tier 3
19th Ave & Holloway Ave (SFMTA)	Tier 3
19th Ave & Winston Dr (SFMTA)	Tier 3
22nd Street Caltrain	Tier 3
24th St. Mission BART	Tier 2
46th Ave & Taraval St (SFMTA)	Tier 3
46th Ave & Ulloa St (SFMTA)	Tier 3
46th Ave & Vicente St (SFMTA)	Tier 3
47th Ave & Cutler Ave (SFMTA)	Tier 3
4th and Brannan (SFMTA)	Tier 3
Balboa Park BART/SFMTA	Tier 2
Bayshore Blvd & Areta Ave (SFMTA)	Tier 3
Bayshore Blvd & Sunnysdale Ave (SFMTA)	Tier 3
Bayshore Caltrain	Tier 3
California St & Battery St (SFMTA)	Tier 3
California St & Front St (SFMTA)	Tier 3
California St & Grant Ave (SFMTA)	Tier 3
California St & Hyde St (SFMTA)	Tier 3
California St & Jones St (SFMTA)	Tier 3
California St & Kearny St (SFMTA)	Tier 3
California St & Larkin St (SFMTA)	Tier 3
California St & Leavenworth St (SFMTA)	Tier 3
California St & Mason St (SFMTA)	Tier 3
California St & Montgomery St (SFMTA)	Tier 3

California St & Polk St (SFMTA)	Tier 3
California St & Powell St (SFMTA)	Tier 3
California St & Sansome St (SFMTA)	Tier 3
California St & Stockton St (SFMTA)	Tier 3
California St & Taylor St (SFMTA)	Tier 3
California St & Van Ness Ave (SFMTA)	Tier 3
Cameron Beach Yard (SFMTA)	Tier 3
Carl St & Cole St (SFMTA)	Tier 3
Chinatown Rose Pak (SFMTA)	Tier 3
Church St & 16th St (SFMTA)	Tier 3
Church St & 18th St (SFMTA)	Tier 3
Church St & 22nd St (SFMTA)	Tier 3
Church St & 24th St (SFMTA)	Tier 3
Church St & 27th St (SFMTA)	Tier 3
Church St & 29th St (SFMTA)	Tier 3
Church St & 30th St (SFMTA)	Tier 3
Church St & Clipper St (SFMTA)	Tier 3
Church St & Day St (SFMTA)	Tier 3
Civic Center/UN Plaza BART/SFMTA	Tier 1
Columbus Ave & Chestnut St (SFMTA)	Tier 3
Daly City BART	Tier 2
Duboce Ave & Church St (SFMTA)	Tier 3
Duboce St/Noe St/Duboce Park (SFMTA)	Tier 3
Embarcadero BART/SFMTA	Tier 1
Forest Hill Station (SFMTA)	Tier 3
Glen Park BART/SFMTA	Tier 2
Hyde St & Bay St (SFMTA)	Tier 3
Hyde St & Beach St (SFMTA)	Tier 3
Hyde St & Broadway (SFMTA)	Tier 3
Hyde St & Chestnut St (SFMTA)	Tier 3
Hyde St & Filbert St (SFMTA)	Tier 3
Hyde St & Green St (SFMTA)	Tier 3
Hyde St & Greenwich St (SFMTA)	Tier 3
Hyde St & Jackson St (SFMTA)	Tier 3
Hyde St & Lombard St (SFMTA)	Tier 3
Hyde St & North Point St (SFMTA)	Tier 3
Hyde St & Pacific Ave (SFMTA)	Tier 3
Hyde St & Union St (SFMTA)	Tier 3
Hyde St & Vallejo St (SFMTA)	Tier 3
Jackson St & Jones St (SFMTA)	Tier 3
Jackson St & Leavenworth St (SFMTA)	Tier 3
Jackson St & Mason St (SFMTA)	Tier 3
Jackson St & Taylor St (SFMTA)	Tier 3
Judah St & 19th Ave (SFMTA)	Tier 3
Judah St & 23rd Ave (SFMTA)	Tier 3

Judah St & 25th Ave (SFMTA)	Tier 3
Judah St & 28th Ave (SFMTA)	Tier 3
Judah St & 31st Ave (SFMTA)	Tier 3
Judah St & 34th Ave (SFMTA)	Tier 3
Judah St & 40th Ave (SFMTA)	Tier 3
Judah St & 43rd Ave (SFMTA)	Tier 3
Judah St & 46th Ave (SFMTA)	Tier 3
Judah St & Sunset Blvd (SFMTA)	Tier 3
Judah/La Playa/Ocean Beach (SFMTA)	Tier 3
Junipero Serra Blvd & Ocean Ave (SFMTA)	Tier 3
King St & 2nd St (SFMTA)	Tier 3
Market St & 16th St (SFMTA)	Tier 3
Market St & 17th St (SFMTA)	Tier 3
Market St & 1st St (SFMTA)	Tier 3
Market St & 3rd St (SFMTA)	Tier 3
Market St & 4th St (SFMTA)	Tier 3
Market St & 6th St (SFMTA)	Tier 3
Market St & 7th St (SFMTA)	Tier 3
Market St & 8th St (SFMTA)	Tier 3
Market St & 9th St (SFMTA)	Tier 3
Market St & Buchanan St (SFMTA)	Tier 3
Market St & Church St (SFMTA)	Tier 3
Market St & Gough St (SFMTA)	Tier 3
Market St & Laguna St (SFMTA)	Tier 3
Market St & Noe St (SFMTA)	Tier 3
Market St & Sanchez St (SFMTA)	Tier 3
Market St & South Van Ness Ave (SFMTA)	Tier 3
Mason St & Broadway (SFMTA)	Tier 3
Mason St & Filbert St (SFMTA)	Tier 3
Mason St & Green St (SFMTA)	Tier 3
Mason St & Greenwich St (SFMTA)	Tier 3
Mason St & Pacific Ave (SFMTA)	Tier 3
Mason St & Union St (SFMTA)	Tier 3
Mason St & Vallejo St (SFMTA)	Tier 3
Mason St & Washington St (SFMTA)	Tier 3
Metro Forest Hill Station/Downtown (SFMTA)	Tier 3
Mission Bay Ferry Terminal	Tier 4
Montgomery St. BART/SFMTA	Tier 1
Pier 41 Ferry Terminal	Tier 4
Powell St & Bush St (SFMTA)	Tier 3
Powell St & Clay St (SFMTA)	Tier 3
Powell St & Geary St (SFMTA)	Tier 3
Powell St & Jackson St (SFMTA)	Tier 3
Powell St & O'Farrell St (SFMTA)	Tier 3
Powell St & Pine St (SFMTA)	Tier 3

Powell St & Post St (SFMTA)	Tier 3
Powell St & Sacramento St (SFMTA)	Tier 3
Powell St & Sutter St (SFMTA)	Tier 3
Powell St. BART/SFMTA	Tier 1
Right Of Way/20th St (SFMTA)	Tier 3
Right Of Way/21st St (SFMTA)	Tier 3
Right Of Way/Eucalyptus Dr (SFMTA)	Tier 3
Right Of Way/Liberty St (SFMTA)	Tier 3
Right Of Way/Ocean Ave (SFMTA)	Tier 3
San Francisco Caltrain	Tier 3
San Francisco Ferry Terminal	Tier 4
San Francisco Salesforce Transit Center Caltrain	Tier 1
San Jose Ave & Geneva Ave (SFMTA)	Tier 3
San Jose Ave & Ocean Ave (SFMTA)	Tier 3
San Jose Ave & Randall St (SFMTA)	Tier 3
San Jose Ave & Santa Rosa Ave (SFMTA)	Tier 3
San Jose Ave & Santa Ynez Ave (SFMTA)	Tier 3
Taraval St & 17th Ave (SFMTA)	Tier 3
Taraval St & 19th Ave (SFMTA)	Tier 3
Taraval St & 22nd Ave (SFMTA)	Tier 3
Taraval St & 23rd Ave (SFMTA)	Tier 3
Taraval St & 26th Ave (SFMTA)	Tier 3
Taraval St & 30th Ave (SFMTA)	Tier 3
Taraval St & 32nd Ave (SFMTA)	Tier 3
Taraval St & 40th Ave (SFMTA)	Tier 3
Taraval St & 42nd Ave (SFMTA)	Tier 3
Taraval St & 44th Ave (SFMTA)	Tier 3
Taraval St & Sunset Blvd (SFMTA)	Tier 3
Taylor St & Bay St (SFMTA)	Tier 3
Taylor St & Columbus Ave (SFMTA)	Tier 3
Taylor St & Francisco St (SFMTA)	Tier 3
The Embarcadero & Brannan St (SFMTA)	Tier 3
The Embarcadero & Folsom St (SFMTA)	Tier 3
The Embarcadero & Greenwich St (SFMTA)	Tier 3
The Embarcadero & Harrison St NW-NS/PS (SFMTA)	Tier 3
Third Street & 20th St (SFMTA)	Tier 3
Third Street & 23rd St (SFMTA)	Tier 3
Third Street & Carroll Ave (SFMTA)	Tier 3
Third Street & Le Conte Ave (SFMTA)	Tier 3
Third Street & Mission Rock St (SFMTA)	Tier 3
Third Street & Williams Ave (SFMTA)	Tier 3
Third Street/Gilman/Paul (SFMTA)	Tier 3
Third Street/Hudson/Innes (SFMTA)	Tier 3
Third Street/Kirkwood/La Salle (SFMTA)	Tier 3
Third Street/Oakdale/Palou (SFMTA)	Tier 3

Third Street/Revere/Shafter (SFMTA)	Tier 3	Component Station (VTA)	Tier 3
Treasure Island Ferry Terminal	Tier 4	Convention Center Station (VTA)	Tier 3
UCSF / Chase Center (16th Street) (SFMTA)	Tier 3	Cottle Station (VTA)	Tier 3
UCSF Medical Center (Mariposa) (SFMTA)	Tier 3	Cropley Station (VTA)	Tier 3
Ulloa St & Forest Side Ave (SFMTA)	Tier 3	Curtner Station (VTA)	Tier 3
Ulloa St & Lenox Way (SFMTA)	Tier 3	Downtown San Jose (BART/VTA)	Tier 1
Union Square (SFMTA)	Tier 3	Eastridge Transit Center (VTA)	Tier 3
Van Ness Ave & Broadway (SFMTA)	Tier 3	Fruitdale Station (VTA)	Tier 3
Van Ness Ave & Clay St (SFMTA)	Tier 3	Great America Station (ACE/Capitol Corridor/VTA)	Tier 4
Van Ness Ave & Eddy St (SFMTA)	Tier 3	Gish Station (VTA)	Tier 3
Van Ness Ave & Grove St (SFMTA)	Tier 3	Hamilton Station (VTA)	Tier 3
Van Ness Ave & Jackson St (SFMTA)	Tier 3	Hostetter Station (VTA)	Tier 3
Van Ness Ave & Lombard St (SFMTA)	Tier 3	Japantown/Ayer Station (VTA)	Tier 3
Van Ness Ave & Mission St (SFMTA)	Tier 3	Karina Court Station (VTA)	Tier 3
Van Ness Ave & O'Farrell St (SFMTA)	Tier 3	Lick Mill Station (VTA)	Tier 3
Van Ness Ave & Sacramento St (SFMTA)	Tier 3	Mckee Station (VTA)	Tier 3
Van Ness Ave & Sutter St (SFMTA)	Tier 3	Metro/Airport Station (VTA)	Tier 3
Van Ness Ave & Union St (SFMTA)	Tier 3	Milpitas BART	Tier 2
Vicente St & 47th Ave (SFMTA)	Tier 3	Milpitas Station (VTA)	Tier 3
Washington St & Jones St (SFMTA)	Tier 3	Ohlone-Chynoweth Station (VTA)	Tier 3
Washington St & Leavenworth St (SFMTA)	Tier 3	Orchard Station (VTA)	Tier 3
Washington St & Powell St (SFMTA)	Tier 3	Penitencia Creek Station (VTA)	Tier 3
Washington St & Taylor St (SFMTA)	Tier 3	Race Station (VTA)	Tier 3
Wawona/46th Ave /SF Zoo (SFMTA)	Tier 3	River Oaks Station (VTA)	Tier 3
West Portal Ave & Sloat Blvd (SFMTA)	Tier 3	Saint James Station (VTA)	Tier 3
West Portal/Sloat/St Francis Circle (SFMTA)	Tier 3	San Antonio Station (VTA)	Tier 3
Yerba Buena Moscone (SFMTA)	Tier 3	San Fernando Station (VTA)	Tier 3
San Jose		San Jose Diridon Caltrain	Tier 1
Alum Rock 28th St BART (Planned)	Tier 2	Santa Clara BART (Planned)	Tier 2
Alum Rock Station (VTA)	Tier 3	Santa Clara Caltrain	Tier 3
Bascom Station (VTA)	Tier 3	Santa Clara Station (VTA)	Tier 3
Baypointe Station (VTA)	Tier 3	Santa Teresa Station (VTA)	Tier 3
Berryessa BART	Tier 2	Snell Station (VTA)	Tier 3
Berryessa Station (VTA)	Tier 3	Story Road (VTA)	Tier 3
Blossom Hill Caltrain	Tier 4	Tamien Caltrain	Tier 3
Blossom Hill Station (VTA)	Tier 3	Tasman Station (VTA)	Tier 3
Bonaventura Station (VTA)	Tier 3	Virginia Station (VTA)	Tier 3
Branham Station (VTA)	Tier 3	San Leandro	
Capitol Caltrain	Tier 4	Bay Fair BART	Tier 2
Capitol Station (VTA)	Tier 3	E 14th St & 141st Ave (AC Transit)	Tier 3
Champion Station (VTA)	Tier 3	E 14th St & 150th Ave (AC Transit)	Tier 3
Children's Discovery Museum Station (VTA)	Tier 3	E 14th St & 159th Ave (AC Transit)	Tier 3
Cisco Station (VTA)	Tier 3	E 14th St & Bayfair Dr (AC Transit)	Tier 3
Civic Center Station (VTA)	Tier 3	E 14th St & Castro St (AC Transit)	Tier 3
College Park Caltrain	Tier 3	E 14th St & Dutton Ave (AC Transit)	Tier 3

E 14th St & Estudillo Ave (AC Transit)	Tier 3
E 14th St & San Leandro Blvd (AC Transit)	Tier 3
International Blvd & 104th Ave (AC Transit)	Tier 3
San Leandro BART	Tier 2
San Mateo	
Burlingame Caltrain	Tier 3
Hayward Park Caltrain	Tier 3
Hillsdale Caltrain	Tier 3
San Mateo Caltrain	Tier 3
San Rafael	
Larkspur Ferry Terminal	Tier 4
Larkspur Station (SMART)	Tier 4
Marin Civic Center Station (SMART)	Tier 4
San Rafael Station (SMART)	Tier 4
Santa Clara	
Bonaventura Station (VTA)	Tier 3
Champion Station (VTA)	Tier 3
Great America Station (ACE/Capitol Corridor/VTA)	Tier 4
Great America Station (VTA)	Tier 3
Lawrence Caltrain	Tier 3
Lick Mill Station (VTA)	Tier 3
Old Ironsides Station (VTA)	Tier 3
Orchard Station (VTA)	Tier 3
Reamwood Station (VTA)	Tier 3
River Oaks Station (VTA)	Tier 3
Santa Clara BART (Planned)	Tier 2
Santa Clara Caltrain	Tier 3
Tasman Station (VTA)	Tier 3
Santa Rosa	
Santa Rosa Downtown Station (SMART)	Tier 4
Santa Rosa North Station (SMART)	Tier 4
Sausalito	
Sausalito Ferry Landing	Tier 4
South San Francisco	
San Bruno BART	Tier 2
San Bruno Caltrain	Tier 3
South San Francisco BART	Tier 2
South San Francisco Ferry	Tier 4
South San Francisco Caltrain	Tier 3
Suisun City	
Suisun-Fairfield Capitol Corridor	Tier 4
Sunnyvale	
Bayshore NASA Station (VTA)	Tier 3
Borregas Station (VTA)	Tier 3
Crossman Station (VTA)	Tier 3
Fair Oaks Station (VTA)	Tier 3

Lawrence Caltrain	Tier 3
Lockheed Martin Station (VTA)	Tier 3
Middlefield Station (VTA)	Tier 3
Moffett Park Station (VTA)	Tier 3
Old Ironsides Station (VTA)	Tier 3
Reamwood Station (VTA)	Tier 3
Sunnyvale Caltrain	Tier 3
Vienna Station (VTA)	Tier 3
Whisman Station (VTA)	Tier 3
Tiburon	
Tiburon Ferry Landing	Tier 4
Unincorporated Alameda County	
Bay Fair BART	Tier 2
Castro Valley BART	Tier 3
E 14th St & 141st Ave (AC Transit)	Tier 3
E 14th St & 150th Ave (AC Transit)	Tier 3
E 14th St & 159th Ave (AC Transit)	Tier 3
E 14th St & Bayfair Dr (AC Transit)	Tier 3
Hayward BART	Tier 2
Hayward Capitol Corridor (Potentially Eliminated)	Tier 4
Isabel (Valley Link)	Tier 4
Unincorporated Contra Costa County	
El Cerrito Plaza BART	Tier 2
Martinez Capitol Corridor	Tier 4
Orinda BART	Tier 3
Pittsburg/Bay Point BART	Tier 3
Pleasant Hill/Contra Costa Centre BART	Tier 3
Walnut Creek BART	Tier 3
Unincorporated Marin County	
Larkspur Station (SMART)	Tier 4
Marin Civic Center Station (SMART)	Tier 4
Novato Hamilton Station (SMART)	Tier 4
Novato San Marin Station (SMART)	Tier 4
Unincorporated San Mateo County	
Belmont Caltrain	Tier 3
Colma BART	Tier 2
Millbrae BART/Caltrain	Tier 2
San Bruno Caltrain	Tier 3
Unincorporated Santa Clara County	
Alum Rock Station (VTA)	Tier 3
Bayshore NASA Station (VTA)	Tier 3
Berryessa Station (VTA)	Tier 3
California Ave Caltrain	Tier 3
Capitol Caltrain	Tier 4
Curtner Station (VTA)	Tier 3
Hostetter Station (VTA)	Tier 3

Moffett Park Station (VTA)	Tier 3
Mountain View Caltrain	Tier 3
Mountain View Station (VTA)	Tier 3
Palo Alto Caltrain	Tier 3
San Martin Caltrain	Tier 4
Unincorporated Solano County	
Suisun-Fairfield Capitol Corridor	Tier 4
Unincorporated Sonoma County	
N Petaluma/Corona Rd (SMART)	Tier 4
Santa Rosa North Station (SMART)	Tier 4
Sonoma County Airport Station (SMART)	Tier 4
Union City	
Union City BART	Tier 2
Vallejo	
Mare Island Ferry Terminal	Tier 4
Vallejo Ferry Terminal	Tier 4
Walnut Creek	
Pleasant Hill/Contra Costa Centre BART	Tier 3
Walnut Creek BART	Tier 3
Windsor	
Sonoma County Airport Station (SMART)	Tier 4
Windsor (SMART)	Tier 4

Appendix B: TOC Policy Housing and Commercial Stabilization Policy Requirements

I. Affordable Housing Production Policy Options

Production Policy 1: Inclusionary Zoning

Requires that 15% of units in new residential development projects above a certain number of units be deed-restricted affordable to low-income households. A lower percentage may be adopted if it can be demonstrated by a satisfactory financial feasibility analysis that a 15% requirement is not feasible.

Purpose

Inclusionary zoning ordinances require new residential construction projects to contribute to a jurisdiction's affordable housing stock. Inclusionary zoning ordinances can enable jurisdictions to leverage private dollars for affordable housing, bringing affordable units online faster and in greater numbers than relying exclusively on public funding streams. Inclusionary zoning ordinances also help ensure new affordable housing units are developed in the same neighborhoods as new market rate development, furthering the goal of economic integration.

Typically, a city or county will adopt an inclusionary zoning ordinance to both add more affordable homes to its inventory and ensure lower-income households can live in high-opportunity neighborhoods where they would otherwise be priced out. Inclusionary zoning can be a method to address historic patterns of exclusion and segregation by ensuring housing is available for lower-wage workers, guarding against concentrations of poverty and affluence, and making it possible for lower-income households to live in higher-resource neighborhoods.

Relevant State Law

AB 1505 (2017)

[AB 1505 \(2017\)](#) outlines state requirements for a jurisdiction's inclusionary zoning ordinance. The law requires jurisdictions to allow alternative means to comply with requirements, such as in-lieu fees, building affordable units off-site, or dedicating land for the construction of affordable housing. Under certain circumstances, the law also allows HCD to review a local ordinance that requires more than 15% affordable units.¹

Requirements for TOC Policy Compliance

An effective inclusionary zoning ordinance will establish affordability requirements and standards for affordable units, as well as provide incentives and compliance alternatives

¹ For more information about Assembly Bill (AB) 1505 (2017) and the state legal framework governing inclusionary zoning policies, see [this memorandum prepared by the Public Interest Law Project](#).

for developers. To comply with the TOC Policy, a jurisdiction's inclusionary zoning ordinance must meet the following minimum requirements:

- The ordinance must apply to all newly constructed residential or mixed-use residential projects. The ordinance must apply to ownership and rental units.
 - The ordinance may exempt properties with fewer than 11 units, student housing, or other special housing types.
- The ordinance must require at least 15% of units be deed-restricted affordable units.
 - The ordinance may require less than 15% affordable units if:
 - The jurisdiction provides an analysis showing that the alternative requirement is economically equivalent to the standard (for example, a policy that required fewer units at a deeper affordability level, e.g., extremely low-income, could be economically equivalent to providing 15% of units at low-income levels), OR
 - A recent financial feasibility analysis (completed within 24 months of ordinance adoption) found that a 15% requirement is not feasible.
 - The ordinance may require more than 15% affordable units.²
- The units must have recorded documents that set binding maximum rent restrictions to ensure affordability for households at 80% of Area Median Income (AMI) or less for rental housing or 100% of AMI or less for ownership housing. These restrictions must also ensure affordability for at least 55 years for rental housing or at least 45 years for ownership housing.
- Per state law, the ordinance must allow for alternative means of compliance (e.g., paying in-lieu fees to support affordable housing development, building affordable units off-site, or dedicating land for the construction of affordable housing). For compliance with the TOC Policy, a jurisdiction must provide a justification for why those alternatives will result in at least as many restricted affordable housing units as building units onsite.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- If the inclusionary zoning ordinance requires less than 15% affordable units, an analysis showing economic equivalency of the alternative standard or a financial feasibility analysis showing a 15% requirement is not feasible.
- An analysis demonstrating that the alternative means of compliance offered to developers will result in at least as many restricted affordable housing units as building units onsite.

² State Law (AB 1550) allows HCD to request a feasibility study for requirements greater than 15%, but does not require that such a feasibility study be completed prior to adoption of the ordinance.

- A management plan for monitoring and implementation that outlines procedures for annual monitoring to ensure that residents are income-eligible, and rents are consistent with program guidelines.

Production Policy 2: Affordable Housing Funding

Dedicated local funding for production of deed-restricted affordable housing.

Purpose

Dedicated, ongoing funding provided by local jurisdictions for the creation of deed-restricted affordable housing is a central piece of a comprehensive and inclusive affordable housing strategy. In addition to helping to make projects financially feasible, the level of local financial support is a critical factor in securing outside subsidy. Without local funding, it can be very hard for projects to compete for the necessary state and federal funding. Some of the potential local sources for funding affordable housing production include housing impact and commercial linkage fees, in-lieu fees, taxes (such as an employee head tax or real estate transfer tax), bond measures, and general fund allocations. These funds are often collected into a housing trust fund or other dedicated account to be dispersed as subsidies and/or low-cost loans to developers.

Relevant State Law

Mitigation Fee Act

Local funding earmarked for deed-restricted affordable housing is often generated from impact fees to new development. The Mitigation Fee Act ([California Government Code Section 66000](#)) requires that types of projects funded by an impact fee must be identified in a nexus study, which is prepared and adopted to establish the legal and policy basis for adopting a new or increased development impact fee. [AB 602 \(2021\)](#) sets forth procedural requirements that build upon the Mitigation Fee Act.

Requirements for TOC Policy Compliance

Effective affordable housing funding programs will pool and disperse funds, which are made available to developers through a single application process. To comply with the TOC Policy, a jurisdiction's affordable housing funding program must meet the following minimum requirements:

- The program must publish a standard set of loan terms such as affordability requirements and deed-restrictions. These requirements must restrict rents to be affordable to households earning 80% of Area Median Income (AMI) or less for rental housing or 100% of AMI or less for ownership housing. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.
- The jurisdiction must have a funding program (with secured funding) that provides ongoing allocations to the program averaging \$2 million annually over the four-year OBAG cycle. The amount contributed can vary by year as long as

the average is \$2 million (i.e., at least \$8 million in total funding over the four-year cycle).

- Disbursements from the program to developers must provide at least \$50,000 per unit in funding to affordable housing projects.
- Funding must be locally generated. Federal, state, regional, or county funding that is passed through a jurisdiction is not counted as local funding.
- If a jurisdiction is also using an inclusionary zoning ordinance (Production Policy 1) for the TOC Policy's production requirement, funding generated by collecting in-lieu fees from the inclusionary zoning ordinance cannot be counted toward the funding minimums required for this affordable housing funding policy (Production Policy 2). If the jurisdiction has an inclusionary zoning ordinance but does not use it to satisfy the TOC Policy's production requirement, the funding generated by collecting in-lieu fees can be counted towards satisfying Production Policy 2.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A copy of the program's loan terms, if they are not included in the ordinance or other documents establishing the program.
- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.

Production Policy 3: Affordable Housing Overlay Zones

Area-specific incentives, such as density bonuses and streamlined environmental review, for development projects that include at least 15% of units as deed-restricted affordable housing; exceeds any jurisdiction-wide inclusionary requirements or benefits from state density bonus.

Purpose

Changes to local land use law and other regulatory reforms can both enable and incentivize the construction of affordable housing. As zoning decisions have financial value to developers but do not require direct expenditure by a jurisdiction, these incentives can increase the cost-effectiveness of building affordable homes. An Affordable Housing Overlay Zone (AHOZ) is a general term reflecting a variety of potential approaches that provide a package of incentives to developers who include units in their projects that are affordable to lower-income households. They are called "overlay" zones because they layer on top of established base zoning regulations, offering additional benefits to projects that increase the supply of affordable homes. AHOZ incentives may include increased density, relaxed height limits, reduced parking requirements, fast-tracked permitting, and exemptions from mixed-use requirements.

AHOZs are a mechanism through which cities can prioritize and direct affordable housing development to site-specific zones. In addition, they can expedite the approval and permit processes for affordable housing projects that might otherwise require an amendment to a general plan. Unlike inclusionary zoning ordinances that *require* either the building of affordable housing or the payment of an in-lieu fee, AHOZs are *optional* and incentive-based, offering developers key concessions in exchange for producing affordable housing.

Relevant State Laws

State Density Bonus Law

State law ([California Government Code Chapter 4.3 Density Bonuses and Other Incentives](#)) dictates that a developer who meets certain requirements is entitled to a density bonus, including up to a 50% increase in density depending on the amount of affordable housing provided, and an 80% increase for completely affordable projects. This law includes incentives such as reduced parking requirements and concessions for reduced setbacks and minimum square footage requirements.³

SB 35 (2017)

[SB 35 \(2017\)](#) dictates that a developer can request a streamlined, ministerial approval process for multifamily developments which include specified levels of affordable housing in jurisdictions that have not met their prorated Regional Housing Needs Allocation (RHNA). Projects that comply with the jurisdiction's objective design standards and existing zoning are exempt from California Environmental Quality Act (CEQA) review and public hearings. Depending on the number of units, the timeline for determining eligibility is either 60 or 90 days and the final decision must be issued between 90 and 180 days from application submittal.⁴

Requirements for TOC Policy Compliance

Note: *Production Policy 3 (Affordable Housing Overlay Zones), Production Policy 5 (Ministerial Approval), and Production Policy 7 (Development Certainty and Streamlined Entitlement Process) are related and contain overlapping requirements. As a result, jurisdictions may only count one of these policies for the purpose of TOC compliance for production policies.*

An effective AHOZ policy will provide meaningful incentives to projects that provide affordable housing and establish minimum affordability requirements at levels that reflect the jurisdiction's need. To comply with the TOC Policy, a jurisdiction's AHOZ policy must meet the following minimum requirements:

³ For more information, including the full density bonus chart that outlines the percentage density bonus given for each level of affordability, see [this guide on state Density Bonus Law prepared by Meyers Nave Legal Services](#).

⁴ For more information, see [this fact sheet on Senate Bill 35 prepared by the City of San Leandro](#).

- The policy must offer incentives for projects with at least 15% affordable housing. The policy must exceed any jurisdiction-wide inclusionary requirements if the jurisdiction’s inclusionary zoning requires 15% affordable housing or more. The policy could incentivize any higher proportion of affordable housing up to and including 100% (e.g., only provide incentives to 100% affordable projects). In all cases, the share of affordable units in a project must exceed what is otherwise available in state law for any given income category.
 - Affordable units must have recorded documents that set binding maximum rent restrictions to ensure affordability for households at 80% of Area Median Income (AMI) or less for rental housing or 100% of AMI or less for ownership housing. These restrictions must also ensure affordability for at least 55 years for rental housing or at least 45 years for ownership housing.
- The policy must provide qualifying projects with both of the following two components:
 - Density bonus: the policy must enable residential density greater than what is available under the state Density Bonus Law.
 - Additional “concessions” or “incentives:” the policy must provide qualifying projects with at least one additional “concession” or “incentive” than what is already available under the state Density Bonus Law. These incentives could include ministerial approval, fast-tracked permitting/entitling, or some other form of streamlining so long as this results in an actual and identifiable cost reduction for the project.

Production Policy 4: Public Land for Affordable Housing

Policies to prioritize the reuse of publicly owned land for affordable and mixed-income housing that go beyond existing state law, typically accompanied by prioritization of available funding for projects on these sites.

Purpose

High land costs can make it difficult to create new affordable housing for low- or moderate-income households, particularly in high-value, amenity-rich locations. Local jurisdictions can help overcome this obstacle by identifying public property that can be repurposed for residential use and making it available to developers who commit to creating and maintaining ongoing affordability.⁵ Utilizing public land can increase feasibility for developing affordable housing. Jurisdictions may donate land; sell land at a deep discount; or transfer land using a below-market, long-term ground lease to affordable housing developers or community land trusts. Jurisdictions can also incentivize the use of public land for affordable housing through zoning, fee waivers,

⁵ For more information, see the brief [“Use of publicly owned property for affordable housing”](#) prepared by Local Housing Solutions.

and/or permit streamlining. This policy tool can be used effectively in all communities and is particularly important in communities where vacant land appropriate for residential use is scarce.

Relevant State Law

Surplus Lands Act

The [Surplus Lands Act \(Government Code Sections 54220 – 54234\)](#) requires local agencies to make findings that property is either surplus or exempt surplus land before disposing of it. If the property is not exempt, the local agency must provide written notice to housing developers to give them the first chance to purchase and develop surplus agency-owned land for affordable housing. If one of these interested parties purchases the land, then at least 25% of units developed must be affordable. However, if 90 days pass without reaching an agreement with one of these interested parties, then the affordability requirement for whatever development occurs on the land is 15% if 10 or more residential units are developed. The Surplus Land Act also includes penalties for local agencies that violate the Act when disposing of surplus lands.

Requirements for TOC Policy Compliance

An effective policy to prioritize the reuse of publicly owned land for affordable housing will include an inventory of publicly owned sites, noticing practices aimed towards maximizing affordable housing development, and collaboration with other public agencies. To comply with the TOC Policy, a jurisdiction's public land policy must meet the following minimum requirements:

- The jurisdiction compiles and maintains a comprehensive inventory of publicly owned sites with the greatest potential for development as affordable housing, using a consistent set of objective criteria chosen by the jurisdiction (such as size, location, access to transit, access to schools, likelihood of qualifying for state and federal housing funding) to assess each parcel's potential to deliver affordable housing development.
 - The site inventory must include both land that qualifies as "surplus" under the Surplus Lands Act and other currently underutilized sites owned by the jurisdiction and other public agencies (e.g., state, county, and local agencies, as well as other public entities such as school districts).
 - The jurisdiction engages experienced affordable housing developers and external public agencies that own land within its boundaries in the process of evaluating parcels and compiling the site inventory.
- The jurisdiction adopts a public lands policy that includes a set of principles and standards for planning, leasing, and disposing of its land, as well as a program of implementation actions that it and partner agencies will take. The policy must impose affordable housing requirements that exceed the standard included in the Surplus Lands Act including:

- The affordability restrictions recorded against the land should be commensurate with the value of the land transfer to the affordable developer, but in no case be less than 33% of units affordable to households earning 80% of Area Median Income (AMI) or less for rental housing or households earning 100% of AMI or less for ownership housing; and
- These restrictions must also ensure affordability for at least 55 years for rental housing or at least 45 years for ownership housing.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A site inventory that meets the requirements described above.
- An adopted public lands policy that meets the requirements described above.

Production Policy 5: Ministerial Approval

Grant ministerial approval of residential developments that include, at a minimum, 15% affordable units if projects have 11 or more units, or that exceed inclusionary or density bonus affordability requirements and do not exceed 0.5 parking spaces per unit.

Purpose

“Ministerial approval” means a process for development approval involving little or no personal judgment by the public official as to the wisdom or manner of carrying out the project. The public official merely ensures the proposed development meets all the objective zoning standards, objective subdivision standards, and objective design review standards in effect at the time the application is submitted to the local government, but the official uses no special discretion or judgment in reaching a decision. Developments under ministerial approval are exempt from the California Environmental Quality Act (CEQA), which eliminates the costs and time for environmental review, which can cost up to several hundred thousand dollars.⁶

Relevant State Laws

SB 35 (2017)

Jurisdictions that have not met their pro-rated Regional Housing Needs Allocation (RHNA) targets must offer a streamlined (ministerial) approval process for multi-family developments per [SB 35](#). The ministerial approval process applies to infill developments that comply with existing residential and mixed-use zoning and objective design standards. Affordability requirements vary depending on the jurisdiction’s progress in meeting its RHNA targets or the submittal status of its Annual Progress Report. Developments of 10 units or fewer are not subject to the affordability requirements. Furthermore, jurisdictions cannot impose parking standards on developments within 0.5

⁶ For more information, see Caltrans’ overview of [Chapter 34 - Exemptions to CEQA](#).

miles of transit and other circumstances. While SB 35 only applies to jurisdictions that have not met their RHNA targets and for infill projects, language from SB 35 may be helpful for jurisdictions to include in their adopted ministerial approval ordinance.

State Density Bonus Law

[Government Code Chapter 4.3 Density Bonuses and Other Incentives](#) states that eligible developments are entitled to a density bonus, including up to a 50% increase in density depending on the amount of affordable housing provided, and an 80% increase for completely affordable projects. This law includes incentives such as reduced parking requirements and concessions for reduced setbacks and minimum square footage requirements.⁷

Requirements for TOC Policy Compliance

Note: Production Policy 3 (Affordable Housing Overlay Zones), Production Policy 5 (Ministerial Approval), and Production Policy 7 (Development Certainty and Streamlined Entitlement Process) are related and contain overlapping requirements. As a result, jurisdictions may only count one of these policies for the purpose of TOC compliance for production policies.

An effective ministerial approval policy will significantly reduce the turnaround time of housing projects by expediting the approval process, reduce development risk by providing more certainty in the approval process, and thereby lead to faster construction of housing with decreased carrying costs. To comply with the TOC Policy, a jurisdiction's ministerial approval policy must meet the following minimum requirements:

- For projects with 11 or more units, the ordinance must do one of the following:
 - Grant ministerial approval where at least 15% of units are affordable to lower-income households.
 - Grant ministerial approval for projects whose affordability exceeds local inclusionary zoning requirements and state density bonus requirements.
- Affordable units must have recorded documents that set binding maximum rent restrictions to ensure affordability for households at 80% of Area Median Income (AMI) or less for rental housing or 100% of AMI or less for ownership housing. These restrictions must also ensure affordability for at least 55 years for rental housing or at least 45 years for ownership housing.
- Projects eligible for ministerial review cannot include more parking than is allowed by the parking space requirements outlined in Table 5 on page 18 of MTC's TOC Policy Administrative Guidance.

⁷ For more information, see [this guide on the state Density Bonus Law prepared by Meyers Nave Legal Services, which](#) includes the full density bonus chart that outlines the percentage density bonus given for each level of affordability.

Production Policy 6 & Preservation Policy 5: Public/Community Land Trusts

Investments or policies to expand the amount of land held by public- and non-profit entities such as co-operatives, community land trusts, and land banks with permanent affordability protections. This policy may be used to fulfill either the housing production or preservation requirement, but not both.

Purpose

Community Land Trusts (CLTs) are typically nonprofit organizations that acquire and steward land on behalf of community members. They contribute to the affordable housing stock by maintaining land ownership to ensure the housing built on land they own remains affordable to future renters or buyers. Community control of land through CLTs has high potential to prevent displacement in a variety of housing markets and around transit.^{8, 9}

Land banks are public authorities or non-profit organizations occasionally created through local ordinances to acquire, hold, manage, and sometimes redevelop property to return these properties to productive use to meet community goals, such as increasing affordable housing.^{10, 11}

Housing cooperatives are democratically controlled corporations established to provide housing for members. Limited Equity Housing Cooperatives offer long-term affordable homeownership opportunities for low- and moderate-income households. The development of these types of cooperatives is often funded with a combination of private and public funds.¹²

The acquisition and rehabilitation of housing by CLTs, land banks, and cooperatives can help preserve a range of housing types, stabilize housing costs, and expand housing choice for low-income households.¹³ Support for CLTs, land banks, and cooperatives not only serves as an anti-displacement measure but also represents a place-based community development strategy for disinvested neighborhoods and communities with concentrated poverty, as jurisdictions can provide funding for these entities to acquire and rehabilitate vacant and distressed properties or maintain existing affordable housing options. This policy intends to set aside funding for CLTs, land banks, and cooperatives to remove land from the speculative market and ensure long-term affordability.

⁸ See Table 1. Literature Review Summary Table in [White Paper on Anti-Displacement Strategy Effectiveness](#) (Chapple and Loukaitou-Sideris, 2021).

⁹ Chapple et al. 2022. [Examining the Unintended Effects of Climate Change Mitigation](#). Institute of Governmental Studies, UC Berkeley.

¹⁰ Local Housing Solutions. [Land Banks](#).

¹¹ Center for Community Progress. [Land Bank FAQ's](#).

¹² California Center for Cooperative Development. [Housing Co-ops](#).

¹³ Yelen, J. 2020. [Preserving Affordability, Preventing Displacement](#). Enterprise Community Partners.

Relevant State Law

SB 1079 (2020): Residential Property: Foreclosure

SB 1097 (2020) grants “eligible bidders” including CLTs certain rights and priorities to make bids on a foreclosed property after the initial trustee sale and potentially to purchase it as the last and highest bidder.

Requirements for TOC Policy Compliance

An effective policy will set aside jurisdiction funding for publicly controlled land banks and/or disburse funds as loans or grants to nonprofit entities through an application process. To comply with the TOC Policy, a jurisdiction’s public/community land trust policy must meet the following minimum requirements:

- The jurisdiction must have a dedicated funding program (with secured funding) for the production or preservation of affordable housing, with a focus on supporting CLTs, cooperatives, and/or land banking by public entities.
 - A program focused on affordable housing production must meet the following standards:
 - The funds must be reserved for CLTs and/or cooperatives to use for affordable housing production, or the jurisdiction or other public entities can use the funding to acquire and hold property that will be used for production of affordable housing.
 - The jurisdiction shall provide ongoing allocations to the program averaging \$2 million annually over the four-year OBAG cycle. The amount contributed can vary by year as long as the average is \$2 million (i.e., at least \$8 million in total funding over the four-year cycle).
 - A program focused on affordable housing preservation must meet the following standards:
 - The funds must be reserved for CLTs and/or cooperatives to use for affordable housing preservation.
 - The jurisdiction shall provide ongoing allocations to the program averaging \$750,000 annually over the four-year OBAG cycle. The amount contributed can vary by year as long as the average is \$750,000 (i.e., at least \$3 million in total funding over the four-year cycle).
 - Disbursements from the fund must be enough to preserve at least five units per year (on average), with at least \$150k contributed per unit.
- The program must publish a standard set of loan terms such as affordability requirements and deed-restrictions.
 - For production focused programs, units produced through this fund must restrict rents to be affordable to households earning 80% of Area Median

Income (AMI) or less for rental housing or 100% of AMI or less for ownership housing.

- For preservation focused programs, the average household income should be 80% of Area Median Income (AMI) across all units in a preserved property. Upon unit turnover, units cannot be rented to households earning more than 120% AMI.
- The units produced and/or acquired through the program(s) must have recorded documents that set binding maximum rent restrictions to ensure affordability at the levels described above for at least 55 years for rental housing or at least 45 years for ownership housing.
- A jurisdiction whose policy meets the minimum requirements above cannot also count this policy for credit for Production Policy 2 (Affordable Housing Funding) or Preservation Policy 1 (Funding to Preserve Unsubsidized Affordable Housing). However, if a jurisdiction establishes a funding program that meets requirements for Production Policy 2 or Preservation Policy 1, and if this program additionally has set asides that meet the requirements described above, then the program can also receive credit toward Production Policy 6/Preservation Policy 5 (Public/Community Land Trusts) for either production or preservation.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.
- A copy of the program's loan terms, if they are not included in the ordinance, or other documents establishing the program.

Production Policy 7: Development Certainty and Streamlined Entitlement Process

Include the vested rights and five hearing limit provisions currently outlined in SB330 (2019, Skinner) without a sunset date.

Purpose

In some cities, towns, and counties, the process associated with obtaining approval for new construction is so time-consuming or costly that it dampens the amount of new development and adds significantly to its costs. Permit streamlining and other improvements in the regulatory environment can make cities more attractive to developers of both market-rate and affordable housing, helping to increase the housing supply over the long term and moderate price increases.¹⁴

¹⁴ For more information, see the brief "[Streamlined permitting processes](#)" prepared by Local Housing Solutions.

Relevant State Law

Housing Crisis Act of 2019

The [Housing Crisis Act of 2019](#) was established by [SB 330 \(2019\)](#) and amended by [SB 8 \(2021\)](#). State law establishes vested rights through a preliminary application—a project is only subject to the ordinances, policies, and standards adopted and in effect when this application is submitted. State law requires timely processing of housing permits that follow existing local zoning rules (must issue written determination of consistency with objective standards within 30 days for 150 or fewer units or 60 days for more than 150 units). SB 330 requires that no more than five total hearings be allowed for residential development projects and the final decision on a residential project must be made within 90 days after certification of an EIR for a development project, or 60 days for a development project where at least 49% of the units in the development are affordable to very low or low-income households. The Housing Crisis Act of 2019 has a sunset date of January 1, 2030.

Requirements for TOC Policy Compliance

***Note:** Production Policy 3 (Affordable Housing Overlay Zones), Production Policy 5 (Ministerial Approval), and Production Policy 7 (Development Certainty and Streamlined Entitlement Process) are related and contain overlapping requirements. As a result, jurisdictions may only count one of these policies for the purpose of TOC compliance for production policies.*

However, if a jurisdiction implements all provisions from SB 330/SB 8 without a sunset date, then the jurisdiction meets the standards required by and can claim credit for both Production Policy 7 (Development Certainty and Streamlined Entitlement Process) and Protection Policy 2 (No Net Loss and Right to Return to Demolished Homes).

To comply with the TOC Policy, a jurisdiction's development certainty and streamlined entitlement policy must meet the following minimum requirements:

- A jurisdiction adopting this policy must enact a local ordinance with no sunset date that provides the vested rights and five hearing limit provisions from SB 330.

II. Affordable Housing Preservation Policy Options

Preservation Policy 1: Funding to Preserve Unsubsidized Affordable Housing

Public investments to preserve unsubsidized housing affordable to lower- or moderate-income residents (sometimes referred to as "naturally occurring affordable housing") as permanently affordable.

Purpose

Most lower-income households in the Bay Area rent in the private market without any form of housing assistance. The private market properties offering rents that lower-income people can afford without subsidy are known as unsubsidized or “naturally occurring” affordable housing. Without subsidy, lower-income tenants are particularly vulnerable to rent increases as well as poorly maintained housing, and in the Bay Area’s competitive housing market these properties may be targeted by investors seeking to update units and raise rents. Preservation programs for unsubsidized affordable housing typically engage community organizations to help identify and monitor at-risk properties while also providing funding to support rehabilitation needs as well as acquisition and conversion to long-term affordable housing.

Requirements for TOC Policy Compliance

Effective public investments to preserve unsubsidized housing will have funds set aside based on the stock of unsubsidized affordable housing, criteria for borrower eligibility, and regulatory restrictions to maintain affordability of preserved units. To comply with the TOC Policy, a jurisdiction’s funding program to preserve unsubsidized affordable housing must meet the following minimum requirements:

- The jurisdiction has at least one funding program (with secured funding) dedicated for the preservation of existing affordable housing, where preservation of unsubsidized affordable housing is explicitly identified as an eligible use.
 - The funding amount must be:
 - enough to preserve at least five units per year (on average), with at least \$150k contributed per unit (e.g., \$750,000 or more per year on average, or \$3 million over the four-year OBAG cycle) OR
 - a jurisdiction can preserve fewer than five units per year (on average) if at least \$250k is contributed per unit.
- The jurisdiction has established criteria for borrower eligibility that require funding recipients to have experience with affordable housing preservation.¹⁵
- The units acquired through this fund have recorded documents that set binding maximum rent restrictions to ensure affordability for at least 55 years for rental housing or at least 45 years for ownership housing.¹⁶

¹⁵ For example, the Bay Area Housing Finance Authority (BAHFA) has adopted a Term Sheet for an anticipated preservation funding program that requires borrowers to have experience with at least one comparable project in the last five years, or rely on the experience of a staff member or consultant who has completed at least three comparable projects. “REAP 2.0 Housing Preservation Pilot Program Terms and Underwriting Guidelines” ([Attachment B to BAHFA Resolution No. 0028](#)). HCD also has a [list of qualified entities](#) who can purchase at-risk properties.

¹⁶ Local Housing Solutions. [“Deed-restricted homeownership.”](#) Accessed: 2023 April 24.

- The average household income should be 80% of Area Median Income (AMI) across all units in a preserved property. Upon unit turnover, units cannot be rented to households earning more than 120% AMI.¹⁷

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A copy of the program’s loan terms, if they are not included in the ordinance.
- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.

Preservation Policy 2: Tenant/Community Opportunity to Purchase

Policies or programs that provide tenants or mission-driven nonprofits the right of first refusal to purchase a property at the market price when it is offered for sale, retaining existing residents and ensuring long-term affordability of the units by requiring resale restrictions to maintain affordability.

Purpose

A Tenant (or Community) Opportunity to Purchase Act (TOPA/COPA) policy can give tenants and nonprofits sufficient time to compete to purchase a property. TOPA/COPA policies aim to prevent displacement of low-income communities, long-term renters, and other marginalized residents by preserving currently affordable housing and creating pathways for long-term affordability. A TOPA/COPA policy can also facilitate homeownership for tenants by creating limited equity housing cooperatives or other ownership models, enabling increased wealth building opportunities for communities who may have historically been denied access to homeownership. For these reasons, jurisdictions throughout the Bay Area have identified TOPA/COPA as key preservation tools to combat displacement.¹⁸

Requirements for TOC Policy Compliance

Effective TOPA/COPA policies will identify what housing types are subject to the policy, what organizations are qualified to purchase a property, noticing procedures for the sale of property, a consistent local funding source, and a reasonable timeline to respond to the intent to sell. To comply with the TOC Policy, a jurisdiction’s TOPA and/or COPA policy must meet the following minimum requirements:¹⁹

¹⁷ To ensure that housing preservation programs target lower- and moderate- income households. Based on [REAP 2.0](#).

¹⁸ Bay Area Housing Element Advocacy Working Group. [“Leveraging the Housing Element to Advance Tenant & Community Opportunity to Purchase Policies.”](#)

¹⁹ The requirements are derived from key components of: (1) [OPA Policy described by Partnership for the Bay’s Future. 2022. Opportunity to Purchase Act Campaign Playbook](#) (p.22) and (2) Public Advocates, [“Key Considerations for Designing Tenant and Community Opportunity to Purchase Policies.”](#)

- The jurisdiction can meet TOC Policy requirements with either a TOPA or COPA ordinance, or both.
- The ordinance defines which properties are subject to the TOPA/COPA ordinance, as well as any exemptions.
- The ordinance establishes the legal right of first refusal that gives tenants and/or nonprofits the first right to purchase a covered property.
- The ordinance establishes timelines for notice of sale, offer period, time to close, and time to counter-offer under TOPA/COPA.²⁰
- The jurisdiction has a local capital funding source which is available to finance rapid acquisition of preservation properties within the timeframes outlined in the TOPA/COPA legislation.
- If the policy offers direct purchase rights to tenants (TOPA), the jurisdiction provides, or contracts with a third party to provide, tenants with technical assistance, training, and support, including but not limited to legal counsel and representation.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documents demonstrating the jurisdiction has a local capital funding source for financing TOPA/COPA purchases, meeting the requirements noted above.
- For TOPA policies, documents demonstrating technical assistance and legal support provided for tenant purchases, as described above.

Preservation Policy 3: Single-Room Occupancy (SRO) Preservation

Limits the conversion of occupied SRO rental units to condominiums or other uses that could result in displacement of existing residents.

Purpose

Single Room Occupancy (SRO) units are a unique form of affordable rental housing that does not exist in all communities. SROs are generally comprised of small, furnished single rooms within multi-tenant buildings with shared kitchens and/or bathrooms. SROs do not typically require a security deposit, credit references, proof of income, or a long-term lease agreement. For these reasons, SROs have provided low-cost housing for vulnerable populations with unstable finances, very low incomes, or limited access to credit. In some cases, SROs are used as transitional housing for people who are in between more permanent housing arrangements.

²⁰ [San Jose Community Opportunity to Purchase \(COPA\) Proposed Program Summary – January 2023 Update.](#)

In the absence of preservation policies, housing market pressures leave SRO units vulnerable to demolition or conversion to tourist hotels, condominiums, or market-rate apartments, resulting in displacement and potential homelessness for low-income SRO residents. The purpose of SRO unit conversion regulations is to ensure the retention of existing SRO units and to assist SRO tenants that will be displaced by demolition, conversion, or rehabilitation of these units.

Requirements for TOC Policy Compliance

If a jurisdiction wants to select this policy to meet the TOC Policy's requirement for preservation policies, it must demonstrate that the policy addresses a documented local housing need in the jurisdiction. A jurisdiction that does not contain SROs may not use this policy for TOC compliance.

An effective SRO preservation policy will limit the number of units that can be converted, ensure housing stability for SRO tenants, and monitor at-risk properties. To comply with the TOC Policy, a jurisdiction's SRO preservation policy must meet the following minimum requirements:

- The number of SRO units approved to be converted in a given calendar year shall not exceed the number of equivalent rental units completed the previous calendar year. "Equivalent rental units" shall be defined as low-cost SRO units or any income-restricted housing affordable to households with incomes at 30% of Area Median Income (AMI) or less.
- At the time of application for conversion of units, require applicants to provide a Tenant Relocation Assistance Plan for any temporarily or permanently displaced residents, including at a minimum: rent increase protection, no penalty for the tenant to terminate a lease, tenant notifications beyond state law minimums, payment of tenant moving expenses, and payment of relocation assistance in an amount that is at least three times the fair market rent based on unit size.
- Exemptions to the conversion restrictions can be made for conversion of SRO buildings to 100% affordable units for tenants at 50% of AMI or less. However, affordable housing developers need to provide existing tenants a first right of refusal for new units and provide the relocation assistance described above for any temporarily or permanently displaced tenants.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documentation of the presence of SRO units within jurisdiction boundaries that would be protected by the policy.

Preservation Policy 4: Condominium Conversion Restrictions

Require that units converted to condominiums be replaced 1:1 with comparable rental units, unless purchased by current long-term tenants or converted to permanently affordable housing with protections for existing tenants.

Purpose

The conversion of rental housing to condominiums presents a risk to maintaining a supply of rental housing, which typically serves a wider range of households than ownership units in condominiums. Establishing criteria for the conversion of rental housing to condominiums can help preserve much-needed rental housing stock, reduce the risk of displacement of existing tenants in rental units, and ensure continued housing stability for tenants who are displaced in the event of conversions.

Relevant State Law

Subdivision Map Act

The [Subdivision Map Act \(Gov Code 66410-66424.6\)](#) requires developers to provide notices of condominium conversion to tenants at every stage of the process.

Requirements for TOC Compliance

Effective condominium conversion policies will include restrictions on conversion, right to purchase protections and relocation assistance, and the promotion of affordable housing through comparable replacement units. To comply with the TOC Policy, a jurisdiction's condominium conversion ordinance must meet the following minimum requirements:

- Require 1-for-1 replacement of existing units with comparable rental units, when permitted by law. Jurisdictions may allow the following exemptions:
 - Conversions where at least 90% of condominium units are purchased by current tenants.
 - Conversions to 100% housing units with long-term affordability restrictions for households earning 100% of Area Median Income (AMI) or less.
- Provide existing tenants the first right to purchase a unit at the same price offered to the general public.²¹
- At the time of application for conversion of units, require applicants to provide a Tenant Relocation Assistance Plan for any temporarily or permanently displaced residents, including at a minimum: rent increase protection, no penalty for the tenant to terminate a lease, tenant notifications beyond state law minimums, payment of tenant moving expenses, and payment of relocation assistance in an amount that is at least three times the fair market rent based on unit size.

²¹ This is a right under the Subdivision Map Act (Gov Code 66410-66424.6).

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documentation of recent condominium conversions within the jurisdiction, or other justification for why the jurisdiction's rental housing is at risk of conversion to condominiums.

Production Policy 6 & Preservation Policy 5: Public/Community Land Trusts

See description on page 10.

Preservation Policy 6: Funding to Support Preservation Capacity

Dedicated local funding for capacity building or other material support for community land trusts (CLTs) or other community-based organizations (CBOs) engaged in affordable housing preservation.

Purpose

Capacity refers to an organization's ability to deliver a service or product. For organizations such as CBOs and CLTs which are engaged in affordable housing preservation, capacity may refer to having adequate staffing, organizational knowledge, and material or financial resources to effectively preserve affordable housing. By providing capacity funding to smaller organizations such as CBOs and CLTs, these entities are better equipped to secure properties and financing necessary to preserve affordable housing in a competitive housing market. Key features of an effective funding source to support preservation capacity include pairing capital funds for preservation with grants for capacity building, established guidelines for eligible funding recipients, and supporting developer experience through joint-venture partnerships.

Requirements for TOC Policy Compliance

Effective policies to support preservation capacity will commit to multi-year funding dedicated for CBOs and CLTs. To comply with the TOC Policy, a jurisdiction's funding to support preservation capacity must meet the following minimum requirements:

- The jurisdiction must have a dedicated funding program (with secured funding) that supports capacity building for CLTs and CBOs that are currently engaged or seek to engage in housing preservation work. Funding must maintain project management staffing for a minimum of four years.
- The jurisdiction must define eligibility for financial awards to CLTs and CBOs.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- An explanation for how the jurisdiction determined the amount of funding necessary to maintain project management staffing for the minimum four-year period.
- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.
- A copy of the program's eligibility criteria, if they are not included in the ordinance.

Preservation Policy 7: Mobile Home Preservation

Policy or program to preserve mobile homes from conversion to other uses that may result in displacement of existing residents.

Purpose

Mobile home parks provide a distinct type of naturally occurring affordable housing, due to the size of mobile homes, the type of construction, and a unique dynamic where residents typically own their mobile homes but rent the lots under them from mobile home park owners. While state law extends certain protections to mobile home units, mobile home parks are increasingly being acquired by speculative investors for potential future redevelopment.²² Such market pressures pose displacement risks to mobile home residents, many of whom live on fixed incomes and have limited alternative affordable housing options. Accordingly, a strategy to prevent displacement and promote community stability for mobile home residents is to regulate and limit the conversion of mobile home parks, and support residents and community organizations in purchasing the park to preserve affordability.

Relevant State Law

Mobile Home Residency Law

The California [Mobile Home Residency Law](#) (California Civil Code Section 798 – 799.11) sets rules and regulations for mobile homes, specifically regulating the relationship between landlords and tenants. The law states that in the case of a change of use of the park, the management must follow specific noticing requirements and appear before a local governmental board, commission, or body to request permits for a change of use.

Requirements for TOC Compliance

If a jurisdiction wants to select this policy to meet the TOC Policy's requirement for preservation policies, it must demonstrate that the policy addresses a documented local

²² Arnold, C., Benincasa, R., and Childs, M. 2021. [How the government helps investors buy mobile home parks, raise rent and evict people](#). National Public Radio.

housing need in the jurisdiction. A jurisdiction that does not contain mobile home parks may not use this policy for TOC compliance. To comply with the TOC Policy, a jurisdiction must adopt a mobile home preservation policy that meets the minimum standards for **one** of the following options:

1. **Establish a Mobile Home Zoning District or Overlay Zone** over existing mobile home parks which limits or prohibits the redevelopment of existing parks.
 - A jurisdiction may allow 100% affordable housing projects to be considered in this zone, conditionally permitted and after public hearings. If a jurisdiction chooses to do this:
 - The affordable housing units must have recorded documents that set binding maximum rent restrictions to ensure affordability for households earning 80% of AMI or less for rental housing or 100% of AMI or less for ownership housing. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.
 - The ordinance must provide existing mobile home residents with the right to return to a unit in the new development.
 - Developers must be required to provide a Mobile Home Resident Relocation Assistance Plan for any temporarily or permanently displaced residents, including at a minimum: rent increase protection, no penalty for the tenant to terminate a lease, tenant notifications beyond state law minimums, payment of tenant moving expenses, and payment of relocation assistance in an amount that is at least three times the fair market rent based on unit size.
2. **Adopt a Mobile Home Closure Ordinance** that requires relocation assistance and conditional approval after public hearings.
 - Developers must be required to provide a Mobile Home Resident Relocation Assistance Plan for any temporarily or permanently displaced residents, including at a minimum: rent increase protection, no penalty for the tenant to terminate a lease, tenant notifications beyond state law minimums, payment of tenant moving expenses, and payment of relocation assistance in an amount that is at least three times the fair market rent based on unit size.
3. **Establish a mobile home preservation funding program** that assists residents and/or community organizations seeking to purchase a mobile home park upon notice of a park owner's intent to sell. Funding for rehabilitation should also be eligible through this preservation program.

- The funding should provide a minimum amount to preserve one mobile home park in the jurisdiction based on a contribution of \$20,000 per mobile home lot.²³

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above, if a jurisdiction is selecting this option.

Preservation Policy 8/Protection Policy 7: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities

Policies, programs, or procedures designed to minimize the risk of displacement caused by substandard conditions including through local code enforcement activities. This may include proactive rental inspection programs and assistance to landlords for property improvements in exchange for anti-displacement commitments. This policy may be used to fulfill either the housing preservation or protection requirement, but not both.

Purpose

Substandard conditions and physical deterioration represent a key threat to the region's rental housing stock and unsubsidized affordable housing units. These conditions create health and safety risks for tenants and can lead to condemnation, abandonment, and/or demolition of housing units. The remediation of substandard conditions in unsubsidized affordable housing is not only necessary to preserve this housing but also represents an important anti-displacement strategy. Code enforcement programs need to ensure habitability issues and needs for substantial property repairs do not lead to the permanent displacement of tenants, which also requires maintaining housing stability for tenants during any temporary displacement necessary for repairs. Code enforcement and other programs to address substandard conditions need to be centered in an anti-displacement framework, otherwise these activities can lead to the immediate displacement of vulnerable tenants if properties are deemed uninhabitable.

Relevant State Law

California Health and Safety Code (HSC)

HSC [Section 17920.3](#) provides a definition of a substandard building, which includes inadequate sanitation such as a lack of plumbing, ventilation, or heating; structural hazards such as deteriorated floors, walls, or ceilings; faulty weather protection such as defective waterproofing and windows; and so on. [Section 17970 – 17972](#) requires that when a jurisdiction receives a complaint from a tenant, they must inspect the building,

²³ This amount is based on the amount that the [Federal Housing Association](#) loans to eligible borrowers to finance the purchase of a manufactured home lot.

document any findings, prescribe a remedy to the property owner, and schedule a reinspection to verify the correction. [Section 17980 – 17992](#) states that once a building is determined to be substandard, the enforcement agency of the jurisdiction cannot require the vacating of residents unless it concurrently requires expeditious demolition or repair to comply with state law. If the tenant cannot safely reside in their unit due to repair, state law requires a property owner to provide affected tenants with compensation for moving expenses; the value of property lost, stolen or damaged in the process of moving; and costs associated with connection charges imposed by utility companies for starting service. The relocation benefit also includes two months of the established fair market rent for the area as determined by the U.S. Department of Housing and Urban Development, and the property owner must return the full security deposit to the tenant.

Requirements for TOC Compliance

To comply with the TOC Policy, a jurisdiction must adopt a policy to prevent displacement from substandard conditions that meets the minimum standards for at least **one** of the following options:

1. The jurisdiction offers grants or interest-free loans to landlords to repair substandard or near substandard conditions in exchange for keeping rents affordable to lower-income tenants for 10 years or for the duration of the loan, whichever is longer. Jurisdictions may also set income qualifications for landlords to receive this funding.
2. The jurisdiction implements a rental escrow program where rental payments are withheld until code violations are addressed, with the funds made available in the interim for repairs and relocation assistance.²⁴
3. The jurisdiction offers an amnesty program to waive fines and fees for property owners with occupied units constructed without the proper permits in exchange for bringing the unit into compliance with health and safety codes.
4. The jurisdiction requires landlords to complete a tenant habitability plan as part of the permitting process for repairs to address code issues. The plan must describe how the landlord will maintain habitability for the tenant and any adjacent units while repairs are being performed. If the tenant needs to be relocated for repairs, the plan discusses how the landlord will assist with temporary relocation, which could include offering a nearby available unit at same rent (if landlord owns other properties), paying for moving expenses, and/or providing relocation assistance to pay for the cost of temporary housing.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A copy of the program's loan terms, if a jurisdiction is selecting this option.

²⁴ The Network for Public Health. "[Rent Escrow as a Tool for Enforcing Tenants' Rights.](#)" December 2022.

- A template of the tenant habitability plan or some other documented requirements about the details of what must be included in such a plan, if a jurisdiction is selecting this option.

III. Affordable Housing Protection Policy Options

Protection Policy 1: “Just Cause” Eviction

Defines the circumstances for evictions, such as nonpayment of rent, violation of lease terms, or permanent removal of a dwelling from the rental market, with provisions that are more protective of tenants than those established by [AB 1482 \(2019, Chiu\)](#).

Purpose

Just cause ordinances prohibit landlords from ending a tenancy or evicting a tenant without a specific reason. Just cause protections are generally intended to shield tenants from arbitrary evictions that may occur due to economic incentives in a competitive rental market, retaliation against specific tenants, or other instances in which tenants are not at fault. Accordingly, research identifies just cause eviction as a policy with high potential to prevent residential displacement.²⁵ Though state law currently provides just cause protections for some tenants, these protections expire in 2030 and do not cover a wide range of tenancies and housing situations. Moreover, in the absence of local just cause policies and local government infrastructure to implement these protections, tenants may be unaware of their rights under AB 1482 and how to utilize them. As a result, multiple jurisdictions throughout the Bay Area and across California have adopted local just cause eviction ordinances that go beyond state law to better ensure stability for tenants.

Relevant State Law

AB 1482 (Tenant Protection Act of 2019)

While some tenants now have just cause eviction protections due to [AB 1482](#) (the Tenant Protection Act of 2019), this law currently has a sunset of January 1, 2030.

Requirements for TOC Policy Compliance

An effective just cause eviction ordinance will clearly define a limited set of recognized causes for eviction, provide protections for a wide range of tenants and most housing situations, and create processes for local implementation. To comply with the TOC Policy, a jurisdiction’s just cause ordinance must **not have a sunset date** and meet **one** of the following minimum requirements to expand on other aspects of AB 1482:

1. **Limit the legally recognized causes for eviction:** The “at-fault” and “no-fault” just causes for eviction allowed by AB 1482 can be found in [California Civil Code](#)

²⁵ Chapple, K. et. al. (2022). [Housing Market Interventions and Residential Mobility in the San Francisco Bay Area](#). Federal Reserve Bank of San Francisco.

[Section 1946.2\(b\)\(1\)](#). A jurisdiction's just cause policy must include fewer just causes for eviction or define them with greater restrictions to increase protections for tenants.

2. **Expand the types of housing and tenancies covered by just cause protections:** The protections from AB 1482 only apply after all tenants have lived in the unit for 12 months, or where at least one tenant has occupied the unit for 24 months. Additionally, [California Civil Code Section 1946.2\(e\)](#) exempts several unit types from AB 1482 protections. A jurisdiction's just cause policy must provide protections to a wider range of tenants and housing types, with the possibility of applying these protections to all renters in the jurisdiction.
3. **Local implementation of just cause protections:** Jurisdictions must require landlords to file notices of termination of tenancy and unlawful detainers with a designated local government agency, such as a rent program/board or other city department. Additionally, the jurisdiction's ordinance must make the failure to file these notices an affirmative defense for a tenant in an eviction case. These notices enable outreach to affected tenants and connections with legal services, while also facilitating data collection to improve policy. Jurisdictions could set up an online portal where landlords can find the notices they need and submit them to the city, and this portal could also provide tenants with information and resources related to just cause protections.

Protection Policy 2: No Net Loss and Right to Return to Demolished Homes

Include the no net loss provisions currently outlined in SB 330 (2019, Skinner) without a sunset date. Require one-to-one replacement of units that applies the same or a deeper level of affordability, the same number of bedrooms and bathrooms, and comparable square footage to the units demolished. Provide displaced tenants with right of first refusal to rent new comparable units at the same rent as demolished units.

Purpose

The [Housing Crisis Act of 2019](#) was established by [SB 330 \(2019\)](#) and amended by [SB 8 \(2021\)](#). The no net loss provisions in the Housing Crisis Act prevent development projects that require demolition of existing residential structures from reducing the overall housing stock and supply of affordable housing. These provisions create safeguards to ensure that new development increases the housing supply and maintains or improves existing levels of affordability. The Housing Crisis Act's right to return protections and relocation benefits aim to prevent permanent displacement of existing lower-income tenants by development projects that require demolition. These protections can enable lower-income tenants to maintain housing in their communities at affordable rents, which deters new development from contributing to displacement, housing instability, and homelessness for vulnerable renters.

Relevant State Law

Housing Crisis Act of 2019

The [Housing Crisis Act of 2019](#) prohibits a jurisdiction from approving a housing development that requires demolition unless the project creates at least as many units as will be demolished. The project must also replace all demolished occupied or vacant “protected units,” which include units deed-restricted for lower-income households within the past five years, units subject to rent control within the past five years, units occupied by lower-income households within the past five years, or units withdrawn from the rental market via Ellis Act within the past 10 years.²⁶ The law also includes protections for existing tenants of units that will be demolished. All existing tenants must be allowed to remain until six months prior to the start of construction. Lower-income occupants are entitled to relocation benefits and a right of first refusal to rent or purchase a comparable unit in the new development at an affordable price. The amount of relocation assistance is defined by California Government Code Sections 7260 – 7277. The Housing Crisis Act of 2019 has a sunset date of January 1, 2030.

Requirements for TOC Policy Compliance

Note: *If a jurisdiction implements all provisions from SB 330/SB 8 without a sunset date, then the jurisdiction meets the standards required by and can claim credit for both Protection Policy 2 (No Net Loss and Right to Return to Demolished Homes) and Production Policy 7 (Development Certainty and Streamlined Entitlement Process).*

To comply with the TOC Policy, a jurisdiction’s policy for no net loss and right to return must meet the following minimum requirements:

- Include all the no net loss provisions in the Housing Crisis Act with no sunset date, which requires replacing all demolished units with units of equivalent size²⁷ and replacing demolished protected units with units affordable to low-income households.²⁸
- Include all right of return provisions in the Housing Crisis Act with no sunset date, which requires providing displaced lower-income tenants with relocation assistance and right of first refusal to a comparable unit at an affordable rent.²⁹

²⁶ For more information on “protected units” defined by state law, see California Government Code Section [66300\(d\)\(2\)\(F\)\(vi\)](#).

²⁷ State law defines equivalent size as containing at least the same number of bedrooms as the units being replaced.

²⁸ For more information on the affordability requirements for replacing protected units, see subparagraphs (B) and (C) of paragraph (3) of subdivision (c) of [California Government Code Section 65915](#).

²⁹ For more information on relocation assistance and right of refusal provided to lower-income households, see [California Government Code Section 66300\(d\)\(2\)\(D\)](#).

Protection Policy 3: Legal Assistance for Tenants

Investments or programs that expand access to legal assistance for tenants threatened with displacement. This could range from a “right to counsel”³⁰ to dedicated public funding for tenant legal assistance.

Purpose

Many tenant protections granted by state law can only be enforced by tenants using the court system to assert their rights, as is the case for the just cause and rent stabilization protections provided by AB 1482 as well as state anti-harassment laws. However, research and advocates have documented tenants’ lack of legal representation in eviction cases and disputes with landlords, while landlords are more commonly represented by attorneys. Legal representation for tenants can ensure greater fairness and due process and increase the likelihood of tenants keeping their housing. Providing legal assistance to tenants helps ensure that tenants have access to legal counsel and are better equipped to defend their rights in court. In recent years, there have been increasing efforts by cities to expand access to legal assistance for tenants facing eviction, which can promote housing stability and prevent homelessness.

Requirements for TOC Policy Compliance

An effective tenant legal assistance program will include eligibility criteria, a definition of the legal services provided, dedicated funding, and outreach. To comply with the TOC Policy, a jurisdiction’s tenant legal assistance program must meet the following minimum requirements:

- The program must define the situations in which a tenant receives legal assistance and set the eligible criteria for who receives assistance. At minimum, eligibility must include eviction and pre-eviction legal services for tenants with incomes at 80% of Area Median Income (AMI) or less.
- The jurisdiction must have a dedicated funding program (with secured funding) for contracting with legal service providers. The jurisdiction shall provide ongoing allocations to the legal assistance program averaging \$100,000 annually over the four-year OBAG cycle.
 - The jurisdiction can choose to contract with more than one legal assistance provider during the four-year cycle, but each contract must provide at least \$100,000 annually for the duration of the contract.
 - The amount contributed to the program by the jurisdiction can vary by year as long as the annual average is \$100,000 (i.e., at least \$400,000 in total funding over the four-year cycle with each organization funded receiving at least \$100,000 annually).
 - The jurisdiction may use CDBG funds to meet the funding requirement.

³⁰ “Right to counsel” extends the right to an attorney, required in criminal procedures, to tenants in eviction trials, which are civil procedures.

- The jurisdiction must make information available for the public on its website regarding the legal service providers who are funded to assist residents.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A copy of the program's eligibility criteria, if they are not included in the ordinance, or other documents establishing the program.
- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.

Protection Policy 4: Foreclosure Assistance

Provide a dedicated funding source to support owner-occupied homeowners (up to 120% of Area Median Income (AMI)) at-risk of foreclosure, including direct financial assistance (e.g., mortgage assistance, property tax delinquency, HOA dues, etc.), foreclosure prevention counseling, legal assistance, and/or outreach.

Purpose

Foreclosures occur when homeowners are unable to make mortgage or other debt payments on a property and therefore must forfeit the rights to their home. Homeowners at risk of foreclosure, especially lower-income households, are also vulnerable to community displacement, homelessness, and may struggle to secure housing in the future due to foreclosure related credit issues. Accordingly, local policies providing foreclosure assistance actively seek to keep homeowners in their residence, which prevents displacement and promotes community and household stability. Foreclosure assistance activities may be administered directly by a jurisdiction, but often are administered in partnership with nonprofit organizations.

Relevant State Laws/Programs

California Homeowner Bill of Rights

The [California Homeowner Bill of Rights](#) provides some protections to homeowners facing foreclosure, which focus largely on requirements for how loan servicers must act during the foreclosure process.

California Mortgage Relief Program

The [California Mortgage Relief Program](#) provides financial assistance for homeowners who have fallen behind on housing payments or property taxes during the COVID-19 pandemic because of COVID-related hardships. Funds will be deployed from the program until they are all allocated, with an end date projected by 2025.

Foreclosure Intervention Housing Preservation Program

The [Foreclosure Intervention Housing Preservation Program](#) ([Health and Safety Code Sections 50720 - 50720.12](#)) provides funds as loans or grants to eligible borrowers to acquire and rehabilitate properties at risk of foreclosure or in the foreclosure process. The program's purpose is to preserve affordable housing and promote resident or nonprofit organization ownership of residential real property. The Budget Act of 2021 appropriated \$500 million through June 30, 2027, for the program.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction's foreclosure assistance program must meet the following minimum requirements:

- A jurisdiction contracts with one or more organizations to provide foreclosure assistance to homeowners earning up to 120% of AMI.
- Foreclosure assistance activities may include tax delinquency forgiveness, emergency loans, loan modification services, legal services, foreclosure counseling, and proactive, targeted outreach to eligible households.
- The jurisdiction must have a dedicated funding program (with secured funding) for contracting with service providers. The jurisdiction shall provide ongoing allocations to the foreclosure assistance program averaging \$150,000 annually over the four-year OBAG cycle.
 - The jurisdiction can choose to contract with more than one service provider during the four-year cycle, but each contract must provide at least \$150,000 annually for the duration of the contract.
 - The amount contributed to the program by the jurisdiction can vary by year as long as the annual average is \$150,000 (i.e., at least \$600,000 in total funding over the four-year cycle with each organization funded receiving at least \$150,000 annually).
 - The jurisdiction may use CDBG funds to meet the funding requirement.
- The jurisdiction must make information available for the public on its website regarding the foreclosure assistance providers who are funded to assist residents.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A copy of the program's eligibility criteria, if they are not included in the ordinance, or other documents establishing the program.
- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.

Protection Policy 5: Rent Stabilization

Restricts annual rent increases based upon a measure of inflation or other metric, with provisions exceeding those established by [AB 1482 \(2019, Chiu\)](#).

Purpose

Rent stabilization ordinances limit annual rent increases to protect tenants from displacement. Importantly, research finds that rent stabilization policies are effective in preventing displacement and promoting neighborhood stability, particularly when paired with condominium conversion restrictions and just cause eviction regulations.³¹ By decreasing renter housing cost burden over time, rent stabilization leaves tenants with more money to spend on essential needs and in the local economy. The increased stability and affordability created by rent stabilization also has positive consequences for mental and physical health as well as children’s educational outcomes.³² Though state law currently caps rent increases for some tenants, these protections expire in 2030 and allow rent increases beyond what many tenants can afford.³³ Moreover, in the absence of local rent stabilization ordinances and local government infrastructure to enforce them, tenants may be unaware of their rights and how to utilize them. As a result, multiple jurisdictions throughout the Bay Area and across California have adopted local rent stabilization ordinances that go beyond state law to better ensure stability for tenants.

Relevant State Laws

Tenant Protection Act of 2019

[AB 1482](#) (the Tenant Protection Act of 2019) limits annual rent increases to no more than 5% plus the local Consumer Price Index (a measure of the inflation rate) or 10%, whichever is lower. This law currently has a sunset of January 1, 2030.

Costa-Hawkins Rental Housing Act

Local rent stabilization ordinances must adhere to the framework established in state law by the [Costa-Hawkins Rental Housing Act](#). This law establishes certain parameters for the policy features of local ordinances, such as prohibiting rent stabilization on single-family homes or buildings constructed after 1995, and allowing landlords to reset rents to market rate after a tenant leaves their unit (known as “vacancy decontrol”).

³¹ Chapple, K. et. al. (2022). [Housing Market Interventions and Residential Mobility in the San Francisco Bay Area](#). Federal Reserve Bank of San Francisco.

³² PolicyLink. “Rent Stabilization.” Available at: <https://www.policylink.org/resources-tools/tools/all-in-cities/housing-anti-displacement/rent-control>

³³ Research shows that the 8% rent cap in place in San Jose from 1979 to 2016 had little impact on displacement, leading the city to lower its rent cap to 5% in 2016. Accordingly, the 10% cap allowed in state law may be similarly ineffective at preventing displacement. For more information see the findings in [“Exploring The Effectiveness Of Tenant Protections In Silicon Valley”](#) by the Urban Displacement Project at UC Berkeley.

Local ordinances retain significant room for policy flexibility to respond to local circumstances but must meet Costa-Hawkins's standards.

Requirements for TOC Policy Compliance

An effective rent stabilization ordinance will define a maximum annual rent increase and create mechanisms for local enforcement. To comply with the TOC Policy, a jurisdiction's rent stabilization ordinance must meet the following minimum requirements:

- The ordinance must apply to multifamily rental housing with three or more units, while adhering to the parameters of the Costa-Hawkins Rental Housing Act.
 - The ordinance may allow for exemptions for special housing types (e.g., deed-restricted affordable housing, student housing, assisted living facilities).
- The ordinance must not have a sunset date.
- A rent stabilization ordinance must define maximum annual rent increases as **one** of the following:
 - A flat rate increase of up to 5%.³⁴ A jurisdiction may choose to set the maximum allowable rent increase below 5% (for example, several Bay Area jurisdictions set the maximum allowable rent increase at 3%).
 - A rate increase linked to the local Consumer Price Index (CPI), which is a measure of inflation. A jurisdiction must set the maximum allowable rent increase no higher than 100% of CPI, or the jurisdiction could choose to set the maximum allowable rent increase at a smaller percentage of CPI.
 - Some combination of the two standards described above (e.g., a maximum annual rent increase limited to 60% of CPI or 5%, whichever is lower).
- A jurisdiction must define a local enforcement mechanism (such as a rent board or administrative hearing) whereby tenants can dispute rent increases that exceed legally allowed maximums.³⁵

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documents or regulations describing the processes for enforcing maximum allowable rent increases and deciding disputes regarding rent increases, if these processes are not described in the jurisdiction's rent stabilization ordinance.

³⁴ Maximum caps higher than 5% have been found to lack effectiveness at preventing displacement in some circumstances. For more information, see UC Berkeley Urban Displacement Project. ["Exploring The Effectiveness of Tenant Protections In Silicon Valley."](#)

³⁵ While AB 1482 can only be enforced by state courts, local rent stabilization ordinances can provide more easily accessible processes for tenants to dispute rent increases that exceed legally allowed maximums.

Protection Policy 6: Rental Assistance Program

Provide a dedicated funding source and program for rental assistance to low-income households.

Purpose

Health emergencies, job loss, or other unexpected expenses disproportionately impact lower-income households, and force renters to choose between paying rent and covering other necessary life expenses. Most eviction filings result from unpaid rent totaling less than the cost of one month, according to research from Princeton University's Eviction Lab.³⁶ For these reasons, rental assistance programs providing low-income tenants with emergency, short-term funds for rent are effective at preventing eviction and stopping displacement.³⁷ Notably, these programs are intended to be temporary payments to assist tenants during an economic hardship. Tenants with persistent difficulties paying rent are better served by longer-term forms of rental assistance (e.g., Housing Choice Vouchers) or other income-based affordable housing programs.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction's tenant rental assistance program must meet the following minimum requirements:

- The program must define the situations in which a tenant receives rental assistance and set the eligibility criteria for who receives assistance. Assistance must serve tenants with incomes at 80% of Area Median Income (AMI) or less, and jurisdictions may decide to target specific income groups or populations deemed most at risk of displacement and/or homelessness. The jurisdiction may choose to include additional eligibility requirements such as the type(s) of documentation required for a tenant to establish eligibility (e.g., signed self-attestation form, etc.).
- The jurisdiction must have a dedicated funding program (with secured funding) that provides tenant rental assistance. The jurisdiction shall provide ongoing allocations to the rental assistance program averaging \$100,000 annually over the four-year OBAG cycle. The amount contributed to the funding program by the jurisdiction can vary by year as long as the annual average is \$100,000 (i.e., at least \$400,000 in total funding over the four-year cycle).
- Rental assistance can be distributed directly by the jurisdiction, or the jurisdiction can contract with nonprofits and/or community-based organizations to administer the funds. If the jurisdiction chooses to contract with outside organizations, each contract must provide at least \$100,000 annually for the duration of the contract. The jurisdiction may use CDBG funds to meet the funding requirement.

³⁶ Badger, Emily. (2019). [Many Renters Who Face Eviction Owe Less than \\$600](#). The New York Times.

³⁷ Chapple, K. et. al. (2022). [Housing Market Interventions and Residential Mobility in the San Francisco Bay Area](#). Federal Reserve Bank of San Francisco.

- The jurisdiction must make information available for the public on its website regarding the rental assistance providers who are funded to assist residents.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- A copy of the program’s eligibility criteria, if they are not included in the ordinance, or other documents establishing the program.
- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.

Preservation Policy 8/Protection Policy 7: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities

See description on page 22.

Protection Policy 8: Tenant Relocation Assistance

Policy or program that provides relocation assistance (financial and/or other services) to tenants displaced through no fault of their own, with assistance exceeding that required under state law.

Purpose

Relocation assistance can prevent undue burden and hardship for renters in the Bay Area’s high-cost housing market. The majority of Bay Area tenants are lower-income, making less than 80% of Area Median Income (AMI), while nearly one-quarter of the region’s renters are extremely low-income and make less than 30% of AMI.³⁸ Consequently, most tenants are likely to require financial assistance to regain stability if they are displaced from their current housing due to demolition, code enforcement violations, no-fault or no-cause evictions, or other circumstances outside of their control.

Relevant State Laws

Multiple state laws govern situations that require property owners to provide tenants with relocation assistance, including the following:

- [Tenant Protection Act of 2019 \(AB 1482\)](#)
- [California Government Code Sections 7260-7277](#)
- [Housing Crisis Act of 2019](#), established by [SB 330 \(2019\)](#) and amended by [SB 8 \(2021\)](#)
- [California Health and Safety Code Sections 17975-17975.10](#)

³⁸ U.S. Department of Housing and Urban Development (HUD), [Comprehensive Housing Affordability Strategy \(CHAS\) ACS tabulation, 2013-2017 release](#).

Requirements for TOC Policy Compliance

An effective relocation assistance policy includes clear definitions of eligibility and compensation. To comply with the TOC Policy, a jurisdiction's relocation assistance policy must meet the following minimum requirements:

- Relocation payments must be required for all no-cause or no-fault evictions.³⁹
- Jurisdictions can choose to limit assistance to lower-income tenants (those at 80% of AMI or less) or moderate-income tenants (those at 120% of AMI or less).
- The amount of relocation assistance must be equal to at least two months' fair market rent, unless another law (e.g., local, state, federal) requires a higher minimum amount.

Protection Policy 9: Mobile Home Rent Stabilization

Restricts annual rent increases on mobile home residents based upon a measure of inflation or another metric.

Purpose

A mobile home rent stabilization policy can help protect the affordability and stability of mobile home communities. Mobile home parks are often a unique hybrid of rental housing and ownership housing: residents typically own their homes and rent the lots where the homes are located, which generally enables mobile homes to be purchased at much lower prices than other forms of homeownership. In some cases, a tenant rents the actual mobile home, and the mobile home owner pays lot rent to the park owner (or the park owner also owns the mobile home itself). Despite their name, mobile homes are rarely able to be moved off their lots, and so an unaffordable increase in lot rent could force the sale of the mobile home and displacement of the resident. In some communities, mobile home parks comprise a significant portion of unsubsidized affordable housing, and these neighborhoods are increasingly being acquired by speculative investors.⁴⁰ Given these conditions, mobile home rent stabilization can promote longer-term community stability for mobile home residents and prevent displacement of lower-income residents who lack other housing options.

Relevant State Law

SB 940 (2022)

While the [Mobile Home Residency Law](#) previously exempted “new construction” from local mobile home rent stabilization laws, [SB 940 \(2022\)](#) limits this exemption to 15

³⁹ No-fault evictions can occur for tenants covered by just cause eviction protections under state law (i.e., AB 1482) or local ordinances, and these no-fault circumstances are defined by the terms of these laws. For tenants who are not covered by just cause eviction protections under state law or local ordinances, no-cause evictions occur when a landlord chooses not to renew an annual lease or provides a notice to terminate the tenancy that is not required to state a reason.

⁴⁰ Arnold, C., Benincasa, R., and Childs, M. 2021. [How the government helps investors buy mobile home parks, raise rent and evict people](#). National Public Radio.

years. Additionally, SB 940 creates a distinction between mobile home parks and mobile home spaces. For individual mobile home spaces within an existing mobile home park, “new construction” is newly constructed spaces “initially rented” after January 1, 1990. For mobile home parks, “new construction” is defined as all spaces in a newly constructed mobile home park for which the permit to operate is first issued on or after January 1, 2023.

Requirements for TOC Policy Compliance

An effective mobile home rent stabilization ordinance will include a limit on annual rent increases and processes for ensuring compliance with the policy. To comply with the TOC Policy, a jurisdiction’s mobile home rent stabilization ordinance must meet the following minimum requirements:

- A mobile home rent stabilization ordinance must define maximum annual rent increases for both mobile home spaces (i.e., lot rent) and mobile homes as **one** of the following:
 - A flat rate increase of up to 5%. A jurisdiction may choose to set the maximum allowable rent increase below 5%.
 - A rate increase linked to the local Consumer Price Index (CPI), which is a measure of inflation. A jurisdiction could choose to set the maximum allowable rent increase as high as 100% of CPI, or the jurisdiction could choose to set the maximum allowable rent increase at a smaller percentage of CPI.
 - Some combination of the two standards described above (e.g., a maximum annual rent increase limited to 60% of CPI or 5%, whichever is lower).
- Some form of vacancy control within constitutional limits.
- A jurisdiction must define a local enforcement mechanism (such as a rent board or administrative hearing) whereby mobile home residents can dispute rent increases that exceed legally allowed maximums.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documents or regulations describing the processes for enforcing maximum allowable rent increases and deciding disputes regarding rent increases, if these processes are not described in the jurisdiction’s rent stabilization ordinance.

Protection Policy 10: Fair Housing Enforcement

Policy, program, or investments that support fair housing testing, compliance monitoring, and enforcement.

Purpose

Fair housing laws aim to ensure that people have equal access to housing regardless of their race, national origin, family status, religion, sex, disability, or other characteristics that are known as “protected classes.”⁴¹ Across the region, people of color, people with disabilities, and other protected classes are disproportionately represented in a number of indicators of housing need that put them at greater risk of displacement.⁴² Consistent enforcement of existing fair housing law is a critical strategy to overcome patterns of segregation and foster inclusive communities. Local jurisdictions can further fair housing by supporting fair housing organizations who conduct fair housing testing, investigate complaints, and assist with filing complaints with the state and/or federal agencies who can take administrative action. In response to fair housing complaints, fair housing organizations can also provide mediation between housing providers and complainants, or file lawsuits against those found to be in violation of the law.

Relevant State Laws

Fair Employment and Housing Act

California’s [Fair Employment and Housing Act](#) prohibits those engaged in the housing business from discriminating against protected classes. The California Department of Fair Employment and Housing is responsible for enforcing state fair housing laws, which includes investigating and settling fair housing complaints.

AB 686

Affirmatively Furthering Fair Housing, established by [AB 686 \(2018\)](#), requires that local jurisdictions take meaningful actions that address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction’s fair housing enforcement policy must meet at least **one** of the following minimum requirements:

⁴¹ The Fair Housing Act is a federal law passed in 1968 and amended several times thereafter that protects individuals from experiencing housing discrimination based on the following characteristics: race, color, national origin, religion, sex, familial status, and disability. California’s Fair Employment and Housing Act expands on the protected classes defined by federal law by also prohibiting housing discrimination based on the following characteristics: sexual orientation, gender identity and gender expression, genetic information, marital status, source of income, citizenship, primary language, and immigration status.

⁴² For more information on disparities in housing needs, see [ABAG’s Housing Needs Data Packets](#).

1. A jurisdiction contracts with one or more fair housing service providers to serve its constituents and provide fair housing enforcement, and the jurisdiction effectively advertises those services to residents.⁴³
 - A dedicated and consistent funding source is required to maintain compliance. The jurisdiction shall provide ongoing allocations to the funding program averaging \$150,000 annually over the four-year OBAG cycle.
 - The jurisdiction can choose to contract with more than one organization during the four-year cycle, but each contract with a fair housing organization must provide at least \$150,000 annually for the duration of the contract.
 - The amount contributed to the funding program by the jurisdiction can vary by year as long as the annual average is \$150,000 (i.e., at least \$600,000 in total funding over the four-year cycle with each organization funded receiving at least \$150,000 annually).
 - The jurisdiction may use CDBG funds to meet the funding requirement.
2. A jurisdiction establishes a locally administered fair housing testing and enforcement program. Program staff conduct fair housing testing on a regular basis,⁴⁴ investigate complaints of discrimination, provide information to tenants and landlords, and refer cases to the State Department of Fair Employment and Housing.⁴⁵
 - A dedicated and consistent funding source is required to maintain compliance. The jurisdiction shall provide ongoing allocations to the program averaging \$150,000 annually over the four-year OBAG cycle. The amount contributed to the funding program by the jurisdiction can vary by year as long as the annual average is \$150,000 (i.e., at least \$600,000 in total funding over the four-year cycle).

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit:

- Documents demonstrating the jurisdiction has committed funding that meets the minimum requirements described above.

⁴³ Jurisdictions may choose to contract an organization from this list of [entities that receive funding through HUD's Fair Housing Initiatives Program](#). For example, jurisdictions in Marin County contract Fair Housing Advocates of Northern California.

⁴⁴ In 2017, the City of Seattle conducted their own [in-house civil rights testing program](#) where housing tests were conducted by email, phone and in-person.

⁴⁵ The City of Santa Barbara has a [Fair Housing Enforcement Officer](#) on staff who completes these actions.

Protection Policy 11: Tenant Anti-Harassment Protections

Policy or program that grants tenants legal protection from unreasonable, abusive, or coercive landlord behavior.

Purpose

Despite existing state law prohibiting landlords from using threats or intimidation for the purpose of influencing tenants to vacate a unit, landlord harassment continues to be an issue of concern and driver of informal evictions in many communities across the Bay Area. State law lacks specific language defining harassing behavior, which can make violations difficult to prove in court. As a result, multiple jurisdictions throughout the Bay Area and across California have adopted anti-harassment ordinances that go beyond state law to better ensure stability for vulnerable tenants.⁴⁶

Informal evictions through tenant harassment are a persistent problem for low-income, undocumented, and/or limited English-speaking residents because these populations are especially vulnerable to landlord actions.⁴⁷ Anti-harassment ordinances can reduce such displacement pressures by clarifying what constitutes harassment and enabling affected tenants as well as jurisdictions to stop harassment. Anti-harassment policies can also support habitability improvements by reducing the risk of retaliation against tenants who report habitability issues to landlords, thereby improving the quality of housing.

Relevant State Laws

California Civil Code Section 1940.2

[State law](#) prohibits a landlord from using “force, willful threats, or menacing conduct” to influence a tenant to vacate a dwelling. The law also prohibits a landlord from threatening to disclose information regarding the immigration or citizenship status of a tenant. Tenants are entitled to up to \$2,000 per violation if they prevail in a civil action.

California Civil Code Section 1942.5

[State law](#) prohibits a landlord from retaliating against a tenant for exercising their legal rights. Landlords who violate this prohibition are liable for actual damages, attorney’s fees, and punitive damages of up to \$2,000 per retaliatory act.

⁴⁶ [Mercury News article](#) from June 15, 2022, reporting on tenant harassment in Concord and the ordinance passed in response by the City Council. [East Bay Times article](#) from July 13, 2021, reporting on tenant harassment in Richmond and the ordinance passed in response by the City Council.

⁴⁷ Desmond, M. (2012) Eviction and the Reproduction of Urban Poverty. *AJS*: 118(1) 88-133; Desmond, M. C. Gershenson, and B. Kiviat (2016) Forced Relocation and Residential Instability among Urban Renters. *Social Service Review* 89 (2). Greenberg, D. C. Gershenson and M. Desmond (2016) Discrimination in Evictions: Empirical Evidence and Legal Challenges. *Harvard Civil Rights-Civil Liberties Law Review* 51: 115-158.

Requirements for TOC Policy Compliance

An effective tenant anti-harassment ordinance defines prohibited harassing behaviors and mechanisms for enforcement. To comply with the TOC Policy, a jurisdiction's tenant anti-harassment ordinance must meet the following minimum requirements:

- The ordinance must define harassing behaviors, which at minimum shall include behaviors prohibited by state law as well as the following:
 - Any behavior to prevent tenant organizing. Landlords may not impinge tenants' ability to engage in organizing activities regarding issues of common interest or concern to other tenants, including distributing literature to and/or meeting with other residents at properties owned by the same landlord.
 - Refusal to accept or acknowledge receipt of a tenant's lawful rent payment.
 - Requesting information or documentation relating to immigration or citizenship status, unless otherwise required by federal law.
 - Failing to perform repairs or maintenance or threatening to fail to perform repairs or maintenance required by contract or by state, county, or local housing, health, or safety laws.
- The ordinance must state that the city attorney as well as the impacted tenant may bring a civil action or request an injunction in response to harassment.
- The ordinance must establish penalties for landlords found to be in violation, which could include fines, attorneys' fees, and punitive damages. The ordinance shall also define a violation of the ordinance as an affirmative defense for a tenant in an eviction proceeding.
- The ordinance must establish noticing requirements for landlords to provide each tenant with an information sheet outlining anti-harassment protections and any other tenant protections in the jurisdiction (e.g., rent stabilization, just cause, relocation assistance). The sheet must include links to the city website and at least one local tenant legal services organization.

IV. Commercial Stabilization Policy Options

Commercial Stabilization Policy 1: Small Business and Non-Profit Overlay

Establish boundaries designated for an overlay, triggering a set of protections and benefits should development impact small businesses (including public markets) or community-serving non-profits.

Purpose

To prevent displacement caused by transit-oriented development, jurisdictions can protect existing small businesses and community-serving non-profits by affording protections and benefits beyond what is available jurisdiction-wide. A jurisdiction may select this policy to preserve the rich community of small businesses and non-profits located in areas that are subject to new development. An “overlay zone” is a district that superimposes additional regulations over existing zoning districts.⁴⁸ A successful overlay zone offers benefits such as an operating subsidy, eviction protections, and relocation requirements.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction’s small business and non-profit overlay policy must meet the following minimum requirements:

- Jurisdictions must define “small business” and “community-serving non-profit” to establish the minimum requirements to qualify for protections.
- Offer at least one protection or benefit specific to the community and expected to prevent displacement.

Commercial Stabilization Policy 2: Small Business and Non-Profit Preference Policy

Give priority and a right of first offer to local small businesses and/or community-serving non-profits when selecting a tenant for new market-rate commercial space.

Purpose

Transit-oriented development has the potential to displace existing small businesses and non-profits as new development may increase commercial rent costs. This policy would require that developments with commercial spaces on jurisdiction-owned property provide a preference to small businesses and/or community-serving non-profits when selecting tenants by offering them the right of first offer. A jurisdiction would select this policy to protect their existing community of non-profits and small businesses from displacement.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction’s small business and non-profit preference policy must meet the following minimum requirements:

- Jurisdictions must define “small business” and “community-serving non-profit” to establish the minimum requirements to qualify for preference.

⁴⁸ Planetizen Planopedia. [“What is an Overlay District?”](#)

- Establish a preference policy for jurisdiction-owned property that prioritizes small businesses and non-profits when selecting new tenants by offering them the right of first offer.

Commercial Stabilization Policy 3: Small Business and Non-Profit Financial Assistance Program

Dedicated funding program for any impacted small business and community-serving non-profits.

Purpose

As jurisdictions promote transit-oriented development in their communities, they must also take steps to prevent displacement and gentrification in these areas. By providing direct financial assistance, jurisdictions can support small businesses and non-profits through the community-wide transition that comes with new transit-oriented development. Jurisdictions may choose this policy to protect their small businesses and community-serving non-profits that enrich the fabric of their community.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction's small business and non-profit financial assistance program must meet the following minimum requirements:

- Provide funding to a financial assistance program that targets businesses and non-profits located in the TOC station areas or a wider area.
 - This program must be appropriately staffed to provide technical assistance and up-to-date information online regarding funding opportunities and deadlines.
- Define the size of a small business eligible for financial assistance.
- Define a "community serving" non-profit eligible for financial assistance.

Commercial Stabilization Policy 4: Small Business Advocate Office

Provide a single point of contact for small business owners and/or a small business alliance.

Purpose

A jurisdiction's small business economy is bolstered by technical assistance, educational workshops, advertising and exposure, and the development of a network of neighboring businesses. These types of support could be offered by a jurisdiction or an outside contractor and are best utilized when there is a single point of contact. A jurisdiction may choose this policy to commit to the resilience of their small business community.

Requirements for TOC Policy Compliance

To comply with the TOC Policy, a jurisdiction's small business advocate office policy must meet the following minimum requirements:

- Provide a single point of contact for small business owners to connect with a technical support resource. The single point of contact could be a jurisdiction staff member or an outside contractor.
 - The single point of contact, if an outside contractor, could be a staff member of the nearest Small Business Center (SBC) or Small Business Development Center (SBDC).⁴⁹ The SBC or SBDC should be in contract with the jurisdiction to provide this service.

⁴⁹ SBCs are part of the [California Network of Small Business and Technical Assistance Centers](#), funded by CalOSBA, while SBDCs are part of a [nationwide network](#) funded by the [U.S. Small Business Administration](#).